

Myanmar signs gas deal with S Korea, India, China

AFP, Yangon

Military-run Myanmar has signed a deal with South Korean and Indian companies to pipe natural gas from the energy-rich nation's offshore fields to China, state media reported yesterday.

The Myanmar Oil and Gas Enterprise inked the deal last Wednesday with South Korean companies Daewoo and Korea Gas Corporation and Indian energy firms ONGC Videsh and GAIL to supply gas to the China National United Oil Corporation.

The agreement was signed to export natural gas to China from Shwe natural gas project at Block A-1 and A-3 at Rakhine coastal region through pipelines," the New Light of Myanmar newspaper said.

The paper gave no other details of the project, but Beijing media reported last month that China was planning to start construction on a gas pipeline to Myanmar in early 2009.

The two blocks are off the coast of western

Rakhine state near the border with Bangladesh, where impoverished Myanmar has discovered huge reserves of natural gas, which are helping prop up the military junta.

Myanmar, which has been ruled by the military since 1962, is under economic sanctions by the United States and Europe because of its human rights record and long-running detention of democracy leader Aung San Suu Kyi.

But the impact of the sanctions has been weakened as neighbours such as China, India and Thailand spend billions of dollars for a share of Myanmar's oil and gas reserves to solve energy problems at home.

China is a key ally of Myanmar, and is also the top buyer of its abundant natural resources including gems, jade, pearls, timber and gas.

Figures from 2006 showed that 13 foreign oil companies are working on 33 projects in the country, while gas exports earned the regime 2.7 billion dollars last year, a Myanmar newspaper has said.

Trials open for 9 over China tainted milk scandal

AP, Beijing

Nine people went on trial Monday in connection with China's tainted milk scandal, state media reported, following the announcement of steps to compensate the families of hundreds of thousands of children harmed by contaminated infant formula.

Hearings were held in the northern city of Shijiazhuang, where the company at the heart of the scandal, Sanlu Group Co. is headquartered, along with three other cities in surrounding Hebei province, according to state broadcaster CCTV and the Xinhua News Agency.

The first trials in the case began for six men on Friday.

All 15 on trial have been charged with producing and selling melamine. The industrial chemical was added to raw milk because like protein it is high in nitrogen and can make protein levels appear higher.



PHOTO: AFP

Sri Lankan policeman (C) stand guard as a United Nations food convoy travels through the town of Vavuniya yesterday en route to the Tamil rebel-held north of the island. The UN and the International Committee of the Red Cross are pushing food and other supplies to the region where some 300,000 civilians are trapped by the ongoing fighting between Lanka government forces and Tamil Tiger rebels.

Pro-Thaksin protesters ring Thai Parliament

AP, Bangkok

Thousands of supporters of exiled former Prime Minister Thaksin Shinawatra ringed Thailand's Parliament on Monday, vowing to remain until the new government dissolves the legislature and calls general elections.

The demonstrators dared lawmakers to pass through their ranks to deliver a mandated speech outlining the government's key policies.

"If they (lawmakers) want to go in, they have to walk through us, including the prime minister," one of the protest leaders, Chatuporn Prompan, told reporters outside the Parliament compound where demonstrators spent the night.

The demonstration sparked fears of renewed political turbulence, which paralysed the previous government for months and climaxed with an eight-day seizure of Bangkok's airports. But the earlier protesters had been part of an anti-Thaksin alliance.

The latest round of protests could further batter the nearly moribund tourism industry, the country's no. 1 foreign currency earner, along with other economic sectors.

