

Turkey's Davutoglu warns of 'domino effect' of Crimea crisis

Trend.Az, 17.03.2014



Foreign Minister Ahmet Davutoglu warned on Sunday that the crisis in Ukraine could have repercussions on latent conflicts across the Eurasia region as people in the autonomous republic of Crimea went to the ballot boxes to decide whether or not to secede from Ukraine, Today's Zaman reported.

“Pandora’s box should not be opened. If you create a de facto situation in Ukraine, this will have a domino effect on all the countries in the Eurasia region,” Davutoglu said in televised remarks made in the southeastern province of Sanliurfa, apparently referring to the prospect of Crimea’s secession from Ukraine.

The referendum, which comes two weeks after Russian-led forces seized control of Crimea, is widely expected to approve secession. Turkey has called for dialogue and restraint, urging Ukraine to maintain balanced relations and not to focus solely on cultivating ties with the West at the expense of its relations with Russia and also highlighted the importance of the wellbeing of Crimea’s Tatar minority, who have ethnic and cultural links with the Turks. “The security of Tatars is the main strategic priority for Turkey,” Davutoglu said on Sunday. He said a series of talks that Tatar leaders have held with Russian and EU officials recently are a sign that the Tatars are recognized as an indigenous element of Crimean society.

A Tatar political leader, Mustafa Abdülcemil Kırımoglu, visited Brussels for talks with EU and NATO officials and Kırımoglu has also spoken on the phone with Russian President Vladimir Putin. Davutoglu said he and Prime Minister Recep Tayyip Erdogan were to have talks with Kırımoglu in Turkey. Turkey, which has close trade ties with Russia and depends on Moscow for natural gas imports, has avoided directly criticizing Moscow throughout the crisis. On Sunday, Davutoglu said Turkey did not want to see Russia isolated internationally, but that Moscow should also respect the territorial integrity of its neighbors.

On Saturday Russia vetoed a resolution in the UN Security Council declaring the results of the Crimean referendum invalid. The resolution was supported by 13 members of the 15-member body and even Russia’s ally, China, abstained instead of supporting Moscow. Davutoglu said that after Syria, now it is Ukraine a presenting a test for the international community and that steps were not taken in time to defuse the crisis. He said that in talks with Russia Turkey had proposed a solution based on the principles that Ukraine’s territorial integrity must be maintained and that a new government representing all political sides, both pro-European and pro-Russian, should be established in Kiev.

Turkey pushing diplomacy over sanctions in Crimea crisis

Today's Zaman, 18.03.2014



While the US and the EU move towards imposing sanctions on Russia following the Crimean Parliament's decision to secede from Ukraine after Sunday's referendum, Turkey is pushing for "diplomacy, rather than further sanctions" in order to maintain its good relations with Russia.

Trying to follow a balanced policy between Russia and the West is difficult for Turkey. When asked by Today's Zaman whether Turkey will follow the path of sanctions set by the US administration and the EU, a foreign ministry official said that FM Davutoglu had signaled the direction Turkey will take at a press conference on Monday.

The Turkish diplomat, who agreed to speak on the condition of anonymity, said that "diplomacy is the way, rather than sanctions. Turkey is very active on this front and is trying to find a solution through diplomacy." The diplomat remarked that Davutoglu was the first foreign minister to visit Ukraine after the crisis broke in late February, showing the importance of the issue for Ankara. The US and the EU imposed sanctions on certain Russian and Ukrainian political and military figures on Monday, while Russian President Vladimir Putin signed a decree recognizing the Ukrainian region of Crimea as an independent state. The US administration described the referendum in Crimea as rigged and illegal.

After a meeting on Monday with Mustafa Abdülcemil Kırımoglu, a Tatar political leader, Davutoglu said that the referendum is not recognized by Turkey and has no legitimacy. "The de facto situation created by the referendum will not be considered legally binding in Turkey," he said, adding that Turkey is in contact with the EU and NATO over the steps that will be taken in response. US President Barack Obama said on Monday that if Moscow continued to intervene in Ukraine, it would "achieve nothing except to further isolate Russia and diminish its place in the world." The EU published a list of sanctions against 21 Russian and Ukrainian officials after a meeting of EU foreign ministers in Brussels.

The acting prime minister of Crimea, the speaker of the parliament, three Russian commanders and some Russian parliamentary officials are among the sanctioned officials. The sanctions on various officials include a travel ban and asset freeze aimed at rebuking Russia for actions that violate the sovereignty and territorial integrity of Ukraine, including supporting the referendum over the Crimean secession. In a news conference held after the sanctions were announced, EU foreign policy chief Catherine Ashton said that the EU regrets that Russia has so far not engaged in negotiations with Ukraine. Hasan Kanbolat, founder and former head of the Ankara-based think tank Center for Middle Eastern Strategic Studies (ORSAM) and an expert on Ukraine, told Today's Zaman on Tuesday that Turkey needs to position itself closer to the West in terms of sanctions.



“It seems that the sanctions [imposed by the US and the EU] are just for show. Who cares if a certain commander will not be able to enter the US or the EU. It does not have any impact on Russia. There are 3,000 oligarchs in Russia. If you impose sanctions on them, then that would have an impact,” Kanbolat said. British newspaper The Guardian reported on Monday that Yevgeny Minchenko, a political analyst who studies the power relationships between Kremlin elites, said there is only one person -- Russian President Vladimir Putin -- who is making the decisions about Crimea and that sanctions personally affecting him are not possible. According to The Guardian, many analysts think that the sanctions list is “a joke” with no serious impact on Russia’s policies on Ukraine.

Noting that Germany sold more than 1 million cars to Russia in 2013, Kanbolat said that the sanctions seem to be “just for show. ... Besides, if you impose heavy sanctions, Russia will benefit from that because it would help Russian industry to revive,” he added. Kanbolat also pointed out that Turkish Prime Minister Recep Tayyip Erdogan has not talked much about the crisis in Ukraine compared to issues in the Middle East. “Erdogan is not talking about Ukraine because he does not want to derail the good relationship between Turkey and Russia,” Kanbolat said. “Will Ankara acknowledge what happened in Ukraine to be a coup, like in Egypt, rather than a democratic transformation?” Kanbolat wondered.

Turkey has emerged as one of the strongest international critics of the Egyptian coup that toppled the country’s first democratically elected president, Mohammed Morsi, in July last year. Kanbolat said that if Turkey labels the ousting of former Ukrainian President Viktor Yanukovich a “coup,” this would be well-received by Russia but to the chagrin of the West; if Turkey calls it a democratic transformation, this means that Ankara approves of anti-democratic and violent regime-changing movements. “Moscow will punish Ukraine for its open flirting with the West by splitting Crimea from Ukraine,” said Kanbolat.

“Turkey is the only country that is a neighbor both to Russia and Ukraine and has direct access to Crimea. Considering ourselves more affected than any other state is natural. Our stance, supporting peace through diplomacy, is also natural,” Davutoglu said at the press conference on Monday. He claimed that Turkey had adopted a principled stance on the Crimean issue and that this stance is not “against” anyone. “We only wish that this referendum had never happened,” the Turkish foreign minister added.

