

A monthly bulletin by the ICG on current and potential conflicts around the world

1 August 2004, N°12

CrisisWatch:

- summarises briefly developments during the previous month in some 70 situations of current or potential conflict, listed alphabetically by region, providing references and links to more detailed information sources (all references mentioned are hyperlinked in the electronic version of this bulletin);
- assesses whether the overall situation in each case has, during the previous month, significantly deteriorated, significantly improved, or on balance remained more or less unchanged;
- alerts readers to situations where, in the coming month, there is a particular risk of new or significantly
 escalated conflict, or a particular conflict resolution opportunity (noting that in some instances there may
 in fact be both); and
- summarises ICG reports and briefing papers that have been published in the last month.

CrisisWatch is compiled by ICG's Brussels Research Unit, drawing on multiple sources including the resources of our more than 100 staff members across five continents, who already report on some 40 of the situations listed here. Comments and suggestions can be sent to crisiswatch@icg.org.

July 2004 Trends



Deteriorated Situations



Improved Situations

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August 2004 Watchlist



Conflict Risk Alert

A POR

Conflict Resolution Opportunity

Nagorno-Karabakh (Azerbaijan)

Georgia Sri Lanka

The International Crisis Group

ICG is an independent, non-profit, multinational organisation, with over 100 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict. ICG's approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, ICG produces regular analytical reports containing practical recommendations targeted at key international decision-takers, and backed up with high level advocacy. ICG is chaired by former Finnish President Martti Ahtisaari, and its President and Chief Executive is former Australian Foreign Minister Gareth Evans.



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CENTRAL AFRICA



Burundi Majority Hutu Forces for the Defence of Democracy rebel group said 27 July would rejoin interim power-sharing administration. Final power-sharing talks in Pretoria ended without agreement 21 July, but subsequent trip to Bujumbura by South African mediator Jacob Zuma 26-27 July broke deadlock. Six minority Tutsi parties boycotted talks. Constitutional agreement necessary if 31 October election deadline stipulated in 2000 Arusha accords to be met. UN peacekeepers deployed throughout Bujumbura Rural province.

- "Tutsis boycott Burundi talks", BBC, 27 July 2004.
- "Zuma off to Bujumbura next week to 'salvage' talks", IRIN, 22 July 2004.
- For background, see ICG Africa Briefing, Refugees and Internally Displaced in Burundi: The Urgent Need for a Consensus on Their Repatriation and Reintegration, 2 Dec. 2003 (in French: executive summary also in English).



ICG Africa Report Nº81, End of the Transition in Burundi: The Home Stretch, 5 July 2004. The considerable progress Burundi has made over the past year in consolidating its three-year transition

risks ending in a dangerous political vacuum if strong commitments are not made immediately to the constitution and the electoral process outlined in the 2000 Arusha agreement. Burundi has become much safer, and for the first time in more than a decade, the country could be headed toward a genuine end to conflict. But the international community has to stay engaged, and Burundi's political leaders must also live up to their Arusha commitments by adopting a constitution. Lack of political will now could cause the whole transition process to unravel. Donors must renew their commitment to Arusha and to the comprehensive ceasefire by insisting on total respect for the framework they establish.



Chad Despite 11 July Sudan-Chad agreement on joint border patrols, Chad remains at risk of destabilisation from Darfur crisis. Deteriorating conditions in Farchana and Breijing refugee camps led to violence among some of Chad's 180,000 Sudanese refugees, causing brief closure of camps to aid agencies. Major food aid shortage for 27,000 refugees from Central African Republic. France announced 200 troops to deploy to eastern Chad.

- "France ferries aid in Chad, soldiers to deploy", Reuters AlertNet, 31 July 2004.
- "Food aid returning to Chad camps", BBC, 25 July 2004.
- "Food running out for thousands of Central African Republic refugees in Chad", World Food Programme, 20 July 2004.
- "Sudan and Chad agree Darfur moves", BBC, 11 July 2004.



Democratic Republic of Congo Sporadic violence continued across eastern Congo, prompting calls for strengthening of UN peacekeeping mission (MONUC). Mission extended to 1 October in 29 July review, with thorough revamp planned for coming months to boost effectiveness, possibly including troop increase. Estimated 35,000 displaced from Kalehe, 35km north of Bukavu, as struggle between General Nkunda's Tutsi Congolese rebels and army continues. UN

report claimed Rwanda backed Nkunda's forces in June occupation of Bukavu, supplying arms in spite of embargo; denied by Rwanda. Congolese army continued to fight Rwandan Hutu Interahamwe rebels, killing 23 North Kivu 12 July. Elsewhere, 50 killed in ethnic militia struggle for Djalasiga gold mine Ituri province despite 14 May Act of Engagement peace deal and UN military presence.

- "UN sets two-month Congo peacekeeping overhaul", Reuters AlertNet, 29 July 2004.
- "Some 35,000 flee fighting in South Kivu province", IRIN, 29 July 2004.
- "UN report denounces Rwanda", The Washington Post, 17 July 2004.
- "Congolese army kills 23 Interahamwe militiamen in North Kivu", IRIN, 12 July 2004.
- Comment by Gareth Evans (ICG), "Congo on the brink of fullscale civil war", International Herald Tribune, 26 July 2004.
- Testimony of Gareth Evans to U.S. House Subcommittee on Africa, "Supporting Peace in the Democratic Republic of the Congo", 22 July 2004.
- For background to the conflict in Ituri, see ICG Africa Report N°64, Congo Crisis: Military Intervention in Ituri, 13 June 2003.



ICG Africa Briefing, Pulling Back from the Brink in the Congo, 7 July 2004. The Democratic Republic of Congo risks a return to full-scale war unless the international community strengthens its engagement

with the country. The UN Security Council's impending review of its peacekeeping efforts in the Congo, due at the end of July, must not only renew the UN Mission for the Congo (MONUC). but also re-enforce it. The violent struggle for control of Bukavu in late May and early June is a clear warning for all parties that unless peace-building in the region receives greater priority and more resources, the peace process could be destroyed even before any elections are held. The international community must strengthen the transition in the Congo by strongly pressuring Rwanda to stop interfering in its neighbour and by making MONUC a larger and much more capable force.



Rwanda Government responded angrily to UN panel report claiming it broke Democratic Republic of Congo arms embargo, supplying weapons to RCD Congolese rebel group, which briefly took Bukavu, eastern DRC, in June. Former finance minister Emmanuel Ndindabahizi 15 July became 20th convicted of genocide of 81 indicted.

- "UN experts find broad Rwandan involvement in eastern DR of Congo conflict", UN News, 21 July 2004.
- "Former Minister Ndindabahizi sent to prison for life", Hirondelle, 15 July 2004.
- For background to 2003 elections, see ICG Africa Report N°53, Rwanda at the End of the Transition: A Necessary Political Liberalisation, 13 Nov. 2002. For background to ICTR, see ICG Africa Report N°69, The International Criminal Tribunal for Rwanda: Time for Pragmatism, 26 Sept. 2003.



Uganda Government claimed Lord's Resistance Army (LRA) rebels increasingly weak as result of Operation Iron Fist II in southern Sudan: numerous defections and 14 July capture of Brigadier Kenneth Banya, key member of LRA high command. Ugandan army says nearly caught LRA leader Joseph Kony with raid on Sudanese town of Juba 29 July, killing 120. LRA active, killing 100 in southern Sudan raids near Moti. International Criminal Court began investigation into LRA war crimes in northern Uganda.