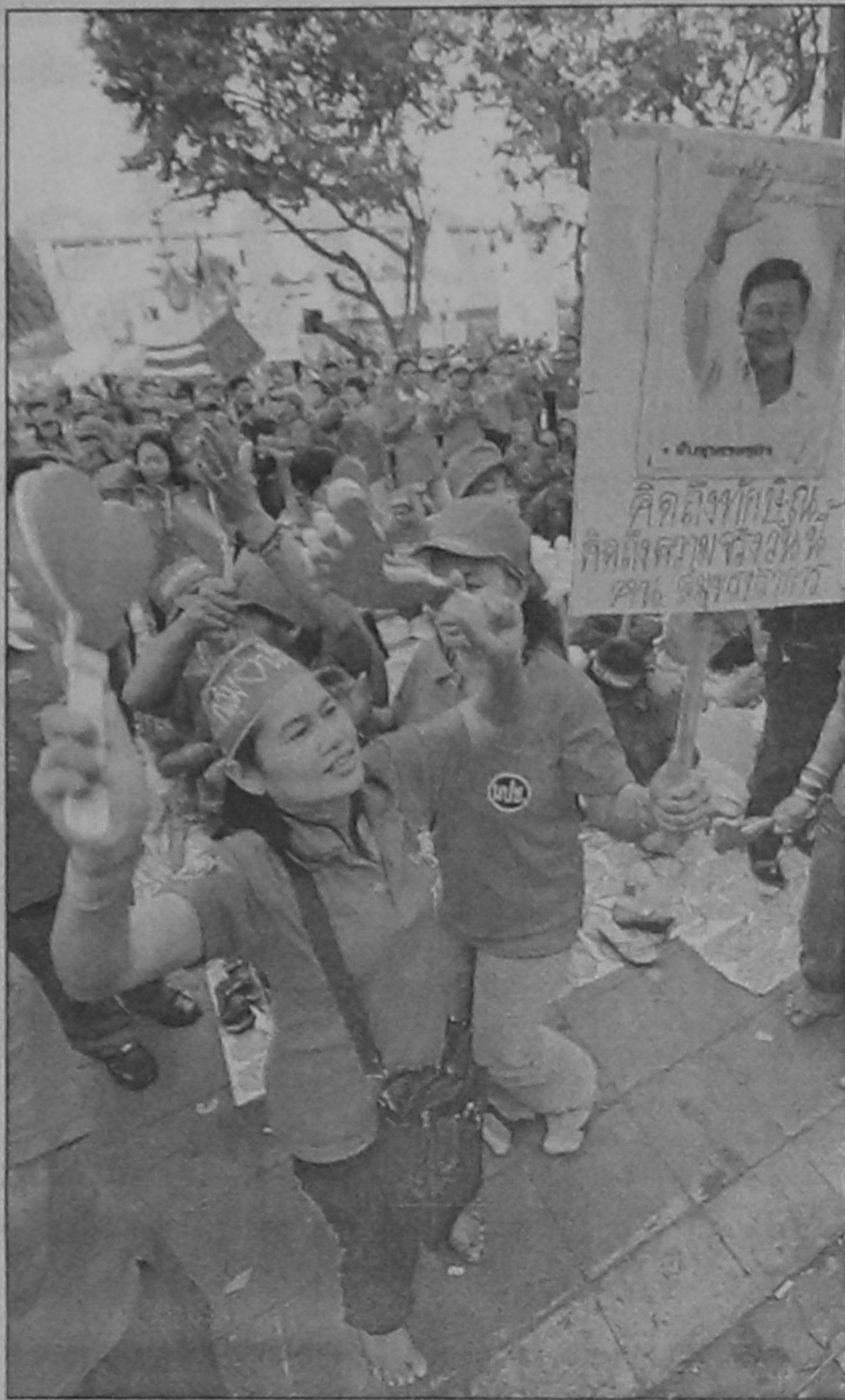


PHOTO: AFP

A supporter of former prime minister Thaksin Shinawatra waves a national flag during a protest outside of the Parliament in Bangkok yesterday. Thousands of Thai protesters calling for fresh elections blocked roads in front of parliament in Bangkok, forcing new premier Abhisit Vejjajiva to delay his maiden policy speech.

AU suspends Guinea following coup

AP, Addis Ababa

The African Union suspended Guinea on Monday after a coup in the West African nation.

The suspension will stand "until the return of constitutional order in that country," the African bloc said after a meeting of its Peace and Security Council in the Ethiopian capital, where it is based.

The military coup followed the Dec. 22 death of Guinea's longtime dictator Lansana Conte after more than two decades in power. The coup leader, renegade army Capt. Moussa Camara, said his group would hold power until elections in two years.

Until Conte's death, Guinea had been ruled by only two people since its 1958 independence from France.

Conte first took power in a 1984 military coup after his predecessor's death, embarking on more than two decades of stern-handed, dictatorial rule.

For years, Conte was forced to make TV appearances to counter rumours that he was in fact dead. His declining health paralleled the decay of what was once one of Africa's most promising states - blessed with diamonds, gold and half the world's reserves of bauxite, the raw material used to make aluminium.