Turkey also a loser in Crimea

AI Monitor, 17.03.2014



Who lost in Crimea? If there is a country to be added to Ukraine, it's Turkey. The referendum decision of Crimea to return to the Russian fold, after Turkey lost it to the Russian Empire with the 1774 Treaty of Kucuk Kaynarcam, has spoiled Turkey's strategic ambitions for the region.

What kind of ambitions? Nothing to do with recovering Crimea geographically, but to bring back to life cultural and historical heritage of the Crimean Tatar Khanate. Even the burial of writer Cengiz Dagi, who died in London in 2011, back home in Crimea, was a mission of strategic significance for Turkey.

The Cooperation and Coordination Agency of Turkey (TIKA), by restoring the historic relics of Zincirli Madrasa and Haci Gray Inn and by renovating Kirim Tatar National School, tried to make the legacy of the Muslim Tatars more visible. In an action plan Foreign Minister Ahmet Davutoglu had prepared in 2002 while he was the chief adviser to the prime minister, Ukraine was among the countries to develop strategic relations with, alongside South Korea, Brazil and South Africa. Ankara tried to develop its ties to Crimea with the consent of Ukrainians. This policy did not change during the reign of the toppled leader Viktor Yanukovich. Since the collapse of the USSR, Turkey has preferred to see the future of Crimean Tatars within the territorial integrity of Ukraine.

When in 2008 Russian leader Vladimir V. Putin declared that unilateral recognition of Kosovo without a UN decision would set a precedent, it was not hard to predict that this was a Slavic vow of revenge. The turf for this revenge was inevitably to be the historical friction points between the Russians and the Turks. After the United States declared its recognition of Kosovo, the first diplomat to submit his letter of accreditation to the prime minister of Kosovo was the representative of Turkey. How do you think Putin considers Turkey's objections to his decisions about Crimea? So what can Turkey do more than its US and EU allies against the secession of Ukraine? Can Ankara decide on sanctions like the United States and EU? Davutoglu, as the first foreign minister to go to Kiev immediately after the crisis broke out, had meetings with Mustafa Abduljamil, the leader of Crimean Tatar National Movement and the new Ukrainian government.

In addition to moves on international platforms, Prime Minister Recep Tayyip Erdogan spoke with Putin and Davutoglu spoke with Russian Foreign Minister Sergey Lavrov to emphasize the need to find a solution to the crisis within the territorial integrity of Ukraine. But these efforts did not change the course of events. Abduljamil, the former speaker of the Crimean Tatar National Assembly, the civil society organization of the Tatars, met with Erdogan in Izmir on March 16 and with Davutoglu in Ankara on March 17. Davutoglu said the results of the referendum will not be accepted, that Ankara will continue to support the Crimean Tatars, and Turkey's position on seeking a diplomatic solution stands. Despite the resolute position expressed in our statements, the general impression is this: Turkey is not in a position to reverse the process of Crimea joining Russia. It is not even in a position to adopt sanctions similar to those taken by the United States and EU.

That is why even if Turkey talks of initiatives in the UN, NATO and OESC it has no option but to live with the situation. A diplomatic source asked by Al-Monitor, “What options does Turkey have? Does it have a road map?” responded: “We want a solution through diplomatic means but it is not realistic to talk of a road map. Turkey has adopted a course many other countries have chosen.” Asked if Turkey could resort to sanctions like the United States and EU, the source said; “We don’t know what sanctions are on the table at the moment. We can’t forecast what will happen in the long run. The government has to make an assessment.” Actually, it might be more realistic to talk of a reaction that has been reduced to “diplomatic activity” that has no deterrent effects and that won’t influence the outcome. Because of dearth of options, the focus has shifted from blocking the Russian designs for Crimea to protection of Tatars of Crimea.

Russia, aware of the question of legitimacy that would arise unless there is the consent of Tatars, offered them guarantees far beyond Turkey’s expectations. Putin told Abduljamil, invited to Moscow, that he had issued directives for the protection of Tatars. Moreover, Russia prepared a package that encourages the Crimean Tatars to return to their homeland and assuring their participation in governing it. Turkey’s priority is the return to their homeland of the Crimean Tatars exiled to Central Asia in 1944. Davutoglu noted: “In last 12 years, TICA and Turkey entered the picture. For our brethren, we built hundreds of tenements, even bought houses from them. Today, the Tatar population in Crimea is slightly above 300,000. This is all because of Turkey’s support.” The decisions of the Crimean Parliament also were promising. It decided: “Tatars exiled in 1944 will be encouraged to return.

Legal, material and property problems of the returnees will be solved. They will be offered financial assistance for five years. Primary, second and higher schools in the Tatar language will be opened. Historical and cultural relics will be restored. Tatar publications will be encouraged.” This decree also gave official status to Tatar language. Crimean Tatar National Assembly was given legal recognition. They were offered 20% representation in the national parliament. These were all rights Tatars could not obtain from the Ukrainian government. The only anxiety Turkey or Crimeans might express would be say, “These promises can remain on paper.” But autonomy practices of Russia since the end of the Soviet era shows that at least when it comes to preservation of people’s language and cultures they have not a bad record. Another scenario that concerns Turkey closely is the possibility of a Chechnization syndrome that could develop as a reaction to attaching the peninsula to Russia.

Tatars with their historical animosity to Russia are between a rock and a hard place. There is talk of a jihadist threat after Russian annexation. Abduljamil, who had been spearheading the survival struggle of his people since the 1944 deportations, spoke of this potential danger: “We have among us Salafists, Wahhabis and organizations that fought in Syria. They tell me that the enemy is now on their land and that they are ready to confront them. We can’t stop those who want die in dignity.” In addition to threats emanating from Takfir and Hijret Salafi organizations whose existence have been felt in Crimea in recent years, there is also the potential of global jihadist network concentrating in Syria to open an anti-Russia front in Crimea. Tatars who had gone to Syria to fight had first attracted attention on April 25, 2013, when a militant code-named Abu Khalid staged a suicide attack from the ranks of Muhajiroun and Ansar groups.

Growing Islamic militancy in Ukraine first hit the agenda when seven militants were apprehended with their weapons. The Ukrainian Interior Ministry said that the apprehended militants were linked to Takfir and Hijret and Hizb-ut Tahrir and were planning to assassinate Abduljamil. The desire of those fighting against Moscow-supported regime in Syria to settle accounts with Russia in Crimea scares Tatars who, like Abduljamil, prefer nonviolent resistance. A representative from the Tatar Crimean National Assembly said in our private chat: “Yes, there are Tatars fighting in Syria and they might come back. We are worried.” The Tatars know only too well that provocation, whether from Ukrainian radical nationalists or nationalist Russians or a Chechnization scenario originating from Islamist Tatars who want to open a jihadist front, will bring to them only a new exile or genocide.

Russian money exodus ‘may direct to Turkey’

Hürriyet Daily News, 19.03.2014



Turkey could stand to gain from tension over Crimea if it becomes a new destination for billions of dollars of Russian capital pulled out of the West ahead of possible financial sanctions against Moscow, according to analysts.

There is still no certain data showing the amount of Russian capital that has exited Europe and the United States, Standard Bank Developing Economies Chief Economist Timothy Ash told Anadolu Agency, but added that Turkey could benefit from that movement. The U.S. and EU imposed personal sanctions on March 17 on Russian and Crimean officials involved in the de facto secession of Crimea.