- "Prosecutor of the International Criminal Court opens an investigation into Nothern Uganda", ICC, 29 July 2004.
- "Dozens killed as LRA rebels raid Sudanese villages", IRIN, 26
- For background, see ICG Africa Report N°77, Northern Uganda: Understanding and Solving the Conflict, 14 Apr. 2004; and ICG Issues Report N°3, HIV/AIDS as a Security Issue in Africa: Lessons from Uganda, 16 Apr. 2004.

HORN OF AFRICA



Ethiopia/Eritrea UN Special Representative Joseph Legwaila warned UN could not police 2-year border dispute indefinitely. Ethiopian PM Miles Zedawi stated willingness to negotiate; Eritrea said matter had already been resolved by 2003 ruling. Indian General Singh replaced British General Gordon as commander of UN military force. Fifty militia killed on Sudan-Ethiopia border 29 July; Ethiopia said men trained

- "Joint Ethiopia-Sudan border force kills 50 militia", Reuters AlertNet, 29 July 2004.
- "Ethiopia now seeks peace with Eritrea", East African Standard, 10 July 2004.
- For background see, ICG Africa Report N°68, Ethiopia and Eritrea: War or Peace?, 24 Sept. 2003.



Somalia Somali national reconciliation conference failed to meet 30 July date for Nairobi inauguration of transitional parliament with hitches in allocating seats to Darod and Dir clans. Missed 31 July deadline for end of Phase III of peace process set by regional IGAD mediators, but discussions continue.

- "Inauguration of proposed interim parliament postponed", IRIN, 30 July 2004.
- "Clans yet to agree on sharing seats in proposed parliament", IRIN, 22 July 2004.
- For background, see ICG Africa Reports N°80, Biting the Somali Bullet, 4 May 2004; and N°66, Somaliland: Democratisation and Its Discontents, 28 July 2003.



> **Sudan** Growing but still inadequate international response to crisis in Darfur. UN Security Council voted 13-0, with 2 abstentions, in support of long-awaited - but watered-down resolution 30 July, imposing immediate arms embargo on non-government entities, threatening further action in 30 days if Sudan fails to rein in Janjaweed militias. Following visit of UN Secretary General Kofi Annan, Sudan and UN issued joint communiqué 3 July promising to alleviate crisis in Darfur; UN observers will report back to Joint Implementation Mechanism 2 August, U.S. Congress voted to label situation "genocide" 22 July. UK hinted at possible 5,000-strong troop deployment, with Sudan rejecting notion of foreign intervention, calling for "balance" and time, and claiming 5,000 police deployed to Darfur. Africa Union (AU)backed talks in Addis Ababa between government and Darfur rebels collapsed 17 July after 2 days. AU summit meeting in Ghana 30 July mooted strengthening of AU mission beyond planned 300. AU observers reported ongoing Janjaweed atrocities 28 July. Sudan accused Eritrea 31 July of backing alleged alliance between Darfur rebels and eastern Free Lions Association insurgents.

- "Sudan says rebels spread fighting to the east", Reuters AlertNet, 31 July 2004.
- "UN gives backing to watered-down resolution on crisis in Sudan", The Guardian, 31 July 2004.
- "Threats and excuses", The Economist, 27 July 2004.
- "Darfur documents confirm government policy of militia support", HRW briefing paper, 20 July 2004.
- "Rape as a weapon of war: sexual violence and its consequences", Amnesty International report, 19 July 2004.
- Comment by John Prendergast (ICG), "Sudan's ravines of death", New York Times, 15 July 2004.
- For background, see ICG Africa Report N°80, Sudan: Now or Never in Darfur, 23 May 2004.

SOUTHERN AFRICA



Angola Moves towards renewed talks on setting election date between government and UNITA despite fears SPLA government hoping to delay till outside limit of 2006, as suggested by Council of Republic Presidential advisers; UNITA calling for 2005 date. Meanwhile, Angola signed up to regionally-backed African Peer Review Mechanism.

- "Talks on election date to resume", IRIN, 26 July 2004.
- For background, see ICG Africa Report N°61, Angola's Choice: Reform or Regress, 7 Apr. 2003.



Madagascar Continuing spate of grenade attacks totalling 17 since 26 June: attack on former President Albert Zafy 8 July and on Taomasina port 19 July. Police arrested 17. Deteriorating economic conditions, including soaring inflation, have sparked widespread dissatisfaction with President Ravalomanana's government.

- "Madagascar police hold 17 after grenade attacks", Reuters AlertNet, 24 July 2004.
- "Growing concern over grenade attacks", IRIN, 23 July 2004.



Zimbabwe President Mugabe, 80, opened parliament 20 July promising reform of electoral laws before March 2005 elections; greeted with surprise, scepticism and disagreement with opposition MDC over how to proceed. Meanwhile, government introduced bill to increase state power over NGOs and churches. UN Food and Agriculture Organisation (FAO) continued to underline famine risk, predicting 325,000 ton grain shortfall.

- "Mugabe promises poll reform", The Guardian, 21 July 2004.
- "NGOs slam moves to introduce greater controls", IRIN, 19 July 2004.
- "Zimbabwe's harvest 'insufficient", BBC, 8 July 2004.
- For background, see ICG Africa Report N°78, Zimbabwe: In Search of a New Strategy, 19 Apr. 2004.

WEST AFRICA



Côte d'Ivoire After months of stalemate, opposition agreed 30 July to return to President Gbagbo's government after intensive negotiations at UN-Africa Union summit in Accra. Gbagbo agreed to push through amendment on eligibility for presidential elections without recourse to National Assembly or referendum; Forces Nouvelles (FN) rebels agreed to general militia disarmament starting mid-October. But scepticism remained over implementation. UN human rights investigators arrived 16 July planning to probe abuse since 2002. Underlying anti-UN and anti-French

sentiment remains; Ivorian soldier charged 14 July with murder of French peacekeeper in Yamoussoukro.

- "Ivorian foes clinch peace deal", BBC, 31 July 2004.
- "Can Accra 3 end the 'no war no peace' paralysis?", IRIN, 27July 2004.
- "Ivorian soldier charged with murder of French peacekeeper", IRIN, 14 July 2004.
- "UN probes abuses in Ivory Coast", BBC, 16 July 2004.
- For background, see ICG Africa Report N°72, Côte d'Ivoire: The War is Not Yet Over, 28 Nov. 2003.



ICG Africa Report N°82, Côte d'Ivoire: No Peace in Sight, 12 July 2004. Lack of good faith on the part of all sides in the Côte d'Ivoire peace process is jeopardising the October 2005 elections and could

cause the war to spread to neighbouring countries. None of the parties to the January 2003 Linas-Marcoussis Accords has shown the will to break the impasse and compromise on key issues of nationality, eligibility for elections, and disarmament. Meanwhile, profits from the shadowy war economy are benefiting almost everyone except ordinary citizens, making progress even less likely. If there is to be any chance of peace, the international community, and especially the Economic Community of West African States (ECOWAS), needs to take on the spoilers more assertively and openly, and end impunity for the perpetrators of continued violence.



Cuinea Highly unstable situation as escalating rice prices continued to cause anger against government of ailing President Lansana Conté, particularly in capital Conakry. Fear of political void and regional implications should Conté die. Initially ethno-religious tensions around Nzérékoré in far southeast compounded by presence of mostly LURD excombatants. Tensions rising with Sierra Leone over Guineaoccupied town of Yenga; Sierra Leone locals claim harassment from Guinean army.