Somalia's president quits after 4 years in power

AP, Mogadishu

Somalia's president resigned Monday as the head of his country's UN-backed government after four years of leading one of the most violent, impoverished countries in the world.

Abdullahi Yusuf made the announcement in a speech before parliament in Baidoa, one of the only towns controlled by the weak government, which has been sidelined by an increasingly powerful Islamic insurgency. The speaker of parliament will stand in as acting president until elections.

"When I took power I pledged three things," Yusuf said in his address, which was broadcast on radio nationwide.

"If I was unable to fulfil my duty I will resign. Second, I said I will do everything in my power to make government work across the country.

That did not happen either. Third, I asked the leaders to cooperate with me for the common good of the people. That did not happen," he said.

Yusuf's administration failed to bring security to the war-ravaged nation and now only controls pockets of the capital, Mogadishu, and Baidoa. Islamic insurgents control most of the country.

Thousands of civilians have been killed or maimed by mortar shells, machine-gun crossfire and grenades in near-daily fighting in this arid, Horn of Africa country. The United Nations says Somalia has 300,000 acutely malnourished children, but that attacks and kidnappings of aid workers have shut down many humanitarian projects.

The lawlessness also has allowed piracy to flourish off the coast.

NEWS ANALYSIS

Pakistan, India can't afford war

AFP, Islamabad

The risk of war between nuclear-armed India and Pakistan has increased with the redeployment of troops along the common border, but neither can afford the cost of such a conflict, analysts say.

The two sides have raised tensions by whipping up war hype for domestic reasons since the Mumbai attacks last

month, but must step back from the brink to focus on more pressing issues such as the spread of militancy, they say.

A war is even less likely as the United States, a key ally of both Islamabad and New Delhi, would suffer as a result, the experts warn.

"The risk of war has increased with troop mobilisation," Hasan Askari, a politi-

cal analyst and former head of the political science department at the University of Punjab, told AFP.

"However this does not necessarily mean that the two countries will go to war. There are a number of considerations which impel the two sides not to cross the red line."

Senior Pakistani security and defence officials said Friday the military had moved

a "limited number" of troops fighting Taliban militants in the tribal areas near Afghanistan to the Indian border as a "minimum security" measure.

This followed intelligence intercepts indicating that India had put its forces on notice to move to the border and cancelled all leave, they said. An Indian army spokesman however

told AFP that no troops had been moved.

Retired Pakistani general Talat Masood said: "While the political and military leadership in both countries don't want war to happen, this action-and-reaction phenomenon is promoting escalation."

Both sides say they do not want war but would respond if attacked.

NEWS ANALYSIS

Toppling Hamas real tough

AP, Jerusalem

Gaza's deeply entrenched Hamas rulers won't be easily toppled, even by Israel's unprecedented bombings Saturday that killed more than 200 people, most of them men in Hamas uniform.

For now, Israel's defence minister says he's striving for a lesser, temporary objective to deliver such a punishing blow to Hamas that the Islamic militants will halt rocket attacks on Israel.

But Israel's offensive, launched just six weeks before a general election in the Jewish state, is fraught with risks. The horrific TV images of dead and wounded Gazans are inflaming Arab public opinion, embarrassing moderate Arab regimes and weakening Hamas' rival, Palestinian President Mahmoud Abbas.

Israel also risks opening new fronts, including unrest that could destabilize the Abbas-ruled West Bank and possible rocket attacks by Lebanese Hezbollah guerrillas on northern Israel.

Hezbollah already proved its military

prowess in its 2006 war with Israel, firing thousands of rockets. That war erupted while Israel was fighting in Gaza. Meanwhile, stone-throwing protests erupted across the West Bank on Saturday.

Far from being cowed, Hamas leaders sounded defiant Saturday, and Hamas militants fired dozens of rockets into Israel. One Israeli was killed Saturday, and mounting Israeli casualties could turn Israeli public opinion against the offensive.

"Once you set the ball rolling, you cannot determine where it is going to stop," said Mouin Rabbani, a Jordan-based Mideast analyst.

Israeli leaders say they had no choice but to act.

A truce between Israel and Hamas, which took effect in June, began unraveling in early November, following an Israeli cross-border raid in Gaza. Since then, Gaza militants have fired scores of rockets. Israel held off on a major response, apparently in hopes that a new truce could be negotiated.

The government, a coalition of the centrist Kadima Party and the centre-left Labor of Defence Minister Ehud Barak, could not afford to be seen as indecisive at a time when hardline opposition leader Benjamin Netanyahu was mounting a strong political challenge. Elections are scheduled on Feb. 10.