U.S. President Barack Obama slapped sanctions on the 11 Russians and Ukrainians blamed for the act, including former Ukrainian President Viktor Yanukovich, as well as Vladislav Surkov and Sergei Glazyev, two of Putin’s aides. Meanwhile in Brussels, the EU’s 28 foreign ministers agreed to subject 21 Russian and Ukrainian officials to visa restrictions and freeze their assets for their roles in the events. As Washington and Brussels said further steps could follow in the coming days if Russia does not back down but instead formally annexes Crimea, Russian investors that have money in the West are expected to withdraw their funds to avoid potential freezes.

Speaking in an interview with Anadolu Agency, Liza Ermolenko, an economist at Capital Economics in London, said Russian investors had begun to pull their money out from banks in the U.S. and Europe to transfer them back to Russia. “However, the amount Western investors withdrew from Russia is much higher than the amount pulled out by Russians in the West. Our estimates say Western countries have taken out around \$50 billion worth of investments from Russia,” she said. Ermolenko said the Russian withdrawal from European banks did not pose a serious risk for the European banking system, while adding that she expected the Western sanctions to remain limited on an individual basis.

Japan's strategic push with Turkey

The Diplomat, 18.03.2014



The dearth of diplomacy in Northeast Asia since Japanese PM Shinzo Abe took office in December 2012 has presented Tokyo with a more flexible calendar for courtships.

Much of Abe's first year focused on improving ties with ASEAN and India. These engagements, together with Japan's renewed push to resolve decades-old disputes with Russia, have largely been interpreted as an overt hedge against China's growing power in the region. Much of this interpretation is correct, but there is a more multifaceted element to Abe's diplomatic agenda that should not be shrouded by the acute tensions between Japan and China.

One area representative of this dynamism is Japan's efforts to pursue stronger relations with Turkey, demonstrated through a host of Japanese investments in the country's growing civil nuclear program and transportation infrastructure projects. Abe has put an unusual amount of effort into bolstering the relationship with Ankara through two separate trips to the country since taking office. Abe also welcomed Turkish Prime Minister Recep Tayyip Erdogan to Japan this past January. The rapid expansion in Japan-Turkey ties is even more dramatic, given that Ankara was all but ignored by Tokyo in the five years between the Abe 1.0 and Abe 2.0 administrations. Indeed, the last Japanese Prime Minister to visit Turkey (before Abe) was former LDP leader Junichiro Koizumi.

Japan-Turkey ties are longstanding and most diplomats who have been posted in Ankara and Tokyo will point to a bond forged by a sunken frigate off the coast of Japan in the late 19th century. In 1890, the Ottoman frigate, named the Ertugrul, sunk on the way home from a visit with Japan. While more than five hundred sailors died, sixty-nine survived and were both rescued and escorted safely home by the Japanese navy. "Ertugrul" is consistently recognized by the leaders of both countries and has served as the basis of a friendship between geographically distant states. The contemporary focus on ties between Tokyo and Ankara is rooted in economics and energy. While bilateral trade remains low at less than \$4 billion, investment opportunities are growing.

During Abe's second visit to Turkey in October, the Japanese leader attended the opening ceremony of Turkey's massive undersea tunnel in Istanbul spanning the Bosphorus. The ambitious project's largest foreign investor was the Japan Bank of International Cooperation (JBIC) which invested more than \$1 billion in the \$4 billion plan. The Marmaray tunnel project in Istanbul is an example of Japan's emphasis on using soft power in the Middle East to complement its increased role in international security issues (such as its antipiracy mission in the Gulf of Aden). At the grand opening, Abe noted: "This project has been accomplished thanks to the cooperation of Japan's high-technology and Turkey's experienced labor power. The upcoming year is the 90th anniversary of diplomatic relations between Turkey and Japan.



I hope this project will be the new symbol of the two countries' friendship." Abe seems keen to increase Japanese investment and trade with Turkey ahead of the 100-year anniversary of the founding of the latter's modern republic. The Marmary project is significant for a couple of reasons. First, JBIC's investment outweighed any contribution from European banks. And second, the project provides a degree of symbolism as a link with Asia. Yet while the Marmary project caught headlines, the real driving force here is Japan solidifying its footprint in Turkey's nuclear energy plans. A landmark deal, won by Japan-based Mitsubishi Heavy Industries and French nuclear giant Areva, for the Sinop nuclear power plant is reportedly worth \$22 billion. Mitsubishi beat out other bids from Chinese, South Korean and Canadian companies.

Moreover, Erdogan has stressed that Turkey would "welcome future bids" on nascent plans for future reactors. Abe and Erodgan signed a joint statement last year pledging further cooperation on science, technology and nuclear power, among other issues. Meanwhile, Abe reassured Turkey that Japan's nuclear industry has learned lessons from the Fukushima disaster: "Japan has a responsibility to share the lessons of the Fukushima nuclear disaster with the rest of the world and to promote nuclear safety. We will help ensure the safety of nuclear power in Turkey and other countries that decide to introduce nuclear technology by assisting in their institution-building and human resources development."

This influx of Japanese investment has helped push along the Japan-Turkey joint study to explore a bilateral free trade agreement (FTA). Both sides have stressed a desire to enter into negotiations this year and it is possible that a Japan-Turkey agreement may come before Tokyo is able to finish a pact with the European Union (currently under negotiation). A finalized deal would only be the second FTA for Japan in Europe, including its current agreement with Switzerland. Ankara meanwhile has no FTAs in Asia and is looking for an opening with Japan.

Finally, on the political and security front, Japan has been stepping up its engagement on Syria and has been working as an interlocutor of sorts between Iran and the P5+1. Abe's commitment to enhancing Japan's reach in the region on these issues is something that should appeal to Turkey, which is looking for other players under the tent besides Washington. Looking ahead, Abe will likely continue his courtship of Turkey through his remaining tenure. Yet, although there are no obvious fissures in the bilateral relationship, the partnership may suffer as Japanese attention is overtaken by other competing concerns (namely China and South Korea).

US suspends diplomatic relations with Syria

Aljazeera, 19.03.2014



Washington tells the Syrian government to immediately suspend its diplomatic and consular missions in the United States.

The United States has officially told the Syrian government to immediately suspend its diplomatic and consular missions in the country, and ordered its diplomats to leave the country if they are not US citizens. “We have determined it is unacceptable for individuals appointed by that regime to conduct diplomatic or consular operations in the United States,” US special envoy for Syria, Daniel Rubinstein, said in a statement issued on Tuesday.

The order essentially closes the Syrian embassy in Washington and its honorary consulates in Troy, Michigan, and Houston, Texas, and forces all personnel who are not legal US residents to leave the country. It comes three years since the start of the bloody civil war in Syria that has killed more than 140,000 people. The Syrian embassy in the US capital had been operating for some time without an ambassador and with only a few low level staff who had been providing limited consular services.

Rubenstein said the order responds to a decision by the government of Syrian President Bashar Assad to suspend its own consular services. A message on the embassy website Tuesday said: “Please Note that Embassy of Syria would not be able to precede any consular services starting Tuesday March 18, 2014. Thank you for understanding. “However, Rubenstein said the US wants to continue diplomatic relations with Syria and maintain a relationship if Assad steps down from power.