- "Why Guinean soldiers killed 2 Sierra Leoneans in Yenga", Concord Times, 30 July 2004.
- "Refugees criss-cross a fluid and volatile border", IRIN, 22 July
- For background, see ICG Africa Report N°74, Guinea: Uncertainties at the End of an Era, 19 Dec. 2003.



Liberia Disarmament and reintegration program continued as UN Mission in Liberia (UNMIL) extended its control towards border areas; claimed 54,000 ex-combatants disarmed. Fears of cross-border smuggling prompted UN probe 21 July.

- "Where are the weapons? Is disarmament really working?". IRIN, 28 July 2004.
- "UN probes cross-border arms smuggling", IRIN, 21 July 2004.
- For background, see ICG Africa Report N°75, Rebuilding Liberia: Prospects and Perils, 30 Jan. 2004.



Nigeria Tensions remained high in Nigeria, but flare-ups of ethno-religious violence that left hundreds dead in central states in recent months have subsided. In southern oil-rich Delta province, Ijaw militia leader Asari Dokubi said 11 fighters killed in Port Harcourt shoot-out. Dokubi disputes June peace agreement with Itsekiri and claims Delta independence. In positive development, Nigeria and Cameroon began land transfers along disputed border.

"Self-styled rebel seeks independence for oil-producing Niger delta", IRIN, 16 July 2004.

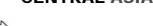
- "Cameroon, Nigeria transfer disputed areas", Afrol News, 13 July 2004.

Sierra Leone Country relatively stable, despite lingering border tensions with Liberia around Dawa, where LURD rebels remain; and rising disagreement over Guinean presence in town of Yenga. UNHCR repatriation program saw last of 178,000 refugees returned to Sierra Leone 22 July.

- "Sierra Leone asks Guinea to pull out troops", Reuters AlertNet, 29 July 2004.
- "Repatriation of refugees after civil war finally ends", IRIN, 22 July 2004.
- For background, see ICG Africa Report N°67, Sierra Leone: The State of Security and Governance, 2 Sept. 2003.



CENTRAL ASIA



Kazakhstan Press freedom remained hot issue ahead of September parliamentary elections as court ordered closure of independent paper Assandi-Times, and opposition complained media only covering campaigns of pro-government parties. Opposition journalist Askhat Sharipzhanov died 20 July after reportedly being hit by car; colleagues questioned circumstances.

- "Kazakhstan: Opposition party sees fortunes rise and fall", RFE/RL, 30 July 2004.
- "Kazakh journalist's death creates a stir", IWPR, 23 July 2004.



Kyrgyzstan Jailed opposition leader Feliks Kulov threatened hunger strike - and supporters country-wide protests - if authorities refused to consider Kulov request for early release.

- "Kyrgyz opposition seeks release of leader", RFE/RL, 20 July 2004.
- "New Kyrgyz 'espionage' affair", IWPR, 13 July 2004.
- For background, see ICG Asia Reports N°66, Youth in Central Asia: Losing the New Generation, 31 Oct. 2003; and N°37, Kyrgyzstan's Political Crisis: An Exit Strategy, 20 Aug. 2002.



Tajikistan President Rakhmonov signed controversial new election law despite criticism it does not ensure independence of electoral commissions and requires high cash deposits from candidates.

- "Tajik election law furor continues", RFE/RL, 21 July 2004.
- "Tajikistan: Women left to struggle alone", IWPR, 16 July 2004.
- For background, see ICG Asia Briefing, Tajikistan's Politics: Confrontation or Consolidation?, 19 May 2004.



Turkmenistan Government silenced last foreign news source in country, shutting down transmitter for Russia's Mayak radio station for "technical reasons". Move leaves vast majority of citizens without information from abroad. EU protested strongly over failure of government to approve extension of accreditation of OSCE ambassador, Paraschiva Badescu, despite recent improvement in EU-Turkmen relations. Between 10 and 20 people reported arrested in Ashgabad, possibly connected to reports of anti-government leaflets being distributed in capital.

"Urban facelift, Turkmen style", IWPR, 21 July 2004.

- "Turkmenistan: Last freely available outlet to outside news shuts down", RFE/RL, 13 July 2004.
- For background, see ICG Asia Report N°44, Cracks in the Marble: Turkmenistan's Failing Dictatorship, 17 Jan. 2003.

Uzbekistan Three suicide bombers struck simultaneously 30 July outside U.S. and Israeli embassies and in lobby of Uzbek prosecutor's office in Tashkent, killing 6 including bombers. Violence occurred just days after opening of trial of 15 suspects arrested in connection with March and April attacks in Tashkent and Bukhara, which left 47 dead. Government blamed Hizb ut-Tahrir, radical Islamic group that officially eschews violence. State Department 13 July announced freeze of \$18 million in aid, saying Uzbekistan failed to make adequate progress on human rights and democratic reforms.

- "Bombs hit 3 targets in Uzbekistan", International Herald Tribune, 31 July 2004.
- "Uzbek terror attacks trial opens", BBC, 26 July 2004.
- "United States cuts off aid to Uzbekistan", Eurasianet.org, 14
- For background, see ICG Asia Reports N°76, The Failure of Reform in Uzbekistan: Ways Forward for the International Community, 11 Mar. 2004; and N°72, Is Radical Islam Inevitable in Central Asia? Priorities for Engagement, 22 Dec. 2003.

SOUTH ASIA



Afghanistan Parliamentary elections, originally to run in parallel with 9 October presidential election, rescheduled for April 2005 due to lack of authoritative population data and progress on disarmament. Junbish party leader Abdul Rashid Dostum resigned from nominal post as President Karzai's military adviser to stand for presidency. FM Abdullah to support former education minister Yunus Qanuni's bid for presidency. Karzai dropped powerful defense minister Mohammed Fahim as running mate 26 July. Fahim also to support Qanuni. In bid to accelerate disarmament, Karzai reassigned 3 recalcitrant militia leaders, including Atta Mohammad in Mazar-e Sharif, from army corps command posts to civilian posts as governors and police chiefs. Médecins Sans Frontières announced withdrawal from country citing lack of security and inconclusive investigations into June killings of MSF personnel. Attacks continued on election workers. Widespread clashes between U.S./Afghan forces and Taliban fighters killed at least 40. Factional fighting also continued. NATO approved deployment of 1,800 additional troops by September to reinforce election security. President Karzai signed 14 July decree stating that refusal to disarm, remobilising troops, or maintaining unofficial militias would be punished.

- "Top charity to abandon Afghanistan over deaths", International Herald Tribune, 29 July 2004.
- "Nato's Afghan commitment in doubt", BBC, 24 July 2004.
- "Hard road to voter registration", IWPR, 23 July 2004.
- "Afghanistan: Karzai signs decree against uncooperative warlords", Eurasianet.org, 18 July 2004.
- For background, see ICG Asia Briefing, Elections and Security in Afghanistan, 30 Mar. 2004.



Bangladesh Two general strikes called in reaction to 21 June explosion at opposition Awami League rally caused disruption throughout Dhaka. Reportedly 24 killed in multiple shooting incidents of Indian northeast separatists in Dhaka 17 July. Monsoon floods engulfed two thirds of country.

- "Mystery killings in Dhaka", Outlook India, 22 July 2004.
- "13th general strike in six months shuts down Dhaka", South Asia Monitor (AFP), 11 July 2004.



India (non-Kashmir) Foreign Minister Natwar Singh met Pakistani President Pervez Musharraf in first bilateral talks with India's new government 23 July. Elsewhere, talks began between several northeast separatist groups and New Delhi, but 2 main groups, United Liberation Front of Asom and National Democratic Front of Bodoland, not participating. National Socialist Council of Nagaland leaders met government negotiators in Thailand 29 July extending lapsed ceasefire for another year. In positive move, government in southern Andhra Pradesh state lifted 12-year ban on Maoist People's War Group. Opposition National Democratic Alliance continued anti-corruption campaign against government, focusing on 6 "tainted" ministers.