Saturday's strikes appeared aimed at hurting Hamas, while minimising risk to Israeli forces.

Barak said the offensive would continue as long as necessary and could be widened an apparent reference to sending in ground troops if necessary. However, Barak defined a narrow objective, to halt the rocket fire from Gaza, not to bring down Hamas, which Israel considers a terrorist group.

Eighteen months after seizing Gaza by force, Hamas is in firm control and commands thousands of armed men. It is unlikely to be brought down by force, short of Israel reoccupying the territory. Israel doesn't like that option because it doesn't want to get bogged down in urban warfare.

10 dead after Indonesia boat capsizes

AFP, Jakarta

At least 10 people, including women and children, were killed in Indonesia on Monday after a strong wave capsized a boat in the Java Sea, a report said.

The boat was one of several vessels about to perform an offering at sea as a ritual to celebrate the Javanese New Year.

"We've received 10 dead bodies," a nurse from a nearby hospital was quoted as saying by Detikcom news website.

"We've had this ritual every year. This is the first time we have had an accident," local resident Adi Winoto was quoted as saying by Elshinta radio.

He said the size of the waves was hampering efforts to look for any other possible victims.

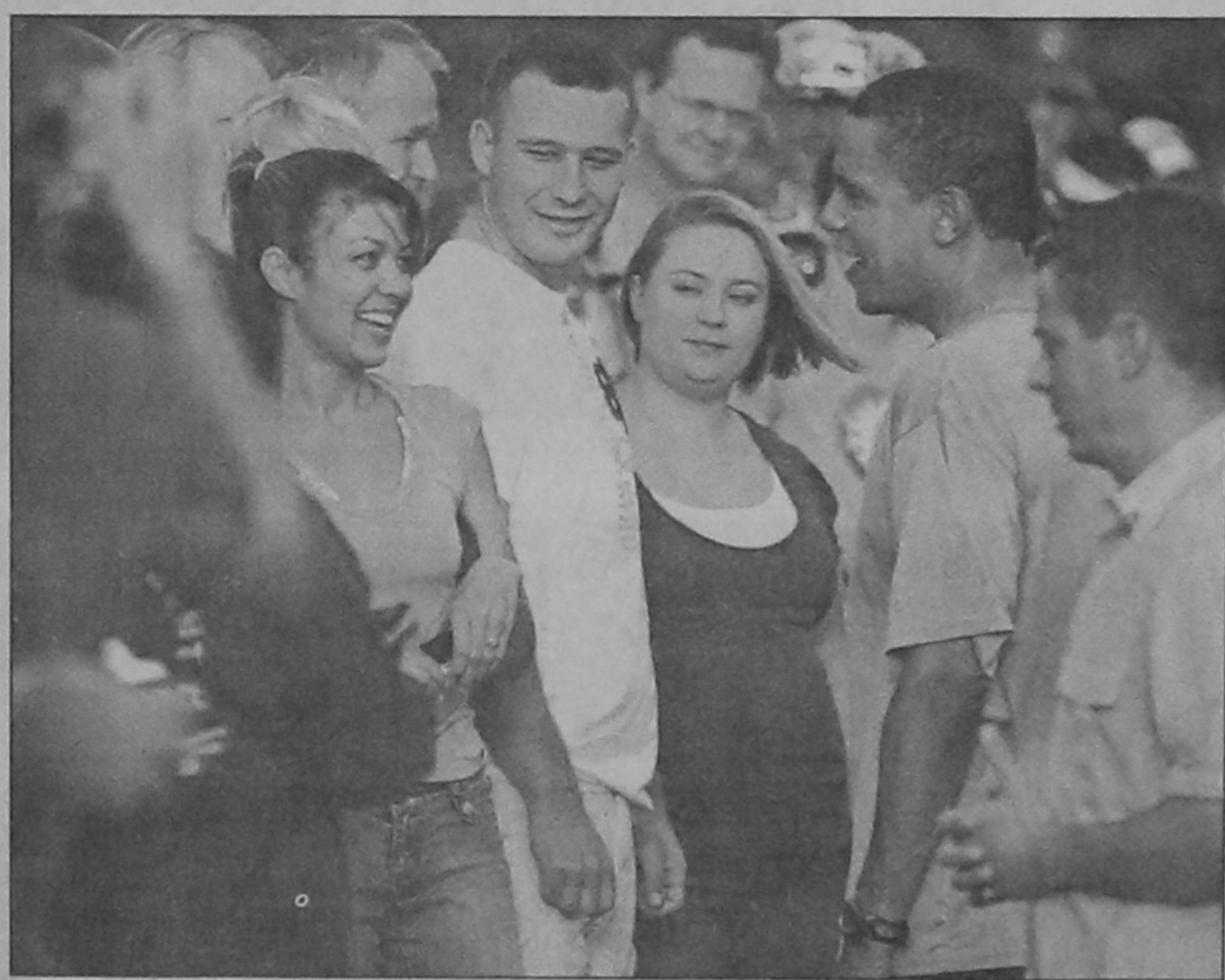


PHOTO: AFP

US President-elect Barack Obama (2nd-R) departs a gym after his morning work, taking time to talk with locals on Sunday at Marine Corps Base Hawaii in Kailua, Hawaii.

Gaza complicates Obama's policy in Mideast

AP, Crawford

President-elect Barack Obama's transition team is choosing its words carefully in dealing with Israel's assault on Hamas in the Gaza Strip.

The deaths of hundreds of Palestinians in Israel's deadly air assault on the militant Islamic group will further complicate Obama's challenge to achieve a Middle East peace something that eluded both the Bush and Clinton administrations.

David Axelrod, senior adviser to Obama, said the president-elect would honor the "important bond" between the United States and Israel.

"He wants to be a constructive force in helping to bring about the peace and security that both the Israelis and the Palestinians want and deserve," Axelrod said Sunday on CBS' "Face the Nation." "Obviously, this situation has become even more complicated in the last couple of days and weeks. As Hamas began its shelling, Israel responded. But it's something that he's committed to."

Pressed about how much support Obama will offer Israel, Axelrod said: "He's going to work closely with the Israelis. They're a great ally of ours, the most important ally in the region. ... But