Zarif, Ashton deputies agree on N-talks agenda

Mehr News Agency, 18.03.2014



Iran's deputy FM for Legal and International Affairs Abbas Araghchi and deputy EU foreign policy Chief Helga Schmid have met in Vienna and agreed on the agenda of the fresh round of talks over Iran's nuclear energy program.

Mehr News correspondent in Vienna reported that Monday night Iran's foreign minister Mohammad Zarif canceled the dinner feast with EU foreign policy chief Catherine Ashton due to her unscheduled meeting with convicted seditionists back in Tehran without informing Iranian authorities. Nuclear talks between Iran and Powers would begin with Zarif, Ashton joint dinner feast before the formal negotiations kick off.

Iran's foreign minister Mohammad Javad Zarif heads the Iranian negotiation team and EU foreign policy Chief Catherine Ashton represents six world powers – United States, Russia, China, United Kingdom, and France, plus Germany – in this round of Iran nuclear negotiations which kicks off Tuesday morning in Austrian capital of Vienna. Zarif said on Monday that the new round of nuclear negotiations between Iran and the six world powers will focus on uranium enrichment and Arak heavy water reactor.

Egypt pressing Moscow to complete arms deal

I24 News, 20.03.2014



Egypt, frustrated by US hesitation on resuming aid, urging Moscow to finalize \$3-billion sale. Egyptian army chief Abdel Fattah al-Sisi, frustrated by continued US hesitation on resuming aid to Egypt, is urging Moscow to speed up the completion of a \$3-billion arms deal.

Russia and Egypt have been negotiating for months over the arms purchase agreement, that will be financed by Saudi Arabia and the United Arab Emirates. The two sides have already either “initialed or signed” contracts for Egypt’s purchase of Mig-29 fighters, air and coastal defense systems, Mi-35 attack helicopters and smaller arms.

Part of the package is aimed at upgrading Egypt’s sweeping campaign to wipe out jihadist terrorism. Cairo turned to Moscow, which was its main arms supplier in the 1960s and early 1970s, after Washington cut back assistance to its regional ally over the army-backed overthrow last July of democratically elected Islamist president Mohamed Morsi. According to senior Egyptian sources quoted by the Kuwaiti newspaper Al-Rai, US Secretary of Defense Chuck Hagel called Sisi Monday and promised to put an end to the matter and deliver the aircraft “in a few days.” According to a report Wednesday in the Israeli daily Haaretz, Israel has been lobbying the United States to supply ten Apache combat helicopters to the Egyptian army.

Israel is worried that Egypt’s campaign against jihadist organizations in the Sinai Peninsula - a campaign that benefits Israel which shares a southern border with Sinai - will suffer if the US will not renew its military aid. According to Haaretz’s report, a senior Israeli official revealed that the Israeli ambassador to Washington, Ron Dermer, has been lobbying for Egypt with top American officials, adding that the issue of the renewal of US military aid to Cairo was even raised in talks between officials at the Israeli Prime Minister’s Office and their counterparts in the White House and Pentagon.

Obama tells Palestinian leader to take risks for peace

BBC, 17.03.2014



US President Barack Obama has told Palestinian Authority President Mahmoud Abbas he must take “risks” for peace. Mr Obama told reporters at the White House that the search for a two-state solution remained elusive but he hoped to see progress in the coming weeks.

Mr Abbas said he considered the current round of talks a historic opportunity. The US wants both sides to approve a “framework” accord that would extend the negotiations beyond next month’s deadline for a final deal in July. But Palestinian officials say the prospect is “disappearing day by day”.

Mr Obama and Mr Kerry brought the Israelis and Palestinians back to the negotiating table last July after a three-year hiatus, and said at the time that their objective was to achieve a “final-status agreement over the course of the next nine months”. Although negotiations have taken place in secret, there has been little sign of progress and US officials say they are now trying to forge a framework that “narrows the gaps” on core issues and allows the process to continue beyond 29 April. The issues include the borders between Israel and a future Palestinian state; the status of Jerusalem; Israel’s insistence that it be recognized as a Jewish state; the Palestinians’ demand that their refugees be allowed to return to their former homes in what is now Israel; and security in the West Bank, with Israel wanting a long-term presence in the Jordan Valley.

At the start of his meeting with the Palestinian leader on Monday, Mr Obama said: “We are going to have to take some tough political decisions and risks if we’re to move it forward.” “My hope is that we can continue to see progress in the coming days and weeks,” he added. Mr Abbas said he was hopeful that the Israeli authorities would release a fourth batch of 26 long-term Palestinian prisoners by 29 March, in line with a deal that saw the talks resume. “This will give a very solid impression about the seriousness of the Israelis on the peace process,” he said. Israeli ministers said last week they would have difficulty approving the release if an agreement was not reached to extend the peace talks.

Before Mr Abbas’s visit to Washington, an official at the Palestine Liberation Organisation (PLO) said its negotiating team felt it did not “have a partner on the Israeli side”. The pan-Arab newspaper al-Hayat meanwhile reported that at his meeting with President Obama, Mr Abbas would demand that Israel halt all construction at Jewish settlements in the occupied West Bank as well as the release of high-profile Palestinian prisoners as a condition for agreeing to extend the peace talks beyond 29 April. Sources were cited as saying that the prisoners would include Marwan Barghouti, a Fatah leader serving multiple life sentences after being convicted of murdering Israelis, and Popular Front for the Liberation of Palestine leader Ahmed Saadat, jailed for 30 years for his role in the assassination of Israeli Tourism Minister Rehavam Ze’evi in 2001.

Netanyahu: IDF to continue preparing possible strike in Iran

I24 News, 13.03.2014



Israeli PM Benjamin Netanyahu and Defense Minister Ya'alon have instructed the army to continue preparations for a possible military operation in Iran, Haaretz reported.

According to information leaked from hearings on Israel Defense Forces' financial planning for 2014, 10 to 12 billion NIS of the IDF's annual budget are to be allocated to the preparations, similar to last year's sum. This indicates that the Israeli government is not removing the option of a strike in Iran from the table, despite ongoing negotiations between Iran and the P5+1 powers, that over the past few months have brought to certain understandings.

But this should come as little surprise, seeing how Netanyahu has repeatedly stressed his distrust of the diplomatic process with Iran and of the interim agreement that has been reached so far. In related news, an overwhelming majority of US lawmakers Tuesday demanded Tuesday that President Barack Obama hold the line on Iran, as a permanent agreement regarding the Islamic republic's contested nuclear program is under negotiation in Vienna. Topping the list of "core principles" sought by 83 of the Senate's 100 members was their demand that Iran not have the right to enrich uranium -- a position rejected by Iranian officials.

"We believe that Iran has no inherent right to enrichment under the Nuclear Non-Proliferation Treaty, (and) we believe any agreement must dismantle Iran's nuclear weapons program and prevent it from ever having a uranium or plutonium path to a nuclear bomb," they said in a letter to Obama. But while the House also said Tehran would have to "abandon pursuit of a nuclear weapon" if it wanted further sanctions relief, the congressmen sounded open to a civilian nuclear program for Iran. The six world powers including Russia and the United States temporarily put aside differences over the Ukraine crisis to meet Tuesday in Vienna for a second series of meetings aimed at transforming the interim deal into a lasting accord by July.