- "Naga ceasefire agreement extended", The Hindu, 30 July 2004.
- "NDA 'non-cooperation' until all 'tainted' ministers go", South Asia Monitor, 26 July 2004.
- "Truce on track", Outlook India, 28 July 2004.
- "India state lifts rebel ban", International Herald Tribune (AP), 22 July 2004.



Kashmir Violence worsened in run-up to Indo-Pakistan peace talks; over 200 killed including numerous civilians. Indian Foreign Minister Natwar Singh met Pakistani President Pervez Musharraf 23 July. India expressed disappointment with Pakistani statement stressing "time-frame" for settling Kashmir dispute. Current round of talks to culminate in New Delhi foreign ministers' meeting 5-6 September.

- "Musharraf for giving up 'maxima list' positions", Dawn, 25 July 2004.
- "Stranded at the bus stop", Outlook India, Aug. 2004.
- For background, see ICG Asia Reports N°s 68, 69, and 70 Kashmir: The View From Islamabad, The View From New Delhi; and Learning from the Past, 4 Dec. 2003; and N°79 India/Pakistan Relations and Kashmir: Steps toward Peace, 24 June 2004.



Nepal Ongoing violence, with Maoist rebels increasingly attacking targets within Kathmandu: police, municipal and government officials shot dead; bomb blasts 15/18 July wounded 12, killed 1. Three mayors outside Kathmandu also killed. Elsewhere at least 45 died in separate clashes between Maoists and government troops/police. PM Sher Bahadur Deuba announced new coalition government 5 July, but does not include influential Nepali Congress Party. PM to control crucial defence and foreign ministries. Maoist chief Prachanda issued statement saying no immediate possibility of talks but reiterated preference for UN mediation.

- "Talking about talking", Nepali Times, 23-29 July 2004.
- "Cease-fire only after constituent assembly elections: Maoists", Kathmandu Post, 14 July 2004.
- "Insurgency & international mediation", Kantipur Online, 13 July 2004.
- "Nepal's PM forms new government", BBC, 5 July 2004.
- For background, see ICG Asia Briefing, Nepal: Dangerous Plans for Village Militias, 17 Feb. 2004.



hunted al-Qaeda suspects and local supporters; at least 12 killed in separate incidents. Government continued to close South Waziristan Afghan refugee camps, alleged to be militant strongholds. As of 21 July, approximately 25,000 refugees had fled back to Afghanistan. PM nominee Shaukat Aziz survived assassination attempt 30 July; 7 killed. Attack by militants claimed 6 in western province of Baluchistan 31 July. Karachi explosion killed employee of hardline Islamic charity 24 July. Fighting between Solangi and Jagirani tribes 25 July in Khairpur left 8 dead. Bilateral talks and confidence building measures continued with India.

- "Aziz survives attempt on life; 7 dead: 70 hurt after Fatehjang rally attack", Dawn, 31 July 2004.
- "A new round, with hope", Frontline, 17-30 July 2004.
- "Khairpur clashes claim 8 lives", Dawn, 25 July 2004.
- "Pakistan and India keep talking", International Herald Tribune (AFP), 23 July 2004.
- For background, see ICG Asia Reports N°77, Devolution in Pakistan: Reform or Regression?, 22 Mar. 2004; and N°73, Unfulfilled Promises: Pakistan's Failure to Tackle Extremism, 16 Jan. 2004.



Sri Lanka Tension increased as violence erupted in capital. February 2002 ceasefire increasingly fragile following 8 July Colombo suicide bombing, which killed 4 police officers. Attack reportedly aimed at Hindu Affairs Minister Douglas Devananda, who had publicly said was in contact with breakaway rebel leader V. Muralitharan, aka Karuna. Tamil Tigers (LTTE) denied responsibility for bombing, but warned that Sri Lankan military connections with Karuna jeopardising peace process. Eight Karuna aides killed in Colombo safe house 25 July. Almost daily killings of Karuna supporters continued in eastern province. LTTE leaders renewed calls for their October 2003 proposal for Interim Self Governing Authority to be basis for restart of peace talks. In surprise move President Kumaratunga indicated she would hold talks on LTTE proposal but coalition partner, leftist People's Liberation Front, threatened to pull out of government. Talks unlikely to resume until feud over rebel split resolved. Norwegian mediation efforts unsuccessful to date.

- "Tigers accuse Sri Lanka of gearing for war as peace hits rock bottom", AFP, 1 Aug. 2004.
- "Norway fears for Sri Lanka peace", BBC, 26 July 2004.
- "Five killed as woman suicide bomber shatters Sri Lanka truce", Asia Pacific News, 8 July 2004.

NORTH EAST ASIA



China (internal) Outspoken Hong Kong radio host forced to resign under pressure from management amid concerns of diminishing press freedom in former British colony.

• "Hong Kong talkshow host resigns after press freedom row", Channel News Asia (AFP), 29 July 2004.



North Korea Impasse continued as Pyongyang reiterated position that freeze of nuclear facilities, possibly leading to their eventual dismantling, only to occur after U.S. gives energy aid, lifts economic sanctions, and stops accusations of sponsoring terrorism. Fourth round of 6-party talks expected by end of September. Naval incident with South Korea 14 July setback to recent détente. North Korea responded by skipping scheduled 19 July meeting of military officers in Seoul. South granted

asylum to 460 North Korean refugees; Pyongyang accused South of "abduction and terrorism". U.S. to donate 50,000 tons of food aid in gesture independent of nuclear negotiations.

- "N Korea accuses the South of kidnapping", The Scotsman, 30 July 2004.
- "N Korea refuses to follow Libya", BBC, 24 July 2004.
- For background, see ICG Asia Report N°61, North Korea: A Phased Negotiation Strategy, 1 Aug. 2003.



Taiwan Strait Sabre-rattling continued on both sides of Strait as China and Taiwan each held military exercises simulating Chinese attack; U.S. appealed for caution. China said U.S. policy on Taiwan issue threatening bilateral relations and warned against arms sales to Taipei.

- "China warns Bush on Taiwan", BBC, 31 July 2004.
- "U.S. urges caution in Taiwan and China war drills", International Herald Tribune (AFP), 23 July 2004.
- "China warns U.S. on policies", The Washington Post, 14 July 2004.
- For background, see ICG Asia Reports N°53-55. Taiwan Strait I: What's Left of 'One China'?, Taiwan Strait II, The Risk of War, and Taiwan Strait III, The Chance of Peace, 6 June 2003; and N°75, Taiwan Strait IV: How an Ultimate Political Settlement Might Look, 26 Feb. 2004.

SOUTH EAST ASIA



Indonesia Opening round of first ever direct presidential elections proceeded smoothly. Former general Susilo Bambang Yudhoyono (SBY) polled highest; to face incumbent President Megawati Sukarnoputri in second round 20 September. Election results gave SBY 34%, Megawati 27%, former general Wiranto 22%. Constitutional Court ruled new anti-terrorism law, used retroactively to convict Bali bombers, violates constitution, but ruling will only apply to future cases: police dropped plans to charge cleric Abu Bakar Baasyir over Bali bombings (though still to be charged with heading Jemaah Islamiah). Aceh province governor Abdullah Puteh suspended from duties while being investigated over graft case. Over 230 people described as "suspected terrorists" killed in Aceh since martial law lifted in May. Protestant minister killed in church shooting Palu city, Central Sulawesi.