he will do so in a way that will promote the cause of peace, and work closely with the Israelis and the Palestinians on that toward that objective."

The Bush administration has blamed the renewed violence on the militant Hamas, which controls the Gaza Strip, saying it broke a cease-fire by firing rockets and mortars deep into Israeli territory. The Arab world, however, has reacted with rage to the aggressive Israeli counterattacks, which have left at least 290 Palestinians dead and more than 600 wounded.

It's unclear whether Obama will be as supportive of Israel as President George W. Bush has been.

Jon Alterman, head of the Middle East programme at the Centre for Strategic and International Studies in Washington, speculated that Israeli leaders synchronized their retaliatory attacks to political calendars in both Israel and the US. More moderate politicians running in the Feb. 10 national election needed to appear strong against Hamas, and it was perhaps better to strike before Bush left office on Jan. 20 because they weren't as sure about what Obama's reaction would be.

China, Russia top brass hold first hot line chat

AP, Beijing

Top brass from the Chinese and Russian armies held closer ties in their first-ever conversation Monday over a newly installed military hot line, state media reported yesterday.

China's People's Liberation Army chief Chen Bingde called the hot line a sign of pragmatic cooperation and growing political trust, China's official Xinhua News Agency said.

Chen's Russian counterpart, Nikolay Makarov, said the link would promote regular communication on military matters. Discussions also touched on bilateral issues and those involving the region and world, Xinhua said, without giving details.

The link officially opened March 14, and it wasn't clear why it had not been inaugurated before.

Quake rattles Afghanistan, NW Pakistan

AFP, Mazar-i-Sharif

A moderate earthquake jolted mountainous northeastern Afghanistan and parts of northwest Pakistan on Monday but caused no damage or casualties, officials said.

The 5.8-magnitude quake struck at around 8:07 am (0337 GMT), about 85 kilometres (50 miles) southeast of the town of Fayz Abad, capital of the rugged province of Badakhshan, the US Geological Survey said.

The quake, which struck in the remote Hindu Kush mountain range, was registered at a depth of 140 kilometres, it said.

Residents across the area said the tremor was felt, but Badakhshan government spokesman Marouf Rasikh told AFP there were no casualties or damage.



PHOTO: AFP

A snow-removing vehicle cleans the snow from the roads during snowfall in the village of Zyriki, near the town of Livadia, central Greece on Sunday. Heavy snowfalls continue in parts of Greece.