Russia warns West it may change its stance on Iran

Haaretz, 19.03.2014



Deputy Foreign Minister says Russia may retaliate against U.S. and EU due to tensions over Ukraine. Russia may revise its stance in the Iranian nuclear talks amid tensions with the West over Ukraine, a senior diplomat warned Wednesday.

Russia's Deputy FM Ryabkov said, according to the Interfax news agency, that Russia didn't want to use the Iranian nuclear talks to "raise the stakes," but may have to do so in response to the actions by the US and the EU. The statement is the most serious threat of retaliation by Moscow after the U.S. and the EU announced sanctions against Russia over its annexation of Ukraine's Crimea region.

Ryabkov, who is Russia's envoy to the Iranian talks, said that Russia considers the "reunification" with Crimea as far more important than the developments surrounding the Iranian nuclear program. Russia has cooperated with the United States and other Western nations in the Iranian talks, but Ryabkov warned that its attitude may now change. "We wouldn't like to use these talks as an element of the game of raising the stakes taking into account the sentiments in some European capitals, Brussels and Washington," Ryabkov was quoted as saying by Interfax. "But if they force us into that, we will take retaliatory measures here as well.

The historic importance of what happened in the last weeks and days regarding the restoration of historical justice and reunification of Crimea with Russia are incomparable to what we are dealing with in the Iranian issue." Ryabkov didn't elaborate on how Russia's position in the talks may change. Iran has agreed to curb its nuclear activities under the terms of a deal last November with six world powers, including Russia. Tehran insists that its nuclear program has peaceful goals and dismisses Western fears that it could be a cover for a bid to develop nuclear weapons. It has agreed to temporarily limit its atomic work in return for some sanctions relief. In the meantime, both sides are working on a fuller deal placing long-term restrictions on Iran's nuclear program in exchange for an end to all economic sanctions.

The Post-Russian world order

Politics Syndicate, 19.03.2014



Russia's intervention in Ukraine and the ensuing Crimea crisis is wrongly seen as the start of Cold War II. But, while the fallout from Russian President Vladimir Putin's defiance of international law and public opinion will be very different from that of the Soviet Union's long campaign to defeat capitalism, the geopolitical ripple effects are certain to be just as far-reaching, if not more so.

Russia is set to sideline itself from the global economy, and by doing so it will usher in a new era in international relations. International sanctions will be only the first consequence.

Markets and banks penalize uncertainty, so the Russian economy will progressively be cut off from international trade and investment and consigned to a future of slow or no growth. That is Russia's own funeral, of course. The wider consequences will be a shake-up of international politics and of governments' attempts to address common problems, ranging from global governance to climate change. The result may even be positive, with events in Ukraine unexpectedly opening the way to a significant realignment of fast-emerging countries whose twenty-first-century roles will be decisive. The first result of the West's standoff with Russia is that it spells the end of the BRICS. For a decade or more, the grouping of Brazil, Russia, India, China, and recently South Africa has been a major feature of world politics, challenging the might and influence of industrialized Europe and America.

But, with Russia set to become a pariah, either pushed out of or withdrawing from global markets and multilateral forums, the days of BRICS summits and institutions, such as the group's embryonic development bank, appear to be numbered. The BRICS may not be formally dissolved, but it is hard to imagine that the other four members would be willing to place their own positions in a globalized economy at risk by being drawn into Russia's quarrel with the world. Bit by bit, the idea that the group represents a coherent voice in world affairs will be quietly buried. A maverick Russia, bent on pursuing assertive foreign policies and creating a "Eurasian Union" trade bloc, poses obvious dangers. The more important outcome, though, will be how Russia's former BRICS partners realign with other major emerging economies in the G-20.

Cue the arrival on the world stage of MIKTA – a new group made up of Mexico, Indonesia, (South) Korea, Turkey, and Australia. These countries' foreign ministers plan to meet soon in Mexico to discuss a joint agenda on global governance issues. When they first met under the MIKTA banner on the fringes of last September's United Nations General Assembly, the initiative seemed little more than a club for countries that for one reason or another did not qualify for BRICS membership but fell short of major-power status. Russia's self-inflicted difficulties will change all of that. With the BRICS alliance set to be transformed almost overnight into something of a very different character, the way is cleared for a much larger grouping of countries that share many of the same concerns.



What the MIKTA countries share are rapid economic growth and increasing influence outside of their own borders. They have development problems, but they are also models of economic dynamism and innovation with a substantial stake in the way post-WWII global institutions and rules should be reshaped. Many of their challenges and ambitions dovetail with those of the BICS (the BRICS, minus Russia). In the alphabet soup of international politics, a nine-member jawbreaker like BICSMIKTA might eventually prove too unwieldy to be workable. The bottom line, though, is that Russia's coming absence from the multilateral scene will be a catalyst for new thinking on global challenges. A key question is whether that will revive the G-20 or destroy it.

It seems clear that Russia's membership in the G-8 will soon be revoked, and that the group will revert to its origins as the G-7, comprising the United States, Canada, Japan, Germany, France, the United Kingdom, and Italy, plus the European Union. But where that will leave the G-20 – including Russia's continuing participation in it – is much less clear. The G-20 has been a somewhat disappointing mechanism for tackling global issues, and the idea of bringing emerging economic giants into the same forum as the leading industrialized ones has yet to pay off in terms of measurable achievements. What is clear is that in today's increasingly interdependent world, Putin's distancing of Russia from so much of the international community looks self-defeating.

EU leaders debate, divided on sanctions against Russia

I24 News, 20.03.2014



European leaders were on Thursday to debate biting economic sanctions against Russia for its annexation of Crimea as Ukraine tore up key ties with the Kremlin and drew up plans to evacuate its nationals from the rebel peninsula.

German Chancellor Angela Merkel said EU leaders would widen the list of people targeted by travel bans and asset freezes and warned of economic sanctions if the crisis escalates. The EU Council “will make clear that we are ready at any time to apply third-phase measures in the event of a further worsening of the situation,” she said, adding that “it will, without a doubt, be a question of economic sanctions.”

Among them would be “an extension of the list of responsible people against whom travel restrictions and account freezes are in effect,” she said. On the other hand, France resisted pressure to suspend the controversial sale of two Mistral warships to Russia over the Crimea crisis, insisting it would not make any decision before October. “The delivery of the first boat is due in October, so the question of a suspension will arise in October,” Defence Minister Jean-Yves Le Drian said. Britain and Germany have both this week suspended military exports to Russia in protest at what they see as Moscow’s illegal seizure of the Crimean peninsula from Ukraine.

Kiev said it was looking to withdraw its embattled troops from Crimea after pro-Moscow forces seized naval bases and detained Ukraine’s naval chief in a tightening of Russia’s grip on the peninsula. In a sign that Moscow was seeking to ease tensions, Ukrainian Naval commander, Rear Admiral Sergiy Gayduk was released Thursday, hours after a US ultimatum expired and the White House warned Russia it was “creating a dangerous situation.” Gayduk was detained by Russian-backed forces on Wednesday. Ukrainian Acting President, Oleksandr Turchynov, registered a resolution with the Rada late Wednesday, stating that Kyiv does not recognize Russia’s annexation of Crimea.