- Comment by Sidney Jones (ICG), "Terrorism in Southeast Asia, more than just JI", Wall Street Journal, 29 July 2004.
- "Bali case against cleric dropped", BBC, 28 July 2004.
- "Violence continues in Indonesia's Aceh Province", VOA, 21 July 2004.
- Comment by Sidney Jones (ICG), "Interpreting the Indonesian election results", Wall Street Journal, 12 July
- For background, see ICG Asia Report N°74, Indonesia Backgrounder: Jihad in Central Sulawesi, 3 Feb. 2004.



East Timor Approximately 100 former demonstrated outside main government building demanding more reform 20 July. Vital revenue from Timor Sea oil/gas fields at stake in continuing border dispute with Australia.

- "Latham, Downer toy with Timor's future", The Australian, 30 July 2004.
- For background, see "Two years on. What future for an independent East Timor?", Oxfam Community Aid Abroad Report, 20 May 2004.

- - Myanmar/Burma Thailand called on Myanmar to attend second "Bangkok process" - multinational talks to discuss transition toward democracy. National League for Democracy leader Aung San Suu Kyi and deputy chairman Tin Oo remain under house arrest.
 - "Myanmar thwarts party activists", International Herald Tribune (AP), 19 July 2004.
 - For background, see ICG Asia Report N°78, Myanmar: Sanctions, Engagement or Another Way Forward?, 26 Apr. 2004.
- - Philippines Peace talks with Moro Islamic Liberation Front (MILF) further delayed due to disagreement over presence of government troops in former rebel base on Mindanao and failure to drop terrorism charges against MILF leaders. President Arroyo received domestic praise, international criticism for withdrawing 51 peacekeepers from Iraq to save
 - "Restive MILF blames Manila for peace talks delay", ABS-CBN (Reuters), 27 July 2004.
 - "Arroyo's burst of defiant nationalism", International Herald Tribune, 24 July 2004.



ICG Asia Report N°80, Southern Philippines Backgrounder: Terrorism and the Peace Process, 13 July 2004. Ongoing links between Jemaah Islamiyah (JI) and the Moro Islamic Liberation Front (MILF)

could put the peace process in the southern Philippines at risk. This report, which continues an ICG series on terrorism in South East Asia, documents the history of the JI-MILF alliance, the depth of their cooperation in the past, and the state of their relationship now. Although it is clear that JI members have worked out arrangements with individual MILF commanders, questions remain as to whether the MILF leaders involved in negotiations with the Philippine government know about or have the power to end those links. The government faces a difficult choice, as to move directly against terrorists in MILFcontrolled territory risks an escalation of violence and a breakdown of talks, and yet the success of the talks is crucial to winning the long-term war on terror in Mindanao.



Thailand Security deteriorated in restive south with almost daily killings of policemen, officials and village administrators. PM Thaksin Shinawatra warned of increased violence. Deputy PM Thamarak Isarangura, previously replaced as defence minister in March due to heavy-handed approach, appointed to supervise military operations. Defence Minister Chettha Thanajaro announced 20 July he had sent officials to Malaysia to open talks with separatist leaders.

- "Paradise postponed as terror stalks a peace-loving nation", The Australian, 29 July 2004.
- "Hawkish Thai minister returns to Muslim south", Reuters AlertNet, 28 July 2004.
- "Government in push for dialogue with all separatist groups", The Nation (Bangkok), 20 July 2004.
- "Muslim rebels light fuse in Thailand", The Guardian, 25 July 2004.

Europe **

BALKANS



Albania Dispute over land on which a United Arab Emiratesfunded airport is to be built continued in impoverished north.

- "Airport insecurity", Transitions Online (subscription), 24 July 2004.
- For background, see ICG Europe Report N°153, Pan-Albanianism: How Big a Threat to Balkan Stability?, 25 Feb. 2004.



Bosnia & Herzegovina Opening of reconstructed Old Bridge in Mostar 23 July attracted much regional and international attention. Destroyed by Croat forces in November 1993, bridge seen as symbol of reconstruction and reconciliation. Roman Catholic bishop, Ratko Peric, boycotted ceremony, demonstrating his continuing opposition to reintegration. Rajko Banduka, former aide to Ratko Mladic, arrested 23 July; Bosnian Serb leaders Mladic and Radovan Karadzic remain at large.

- "Keep the hate alive", The Guardian, 29 July 2004.
- "The bridge over the river Neretva", Transitions Online, 20-26 July 2004.
- "Guiding Bosnia along the road to Brussels", International Herald Tribune, 15 July 2004.
- "Bosnia: Serbs threaten constitutional crisis", IWPR, 15 July 2004.
- For background, see ICG Europe Briefing, EUFORIA: Changing Bosnia's Security Arrangements, 29 June 2004 and Balkans Reports N°150, Building Bridges in Mostar, 20 Nov. 2003; and N°146, Bosnia's Nationalist Governments: Paddy Ashdown and the Paradoxes of State Building, 22 July 2003.



Kosovo Parliament challenged UN by adopting changes to constitution 8 July; included right to call referendum on independence and to assume control of international relations and public security from UN. To become law amendments must be signed by Head of UN Mission in Kosovo (UNMIK). Senior figures from Serb and Albanian communities called for establishment of new ministry for refugees and human rights, surprising UN. Tensions reported inside President Rugova's LDK party over election list and emergence of shadowy internal security structure: "Homeland Security". New UN head of mission, Soren Jessen-Petersen, scheduled to take office 3 August. Drastic summer electricity and water cuts possibly worst in 5 years of UN governance.

- "Kosovo: Failure of NATO, U.N. to protect minorities", Human Rights Watch report, 26 July 2004.
- "UN's mission in Kosovo is denounced", International Herald Tribune, 14 July 2004.
- Comment by Alex Anderson (ICG), "UN chief faces uphill battle in Kosovo", IWPR, 8 July 2004.
- For background to the March violence, see ICG Europe Report N°155, Collapse in Kosovo, 22 Apr. 2004.



Macedonia Coalition government agreed crucial yet controversial part of 2001 Ohrid peace accord granting greater rights to ethnic Albanian minority; must now be approved by parliament. Opposition nationalist World Macedonian Congress started collecting signatures to initiate referendum against proposals; 150,000 signatures needed by 23 August deadline.

Long-delayed decentralisation plan would hand more powers to local councils and make Albanian second official language in municipalities with Albanian population of at least 20%. Draft law on territorial organisation foresees municipalities decreasing first from current 123 to 76 by 2008. Skopje would expand to include 2 more Albanian majority areas, pushing capital above 20% threshold. Widespread demonstrations followed government agreement, notably in Struga 22 July, where Defence Minister Vlado Buckovski had to be rescued from Social Democrat Party headquarters.

- "Macedonians threaten revolt over decentralisation", IWPR, 30 July 2004.
- "Macedonia's inter-ethnic relations heat up again", ISN, 30
- "Mob besieges Macedonian minister", BBC, 23 July 2004.
- For background, see ICG Europe Report N°149, Macedonia: No Time for Complacency, 23 Oct. 2003.

Serbia Serbian President Boris Tadic inaugurated 11 July. Visited Washington 19-21 July; held high-level meetings with Bush administration discussing stability of Serbia and cooperation with Hague tribunal. Defense Minister Prvoslav Davinic called for war crimes suspect Ratko Mladic to surrender to tribunal. Former Croatian Serb leader Goran Hadzic indicted 13 July, escaped detention prompting internal police investigation. Dejan Milenkovic, key suspect for assassination of Serbian PM Djindjic, turned self in to Greek police 17 July after 16 months on run. Representatives of ethnic Hungarians, largest minority in multi-ethnic province of Vojvodina, called on Belgrade to stop rising tide of inter-ethnic violence in region.