The Russian website Kommersant.ru quotes the resolution, which states that “Crimea was, remains and will be a part of Ukraine”, and urges the international community to refuse to recognize the Republic of Crimea as a state entity. The tensions between Moscow and Washington were evident on Wednesday at a UN Security Council meeting, in which Russia’s envoy warned that the US ambassador’s “insults” are jeopardizing his country’s Moscow’s willingness to cooperate with the Americans on other diplomatic matters. This was a clear reference to US-Russian cooperation in the talks being conducted between the six world powers and Iran on the Iranian nuclear program. On Wednesday, Deputy Foreign Minister Sergey Rybakov said Russia considers the “reunification” with Crimea to be far more important than the latest developments concerning Tehran’s hotly contested nuclear program.



“We wouldn’t like to use these talks as an element of the game of raising the stakes taking into account the sentiments in some European capitals, Brussels and Washington,” said Ryabkov, who is also Moscow’s envoy to the ongoing Iran talks. “But if they force us into that, we will take retaliatory measures here as well,” he said. Meanwhile, Hillary Rodham Clinton cast doubt on the interim nuclear agreement with Iran. Still, the former secretary of state and potential 2016 Democratic presidential candidate told a pro-Israel audience in New York that she stands behind the Obama administration’s negotiations with Iran. Clinton said the United States should “give space for diplomacy to work” and avoid imposing new unilateral sanctions or any other actions that might lead any allies to back out of existing international sanctions against Iran.

“The odds of reaching that comprehensive agreement are not good,” Clinton said. “I am also personally skeptical that the Iranians would follow through and deliver. I have seen their behavior over the years. But this is a development that is worth testing.” If the negotiations with Iran fail, however, Clinton said the United States should explore “every other option.” “Let’s be clear,” she said, “every other option does remain on the table.” On Tuesday, vice president Joe Biden reassured Poland and the Baltic states that the US would protect them from any Russian aggression similar to what occurred in Crimea. The US has already sent 12 warplanes and 300 personnel to Poland in the wake of Russia’s takeover of Crimea.

Preparation also continues for an annual peacekeeping training exercise, called Rapid Trident. US officers cancelled a military exercise in Russia in the light of current events but confirmed the exercise in Ukraine would go ahead. British officials said they had yet to decide the UK’s level of participation in Ukraine but confirmed planning for Rapid Trident 2014 in Lviv, near the Polish border, was ongoing.

Russia says will complete legal moves to absorb Crimea this week

Hürriyet Daily News, 20.03.2014



The legal process required to make Crimea part of Russia will be completed this week, Foreign Minister Sergei Lavrov said on Thursday.

President Vladimir Putin signed a treaty to bring the Ukrainian region into Russia on Tuesday and the lower house of parliament was expected to ratify it later on Thursday. The upper house will follow suit on Friday. "Practical steps are being taken to implement the agreements on the entry of Crimea and (the Crimean port city of) Sevastopol into Russia," Itar-Tass news agency quoted Lavrov as saying. "The legal process will be completed this week."

Russia's moves to annex the Black Sea peninsula, which has a narrow ethnic Russian minority, has turned a confrontation with Europe and the United States into the biggest crisis in East-West relations since the Cold War. Lavrov blamed the West in a veiled reference to the United States, saying Western nations were trying to "preserve their global leadership and display their exceptionalism rather than striving to be guided by international law." "The events in Ukraine are a reflection of these approaches," Lavrov said, adding that Moscow would continue to use "political, diplomatic and legal methods" to protect Russians abroad. "We will insist that countries in which our compatriots have found themselves fully respect their rights and freedoms," he said.

Russia accuses the new pro-Western authorities in Kiev of endangering Russian-speakers in eastern Ukraine. In addition to ratifying the treaty annexing Crimea, Russia's lower house, the State Duma, plans to adopt legislation required to make Crimea and Sevastopol - which is home to Russia's Black Sea Fleet - regions of Russia. Both chambers are loyal to Putin and is doing his bidding over Crimea. The treaty goes into force once ratified and stipulates that Crimea will be fully integrated into Russia after a transition period ending on Jan. 1. Russia has begun issuing Russian passports to Crimeans, Interfax quoted Russia's immigration agency chief, Konstantin Romodanovsky, as saying. Crimean voters overwhelmingly backed joining Russia in a referendum on Sunday but the West says the vote was illegal.

The United States and Europe have imposed sanctions on officials and lawmakers accused of involvement in the annexation, partially suspended military and trade ties, and threatened more punitive measures. Russian officials are moving swiftly to integrate the region and bolster an economy that has been dependent on Kiev for 85 percent of its electricity, 90 percent of its drinking water and some of its food supplies. Finance Minister Anton Siluanov has said Russia will cover Crimea's estimated 55 billion rouble (\$1.53 billion) budget deficit with funds from the federal budget. Energy Minister Alexander Novak said Russia would also ensure Crimea has a constant power supply by providing back-up sources and controlling fuel reserves.

EU gives Ukraine 1 billion euros in aid, calls for economic reforms

Hürriyet Daily News, 19.03.2014



The EU announced 1.0 billion euros in emergency aid for Ukraine on Wednesday as it called for far-reaching economic reforms and a stepped-up fight against corruption. With EU leaders to discuss a response to Russia's annexation of Crimea at a summit Friday, the bloc detailed an initial 1.0 billion euros in aid to help stabilize Ukraine's economy.

The money is part of aid package agreed earlier this month worth 11 billion euros which will run for several years. While the focus has been on the recent "dramatic security and political developments, we should not forget that Ukraine's economic situation has been deteriorating," Rehn said.

"Creating the conditions for economic stabilization is an essential step in order to help Ukraine to stabilize the political situation." Alongside the 1.0 billion euros, the EU is also making available another 610 million euros under the terms of an EU Association Accord which now-ousted pro-Russian president Viktor Yanukovich ditched in November. EU leaders are due to sign the political chapters of the EU accord with Ukraine's new pro-European government on Friday, having already granted tariff cuts worth 500 million euros agreed in an accompanying free trade agreement with Kiev.

Rehn said the 1.0 billion euros will go to meet Ukraine's immediate financial needs but are also "aimed at supporting economic reforms." These reforms should improve overall management of the economy, thereby helping growth and the public finances, and boost the fight against corruption, Rehn said. He singled out electricity costs as one example of needed reform, saying massive government subsidies put great pressure on public finances. Ukrainian citizens had been calling for such changes "for so many months and so many years," he added.

Russian economy reacts to West sanctions

I24 News, 21.03.2014



MICEX stock index falls almost 2% on opening; Fitch, S&P revise outlook for Russia to negative from stable Russia's economy on Friday reacted to Thursday's punitive measures with expected index decline.

MICEX stock index fell 1.7 percent on opening, a day after US President Barack Obama threatened sanctions against key sectors of the Russian economy in response to its actions in Ukraine. The Fitch ratings agency on Friday revised its outlook for Russia to negative from stable after the United States slapped new sanctions against Russian officials amid the Ukraine crisis.