- "Serbia gets another chance", IWPR, 15 July 2004.
- "Enough of Milosevic's antics", International Herald Tribune, 13
- "Serbian returns to Kosovo not impossible, says report", ISN, 6 July 2004.
- For background, see ICG Europe Report N°154, Serbia's U-Turn, 26 Mar. 2004.



ICG Europe Briefing, Serbia's Changing Political Landscape, 22 July 2004. The election of Boris Tadic as president on 27 June suggests that a slim majority of the deeply divided Serbian electorate wants to see

the country on a pro-European reform course. The result leaves Serbia's minority government highly vulnerable to pressure from the nationalist right as well as the pro-European centre but clearly demonstrates a process of consolidation and rationalisation within Serbia's political parties. The government still remains reluctant to restart cooperation with The Hague war crimes tribunal despite ever-increasing international pressure. Likewise reform legislation has stalled, and relations with minorities in the ethnically mixed Vojvodina province have worsened noticeably and could further deteriorate. Kosovo and the war crimes issue will continue to haunt Serbian politics and the path to long-term stability lies in addressing both issues.

CAUCASUS



Armenia Group of opposition parties said would not abandon 6-month boycott of parliament, despite having suspended campaign of public demonstrations aimed at ousting President Robert Kocharian. (See also Nagorno-Karabakh below.)

"Armenian oppositionist rules out end to parliamentary boycott", RFE/RL, 12 July 2004.



Azerbaijan Authorities closed Juma mosque in Baku and detained dozens of worshippers, saving congregation occupied mosque illegally. Mosque's imam, Ilgar Ibrahimoglu, prominent government critic. Aydin Guliev, editor of opposition daily, said was abducted my masked men, beaten, and told to cease journalistic activities, while second opposition journalist, Eynulla Fatullayev, attacked by 2 men Baku 26 July. Political manoeuvring behind scenes continued, as Minister of National Security Namik Abbasov dismissed by President Aliyev. (See also Nagorno-Karabakh below.)

- "Azerbaijani journalist abducted, threatened", RFE/RL, 20 July
- "Mosque controversy in Azerbaijan deepens following police use of force", Eurasianet.org, 6 July 2004.
- For background, see ICG Europe Report N°156, Azerbaijan: Turning Over a New Leaf?,13 May 2004.



Georgia Risk of conflict remains high as Tbilisi continues to pressure breakaway region of South Ossetia in hopes of reuniting it with rest of country. Sides exchanged small arms and artillery fire 29-30 July. Georgia intercepted Russian military convoy in region and confiscated equipment 7 July. Several dozen Georgian troops captured by South Ossetia next day; all but 3 later released. Armed skirmishes and war of words continued throughout month. Georgian president Mikheil Saakashvili threatened to renege on 12-year-old agreement that ended original conflict, and called for change in mandate of Russian peacekeepers, who he accused of bias toward South Ossetia. Georgia seeking to apply economic pressure on Ossetian leadership through control of Roki tunnel, major trade and smuggling route connecting Russia and South Ossetia.

- "Fresh fighting in South Ossetia", BBC, 29 July 2004.
- "Putting out more flags", The Economist, 22 July 2004.
- "South Ossetia tensions still high", IWPR, 14 July 2004.
- For background, see ICG Europe Report N°151, Georgia: What Now?, 3 Dec. 2003.



Nagorno-Karabakh (Azerbaijan) circulating about possible softening of Armenian position in internationally mediated negotiations with Azerbaijan. Turkish paper reported Turkish foreign minister Abdullah Gul as saying Armenia willing to discuss return of occupied Azerbaijani territories surrounding Nagorno-Karabakh.

- "Armenia facing pressure on Nagorno-Karabakh issue", Eurasianet.org, 21 July 2004.
- For background, see ICG Europe Report N°156, Azerbaijan: Turning Over a New Leaf?, 13 May 2004.

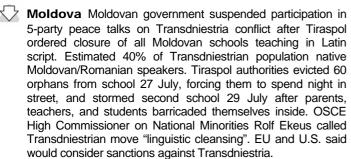
EASTERN EUROPE



Chechnya (Russia) Seven candidates registered for Chechnya's 29 August presidential election, including Chechen interior minister and Kremlin favourite Alu Alkhanov. Businessman Malik Saidullaev, Ione serious threat to Alkhanov, disqualified by Moscow on technicality. Major clash between rebels and forces loyal to Ramzan Kadyrov, son of assassinated president Akhmad Kadyrov, left dozens dead 12-13 July. Rebel leader Shamil Basayev claimed responsibility for - and reportedly participated in - June attack in neighbouring Ingushetia, which killed close to 100. Assassination attempt on acting Chechen president Sergei Abramov failed 13 July.

• "Analysis: Sole serious challenger barred from Chechen ballot", RFE/RL, 29 July 2004.

- "Basaev claims responsibility for Ingush raids", RFE/RL, 27
- "Attack 'targets Chechen leader", BBC, 13 July 2004.



- "Moldova: Row escalates over Transdniestrian school closure", RFE/RL, 30 July 2004.
- "Transdniestrians step up 'linguistic cleansing' with orders to empty Moldovan language school", OSCE press release, 20
- For background, see ICG Europe Report Nº157, Moldova: Regional Tensions over Transdniestria, 17 June 2004.

WESTERN EUROPE/MEDITERRANEAN

- Basque region (Spain) Parliamentary enquiry continues into claims previous government deliberately misled public in blaming Basque separatists for 11 March Madrid bombing. Four ETA suspects accused of planning attacks on Basque police arrested 24 July. Basque and Spanish leaders resumed official relations after 3-year break.
 - "Basques ready to work with Spain", BBC, 26 July 2004.
 - "Four ETA suspects held in Spain", CNN, 25 July 2004.
- Cyprus Subdued celebrations in North 20 July for 30th anniversary of Turkish invasion. EU Commission proposed trade and aid package for Turkish Cyprus to reward "yes" vote to UN reunification plan. Decision on package reportedly postponed until September following Greek Cypriot objections. Greek Cypriot government announced series of measures to unilaterally ease trade between North and South and build confidence in security on island.
 - "Turkey marks key Cyprus date with sanctions appeal", Reuters AlertNet, 20 July 2004.
 - "Cypriots in Turkish north seek to emerge", International Herald Tribune, 17 July 2004.
 - "EU seeks Cyprus unification through trade measures", Reuters AlertNet, 7 July 2004.
- Northern Ireland (UK) Some violence in Belfast 12 July during Orange order marching season; Democratic Unionist Party (DUP) appeared ready to guarantee stable powersharing arrangement if deal on decommissioning can be struck at intensive September talks with Irish, British governments and Sinn Fein.
 - "DUP says deal possible", BBC, 22 July 2004.
 - For background, see ICG Europe Briefing, Monitoring the Northern Ireland Ceasefires: Lessons from the Balkans, 23 Jan. 2004.
- Turkey Bomb attack on local governor killed 3 in Turkey's eastern Van province 2 July; blamed on Kongra-Gel Kurdish separatists. Further attack in Divarbakir police station killed one 28 July. Kongra-Gel cancelled 5-year ceasefire in June.

- "One dead, two hurt in rebel attack in Turkish city", Reuters AlertNet, 29 July 2004.
- "Three killed in Turkey bomb blast", BBC, 2 July 2004.

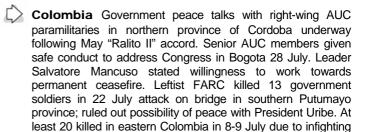


- Bolivia In boost for government, Bolivians unequivocally backed President Mesa's 18 July referendum proposals to increase state control over Bolivia's gas reserves and allow exports. Voters ignored calls to burn ballots from radical indigenous leaders who wanted total nationalisation of reserves. Results showed average 58% support rate for Mesa's proposals.
- "Bolivia's radical Indian leaders get waning support", Reuters AlertNet, 26 July 2004.
- "Bolivians 'back gas export plans", BBC, 19 July 2004.
- "Counter-reform—or muddle along?", The Economist, 15 July 2004.
- For background, see "A political awakening", The Economist, 19 Feb. 2004.



ICG Latin America Report Nº7, Bolivia's Divisions: Too Deep to Heal? 6 July 2004. Bolivia, Latin America's poorest country, faces a dangerous moment as it heads toward the 18 July 2004

referendum on how to handle its new natural gas wealth. Serious splits have been developing over President Carlos Mesa's plan to bypass an obstinate Congress and appeal directly to the public with his ambitious program. Mesa is popular but one wrong step on the natural gas issue could cause him to be ousted amid street protests as his predecessor was. The government urgently needs to invest political and financial capital in a nationwide grassroots communication effort to demonstrate to citizens how the production and sale of natural gas can be harnessed to jumpstart economic development and benefit the poorest. Unless it can forge a new consensus through the referendum, even the country's continued unity may come into doubt.



- "Colombia warlords visit Congress", BBC, 27 July 2004.
- "Colombian rebels rule out talks", BBC, 20 July 2004.

between rival right-wing paramilitary groups.

■ For background, see ICG Latin America Report N°6, Colombia: President Uribe's Democratic Security Policy, 13 Nov. 2003 and ICG Briefing, Hostages for Prisoners: A Way to Peace in Colombia?, 8 Mar. 2004.



Haiti Donors conference in Washington 19-20 July resulted in pledges totalling \$1.1 billion. Police-rebel tensions rising: gunmen killed 2 policemen and injured another in Port-au-Prince 15 July. Police responded with 20 arrests. 3,000 Aristide



Gerard Latortue announced measures will be taken after 15 September to disarm gangs with illegal weapons; rebels denounced plan. Former Chilean foreign minister Juan Gabriel Valdes appointed UN special representative to Haiti.

- "Donors pledge \$1bn in Haiti aid", BBC News, 21 July 2004.
- "Haiti PM warns armed gangs as he asks for new aid", Reuters AlertNet, 19 July 2004.
- "Two Haitian police killed, Aristide followers rally", Reuters AlertNet, 15 July 2004.
- "Haiti ex-rebels threaten to take up arms again", Reuters AlertNet, 13 July 2004.



Peru Protesters overran southern city of Ayacucho 1 July, setting fire to buildings after police used tear gas to break up demonstration by teachers. Government blamed followers of Shining Path rebel group for mayhem. CGTP labour union called 1-day general strike 14 July in protest at government's economic policies; 76 arrested. President Toledo's approval rating reportedly remains below 7%.

- "Peru hit by major workers' strike", BBC, 15 July 2004.
- "Strikes, sleaze and violence", The Economist, 8 July 2004.
- For background, see "A political awakening", The Economist, 19 Feb. 2004.



Venezuela President Hugo Chavez declared would stand for immediate re-election if he loses 15 August recall referendum, raising tensions as opposition insisted this would

- "Venezuela army officers arrested", BBC, 1 Aug. 2004.
- "Chávez taps Venezuela's petroleum windfall", International Herald Tribune, 24 July 2004.
- "Chavez defiant over crunch vote", BBC, 9 July 2004.
- For background, see ICG Latin America Briefing, Increasing Europe's Stake in the Andes, 15 June 2004 and ICG Latin America Briefing, Venezuela: Headed Toward Civil War?, 10 May 2004.



Middle East /North Africa

EASTERN MEDITERRANEAN

[] Israel/Occupied Territories Political crisis in Gaza eased as PM Ahmed Qurei retracted resignation after receiving assurances from Yasser Arafat he would have authority to carry out security reforms. Crisis began with series of kidnappings by Palestinian gunmen protesting corruption in Palestinian Authority, followed by wider demonstrations when Arafat appointed cousin as head of revamped security services. Arafat later reversed appointment. Factional power struggle likely to continue ahead of Israel's' planned Gaza pullout in early 2005. Palestinians won diplomatic victory at UN as General Assembly voted 150 to 6 in favour of resolution urging Israel to abide by International Court of Justice opinion declaring Israeli security barrier in West Bank illegal. Israel said would ignore ruling, but planned to reroute section of barrier closer to 1967 border in line with Israeli Supreme Court decision. IAEA head Mohamed ElBaradei visited Israel 6 July for talks on ridding Middle East of nuclear weapons.

"Palestinian PM drops resignation in deal with Arafat", Reuters AlertNet, 27 July 2004.

- "Fatah faultlines", Al-Ahram Weekly, 22 July 2004.
- "Lawless in Gaza", The Economist, 21 July 2004.
- "UN seeks atomic talks with Israel", International Herald Tribune, 7 July 2004.
- For background, see ICG Middle East Report N°25, Identity Crisis: Israel and Its Arab Citizens, 4 Mar. 2004 and N°22 Palestinian Refugees and the Politics of Peacemaking, 5 Feb. 2004.



Jordan King Abdullah said Amman would consider sending troops to Iraq if asked by interim government - first Arab country to make offer. Militants in Iraq kidnapped 2 employees of Jordanian company working for U.S.; threatened to target Jordanian interests, including road to Iraq, unless Amman ceased cooperation with U.S. forces.

- "Militants threaten to close Iraq-Jordan road tv", Reuters AlertNet, 27 July 2004.
- "Jordan ready to send Iraq troops", BBC, 2 July 2004.
- For background, see ICG Middle East Briefing, The Challenge of Political Reform: Jordanian Democratisation and Regional Instability, 8 Oct. 2003.



Lebanon Hizbollah said bomb that killed senior member of guerrilla group in Beirut 19 July planted by Israeli agents. Heightened tensions followed attack, with sides exchanging fire 20 July, leaving 2 Israeli soldiers and 1 guerrilla dead, and with Israeli jets breaking sound barrier over Beirut.

- "UN urges restraint after Israel-Hizbollah clashes", Reuters AlertNet, 21 July 2004.
- "Bomb kills veteran Hezbollah guerrilla", International Herald Tribune (AP), 20 July 2004.
- For background, see ICG Middle East Briefing, Hizbollah: Rebel Without a Cause?, 30 Jul. 2003.



Syria EU and Syria reportedly close to signing landmark trade accord; sides still negotiating sensitive clause on Syria's WMD program.

- "Syria sees EU reconsidering position on WMD clause", Reuters AlertNet, 26 July 2004.
- For background, see ICG Middle East Reports N°s 23 and 24, Syria Under Bashar (I): Foreign Policy Challenges, Syria Under Bashar (II): Domestic Policy Challenges, 11 Feb. 2004.