“The revision of the outlook to negative reflects the potential impact of sanctions on Russia’s economy and business environment,” Fitch said in a statement. “Since US and EU banks and investors may well be reluctant to lend to Russia under the current circumstances, the economy may slow further and the private sector may require official support,” it said. “The direct impact of sanctions announced so far is minor, but the incorporation of Crimea into the Russian Federation will likely lead the EU and US to extend sanctions further in response,” the rating agency said. “Furthermore, foreign investors may anticipate further official action and restrict Russian entities’ access to external financing,” it added.

“In a worst-case scenario, the US may prevent foreign financial institutions from doing business with Russian banks and corporates.” On Thursday, Standard and Poor’s ratings agency also revised the outlook for Russia to negative from stable, citing economic and financial consequences that US and EU sanctions could have on the country’s creditworthiness. US President Barack Obama imposed sanctions on more Russian officials and a bank Thursday and threatened to target the broader Russian economy if Moscow escalates its actions against Ukraine. “Russia must know that further escalation will only isolate it further from the international community,” Obama said at the White House.

The new measures targeted a new list of 20 lawmakers and senior government officials in addition to 11 people already sanctioned by Washington. Obama made his announced just hours after Russian lawmakers rubber-stamped a treaty signed by President Vladimir Putin to absorb the Ukrainian region of Crimea into Russia. The US move freezes assets within American jurisdiction and bars US firms from conducting business with those concerned. The US Treasury Department identified the financial institution involved as Aktsionerny Bank of the Russian Federation, also known as Bank Rossiya. Senior officials said the bank held significant assets of the Russian ruling elite and key figures around Russian President Vladimir Putin.



“Bank Rossiya’s shareholders include members of Putin’s inner circle associated with the Ozero Dacha Cooperative, a housing community in which they live,” the US Treasury said. Obama said: “Now we’re taking these steps as part of a response to what Russia has already done in Crimea.” But he also raised the prospect of tougher future action if Russian behavior does not change, adding he had signed a new executive order that would allow him to target specific sectors of the Russian economy. “This is not our preferred outcome,” Obama said, warning that the moves would have a “significant impact” on the Russian economy. European Union leaders also agreed on Thursday to expand the bloc’s list of people targeted with sanctions over tensions in Ukraine by 12 names and warned that further economic measures against Russia could be taken if the situation in Ukraine worsens.

At a summit in Brussels, EU leaders agreed to ask the European Commission to prepare an assessment of the potential impact of broad economic sanctions against Russia, President of the European Council Herman Van Rompuy told a news conference. Russia responded by announcing it was introducing its own sanctions against US officials. “There should be no doubt: each hostile attack will be met in an adequate manner,” the Russian foreign ministry said, saying it was targeting nine Obama aides and senators. Moscow’s blacklist includes Obama aides Caroline Atkinson, Daniel Pfeiffer and Benjamin Rhodes and senators Mary Landrieu, John McCain and Daniel Coats.

Ban Ki-moon heading to Russia and Ukraine: UN

Hürriyet Daily News, 19.03.2014



United Nations Secretary-General Ban Ki-moon was on Wednesday preparing to set off for Russia and the Ukraine to encourage a peaceful settlement of the crisis threatening conflict between them.

Ban will meet with Russia's President Vladimir Putin in Moscow on Thursday and with Ukraine's interim leaders President Olexsandr Turchynov and Prime Minister Arseniy Yatsenyuk in Kiev on Friday. "The Secretary-General has consistently called for a solution that is guided by the principles of the United Nations Charter," Ban's office said, urging "all parties to resolve the current crisis peacefully."

Moscow and Kiev are on the brink of conflict following a breakdown in relations in the wake of last month's overthrow of Ukraine's former Kremlin-backed president Viktor Yanukovych. On Tuesday, Putin signed a treaty absorbing the Ukrainian region of Crimea into Russia and on Wednesday pro-Russian troops stormed a Ukrainian naval headquarters on the peninsula. Much of the international community, including the United States and the European Union, rejects the annexation of Crimea as illegal, but Moscow in turn refuse to recognize the Ukrainian government.

India world's biggest buyer of arms

Aljazeera, 17.03.2014



Swedish think tank says India's import of weapons rose by 111 percent during last five years. India remains the biggest buyer of arms in the world, importing nearly three times as many weapons as its nearest competitors China and Pakistan over the last five years, a Swedish think tank said.

The total volume of arms sales was up 14 percent in 2009-13 compared to the previous five years, according to the Stockholm International Peace Research Institute. Indian imports of major weapons rose by 111 percent in the last five years compared to 2004-08. Its share of total global arms imports increased from 7 to 14 percent, SIPRI said.

With its domestic defence industry struggling to manufacture high-tech arms, India is in the midst of a defence spending binge as it struggles to keep up with better-equipped Chinese forces and a range of military challenges in its volatile neighborhood. The main supplier of arms to India in 2009-13 was Russia, accounting for 75 percent of all imports, reflecting India's need to upgrade and modernise weapons systems dating back to their close relationship during the Cold War. India has lately sought to diversify its sources, looking particularly to the United States. India's traditional rival Pakistan increased its weapons acquisitions by 119 percent, growing from 2 percent of the global total to 5 percent during that period.

The five largest arms suppliers worldwide between 2009 and 2013 were the United States (29 percent of global exports), Russia (27 percent), Germany (7 percent), China (6 percent) and France (5 percent). They collectively accounted for 74 percent of total arms exports, SIPRI said. The world's top five arms importers were now India, China, Pakistan, the United Arab Emirates and Saudi Arabia. "Chinese, Russian and US arms supplies to South Asia are driven by both economic and political considerations," said Siemon Wezeman, senior researcher with the SIPRI Arms Transfers Programme. "In particular, China and the USA appear to be using arms deliveries to Asia to strengthen their influence in the region," Wezeman said.

Could China and Japan work together in east Africa?

The Diplomat, 20.03.2014



Despite troubled relations at home, the two countries have a shared interest in Africa. On February 25 China joined the U.S., France, and Japan in signing a security and defense agreement with Djibouti, as it seeks to further integrate with regional naval operations. Combined Chinese and Japanese inroads into the strategic port of Djibouti could be another exercise in antagonism, or a rare showcase of cooperation.

They are both seeking to combat piracy in the Gulf of Aden and protect their burgeoning assets in East Africa. This is a rare instance in which both countries have a shared interest, and could provide instructive for other points of tension.

Both countries rely on the trade and energy exports that transit this narrow passage between the Red Sea and Gulf of Aden, yet neither has the naval capacity or mandate to project power in the area. The threat of Somali piracy has led to some astonishing international naval cooperation in the region. But as both Chinese and Japanese interests in East Africa grow, the close management and strengthening of this cooperation will be necessary to help prevent further conflict between the two. The Chinese security agreement was at the behest of Djibouti's Defense Minister Hassan Houffaneh, who said it was due to significant Chinese funding of local infrastructure projects. The minister said Djibouti was ready to allow Chinese naval ships access to its ports in order to enhance military cooperation.