GULF



Iran Tehran restarted construction and assembly of nuclear centrifuges, following through on threat made after critical June IAEA resolution. Paris meeting 29 July between Iran and France, Germany, and Britain failed to resolve differences -U.S. Sec. State Colin Powell said matter increasingly likely to be referred to UN Security Council. Iraqi interim government expressed growing concern Iranian agents infiltrating country to undermine democratisation. U.S. 9/11 Commission report indirectly linked Iran to hijackers, saying some crossed into Iran from Afghanistan. Canada rejected acquittal of Iranian intelligence officer accused of murdering Iranian-Canadian journalist while in police custody, and recalled ambassador.

- "No progress in nuclear talks with Iran", The Washington Post, 30 July 2004.
- "Canada rejects jail death theory", BBC, 29 July 2004.
- "Iran carries out threat to resume building nuclear equipment", The Independent, 28 July 2004.

- "Official warns of Iranian infiltration", The Washington Post, 26
- For background, see ICG Middle East Report N°18, Dealing with Iran's Nuclear Program, 27 Oct. 2003; and ICG Middle East Briefing, Iran: Discontent and Disarray, 15 Oct. 2003.

Iraq Under pressure from UN, 3-day National Conference postponed to mid-August in effort to draw more representative range of delegates and improve security preparations. Several key factions, including that of Shiite cleric Moqtada al-Sadr, threatened boycott. Conference to bring together 1,000 delegates to select 100-member National Council, designed to check power of interim government until scheduled January 2005 elections. Insecurity across much of Iraq continued. Over 100 killed 28 July in multiple attacks, including suicide bombing in Baquba, northeast of Baghdad, that left at least 70 dead. Insurgents increasingly relying on hostage-taking as terror tactic: Philippine government ordered early troop withdrawal to secure release of kidnapped Filipino, drawing U.S. and Australian criticism. NATO announced vague training mission for Iraqi military personnel 30 July. 635 Coalition soliders, including 539 Americans, and thousands of Iraqis killed by hostile fire since declared end of combat operations on 1 May 2003.

- "Iraq bomber takes a devastating toll", International Herald Tribune, 29 July 2004.
- "Conference on Iraq future delayed", BBC, 29 July 2004.
- "France resists U.S. pressure on training Iraqis", International Herald Tribune, 29 July 2004.
- "Trying to balance the factions", The Economist, 22 July 2004.
- For background, see ICG Middle East Report N°27, Irag's Transition: On a Knife Edge, 27 Apr. 2004; and N°26, Irag's Kurds: Toward an Historic Compromise?, 8 Apr. 2004.



Saudi Arabia Government amnesty for militants who gave themselves up expired 23 July, with only 6 suspected extremists having turned themselves in.

- "Sixth militant surrenders under Saudi amnesty", Reuters AlertNet, 23 July 2004.
- For background, see ICG Middle East Briefing, The Broader Middle East and North Africa Initiative: Imperilled at Birth, 7 June 2004.



ICG Middle East Report N°28, Can Saudi Arabia Reform Itself?, 14 July 2004. The recent surge in anti-Western and anti-regime violence highlights Saudi Arabia's urgent need for reform. The Saudi regime,

fearful of change and accustomed to its enormous power and privilege, may not be able or willing to take the necessary steps. Security measures to curb the violence must be the first line of defence, but in the longer term, the challenge is to marginalise the violent opposition without alienating the broader conservative constituency. An effort is needed to outline a timetable for implementation of a comprehensive agenda that addresses several core issues: broadening civic and political participation, empowering state institutions; and curbing regime abuses. Ultimately, genuine stability must be anchored in a strategy that marries security measures with social, political, and institutional reform.



Yemen Fighting continued in northern Saada province between military and supporters of rebel Shiite cleric Hussein al-Houthi. According to government, death toll over past 6 weeks has reached 300.

"Yemen at war with itself", The Daily Star, 27 July 2004.

NORTH AFRICA



Algeria In positive development, hardline Chief of Staff Lt. General Mohammed Lamari offered resignation, indicating President Bouteflika's growing authority over defence ministry and security policy. Ongoing media crackdown, with Al-Jazeera temporarily banned 2 July; Le Matin editor's appeal of 2-year sentence to be heard 11 August. Having admitted June power-station explosion was car bomb, security forces claimed success against Salafist Group for Preaching and Combat with death of 9 gunmen east of Algiers 23 July.

- "Nine gunmen killed in Algeria", The Washington Post, 24 July
- "Al-Jazeera's activities in Algeria suspended", Afrol News, 2 July 2004.
- For background, see ICG Middle East/North Africa Briefing, Islamism in North Africa I: The Legacies of History, 20 Apr. 2004; and Report N°15, Algeria: Unrest and Impasse in Kabylia, 10 June 2003.



ICG Middle East Report N°29, Islamism, Violence and Reform in Algeria: Turning the Page, 30 July 2004. Algeria, long a case study in how not to deal with Islamist activism, has a chance after more than a

decade of conflict that has cost over 100,000 lives to move toward a peaceful, democratic and law-bound society. It has enjoyed relative security and stability since 1999, and there are positive signs that a majority of its Islamist activists have abandoned their utopian outlook and reverted to more pragmatic strategies. But although violence has been much reduced, several armed movements remain a security problem, a constraint on political life and a factor facilitating expansion of al-Qaeda's jihad. Eliminating them requires a blend of political, security, legal and diplomatic measures rather than excessive reliance on military means. Tentative army acknowledgement that it should withdraw from its dominant position in politics also needs encouragement.



Egypt Atef Ebeid, PM since 1999, replaced 9 July by younger Ahmed Nazif - commentators said limited scope for reform, although new cabinet includes technocratic modernisers close to President Mubarak's son, Gamal. Egypt extended possible offer of security training to Iraqi forces, leading to kidnapping of Egyptian diplomat Mamdouh Helmi Qutb in Baghdad 23 July; released 3 days later.

- "Iraqi PM rejects kidnapping deal", BBC, 24 July 2004.
- "New surgeon, same old scalpels", The Economist, 15 July
- For background, see ICG Middle East/North Africa Briefings, Islamism in North Africa: Legacies of History and Egypt's Opportunity, 20 Apr. 2004; and The Challenge of Political Reform: Egypt after the Iraq War, 30 Sept. 2003.



Libya Government promised 15 July to open aid corridor to Sudan's Darfur province, with Sudanese call for Libyan mediation in crisis 26 July.

- "Sudan asks Libya to sponsor talks on Darfur crisis", Sudan Tribune, 26 July 2004.
- "Libya threat on terror suspect", BBC, 8 July 2004.



 \Box

Morocco Morocco told Spanish authorities it had lost track of 400 al Qaeda-trained militants. Government moved to halt rise of radical Islam through construction of 20 state-sponsored mosques; agreed 22 July to set up joint security task-force with Algeria.

- "Morocco lost 400 al Qaeda men", CNN, 25 July 2004.
- "Morocco, Algeria to set up security cooperation task group", Arabic News, 22 July 2004.
- For background, see ICG Middle East/North Africa Briefing, Islamism in North Africa I: The Legacies of History, 20 Apr. 2004.



Western Sahara Spanish PM Zapatero, in Algiers, called for new negotiations between all sides in conflict over Western Sahara, including Algeria. Zapatero accused of shifting Spain's support away from Baker plan and toward implicit backing of continued Moroccan sovereignty.

■ "Zapatero urged to clarify stance on W. Sahara", Middle East Online, 16 July 2004.

Featured NGO: openDemocracy.net

openDemocracy.net is a forum for debate on issues of global politics and culture. It is home to creative international dialogue that builds understanding through access to free thought and informed analysis.

The site features contributions from leading writers, policy makers, journalists, artists, and activists, dealing with globalisation, international relations, development, and a host of other topics.

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