He added that the Djiboutian Air Force would soon acquire Chinese aircraft, and called for "assistance with surveillance, including radar, and additional places at China's military training centers." Japan's military has since 2009 had a presence in Djibouti near the U.S. base at Camp Lemonnier. By 2011 its base hosted 600 members of the Maritime Self Defense Forces, who rotate between the camp and two Japanese destroyers in the port as part of its anti-piracy mission. Prime Minister Shinzo Abe visited Djibouti on August 27, 2013, and promised to provide patrol ships to help Djibouti's coast guard improve maritime security. Abe also promised "to develop geothermal power generation and secure stable electricity supplies."

Both China and Japan have contributed to, and benefited from, the sharp decrease in Somali-based piracy since 2012. Their ability to work within an internationally coordinated framework has given them the chance to work toward a shared objective in a security setting, no small feat for these two increasingly belligerent neighbors. The scope of the international anti-piracy campaign around the Horn of Africa has broadened as pirates moved further afield into the Arabian Sea and the western Indian Ocean. This has in turn also broadened the reach of Chinese and Japanese naval vessels. This increased security role in the region is a natural outgrowth of China and Japan's investment in East Africa, and their dependence on nearby sea lanes for trade and energy. There is little chance of conflict while neither country has a true blue-water navy.



However, their ever-increasing involvement in Sub-Saharan Africa will lead them both, especially China, to desire greater control over regional security. Both countries' investments in East Africa are substantial, yet Chinese investment significantly outweighs Japanese. To understand the difference, just look at each country's foreign direct investment (FDI) numbers for 2012 in Africa as a whole. Chinese FDI was \$25 billion while Japan's was around \$6 billion. Even as Japan last year declared it would spend \$32 billion on investments and loans for Africa over the next five years, that is still less than China plans to spend in East Africa alone. For Japan the scale of investment is smaller, yet by no means less strategic. For now, however, there is little overlap in their large-scale projects, specifically in infrastructure, which means that both countries may be able to benefit from the other's investments with little chance for friction.

Auditing firm Deloitte estimates that of current East African construction projects, China is funding 17 percent while Chinese firms are building 19 percent. Of these construction projects, 42 percent are in the transport sector. China is a major financier of the LAPSSSET transport and infrastructure project designed to link the port of Lamu in Kenya to South Sudan and Ethiopia through a series of pipelines, refineries, and port facilities estimated to cost up to \$29.5 billion. China is also financing the \$10 billion Bagamoyo Port project in Tanzania as well as a standard gauge railway project set to link Kenya's port of Mombasa with Uganda, Rwanda, Burundi, and perhaps South Sudan and Ethiopia. The rail project is estimated to cost roughly \$14 billion.

In Sudan and South Sudan China had already invested \$20 billion before their separation, with another \$8 billion pledged toward energy infrastructure in South Sudan after the split. China accounts for two-thirds of South Sudanese oil exports, which go through Port Sudan on the Red Sea. This will remain the case until the above LAPSSSET project comes online, which means Sudan, South Sudan, and China all have a vested interest in Chinese participation in securing Djibouti's surrounding waterways. Japanese investment isn't as focused as Chinese investment in East Africa, yet its latest pledge of \$32 billion has important implications for the region. Japan is Kenya's second largest creditor and has issued grants to develop four new geothermal energy sources in the country.

Japan is a world leader in geothermal energy and Kenya is planning to bring 5,000 megawatts of this type of electricity online by 2030. Japan also imports copper and cobalt from Zambia and plans to invest \$700 million in the Nacara Corridor to bring minerals from the interior to market. In Tanzania, Japan is investing in a new central line railway and expanding the port of Dar es Salaam as well as investing \$550 million in the textile industry. According to STRATFOR, Japanese Mitsui Group has a 20 percent stake in developing Mozambique's Rovuma-1 offshore gas field. Japan is also investing "\$700 million to develop Nacala port near the Rovuma field and the railway to central Mozambique's coal fields via Malawi, where, incidentally, Japan hopes to mine rare earths." Japan also accounted for 15% of Sudanese and South Sudanese oil exports in 2012.

Japan and North Korea to reopen official talks

ABC News, 21.03.2014

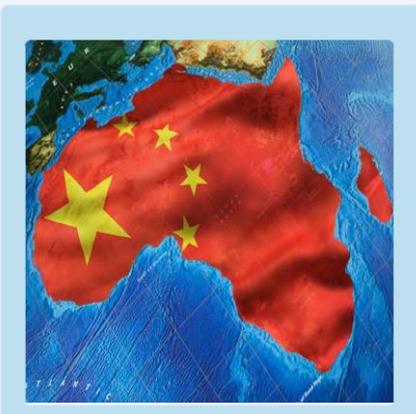


Japan and North Korea will resume government-to-government negotiations for the first time since November 2012. The Japanese Foreign Ministry said Friday that the two countries have agreed to meet in Beijing on March 30-31.

The agreement was reached at informal talks this week between Japanese and North Korean Foreign Ministry officials in Shenyang, China. The officials were attending a meeting of the two countries' Red Cross societies. Japan and North Korea do not have diplomatic relations. They held talks in 2012 during a brief warming of relations, but those ended after North Korea launched a rocket in December.

The world needs China's leadership

The Diplomat, 21.03.2014



For more than two decades China has abided by former leader Deng Xiaoping's "keep a low profile" strategy in foreign affairs. But things are changing - China is ready to take on a leadership role in international affairs, and the world will benefit from it.

In a recent speech, China's President Xi Jinping emphasized "being more active," "adjusting to new times," providing "more leadership," and "contributing to the world." The Minister of FA, Wang Yi said that China is ready to take on more international responsibilities, ranging from foreign aid, peacekeeping, nuclear non-proliferation.

This is already happening in several areas. China's Premier Li Keqiang recently spoke of building a new security framework in East Asia, and the country's senior leaders are making efforts to manage nuclear dilemmas in Iran and North Korea. The country is working with other BRICS countries to establish their own development bank that could rival the World Bank and the IMF. China has also shaped the development of the responsibility to protect norm in international security and human rights, and continues to reform it along with other developing countries. As these developments have gradually changed the face of international relations, the U.S. has been hampered by problems ranging from its fiscal deficit and domestic political stagnation to international withdrawal, sending a discouraging signal to the world.



Gone are the days when the U.S. could singlehandedly provide a stable order for the international community. Now more than ever, the U.S. needs help from other countries to provide global leadership. But Europe has been plagued by its own debt crisis and Japan is struggling to come back from two decades of economic stagnation. China, on the other hand, has recovered quickly from the 2008 global financial crisis and now is the second largest economy in the world. Not all scholars would agree that China is ready for a leadership role, and several misconceptions should be addressed. First, leadership is not hegemony. Chinese leadership in global affairs will not mean regional or global domination.

China should not impose its own will on other states, and it will not do so. It knows the perils of this approach very well from its own painful experiences since 1840 at the hands of the West and Japan. Moreover, China has sided with the developing countries over many issues for a long time. Indeed, part of China's identity is still as a developing country, and this ensures that China will continue to restrain itself from bullying other developing or smaller countries. Second, China cannot lead in all issue areas. Its power and resources are still limited and will remain so for a long time. Yet the country can start taking on more leadership in areas such as poverty reduction, environmental protection, community building in East Asia, foreign aid to developing countries, and international human rights protection.

Third, some worry that China's pursuit of leadership will generate conflict. This would only happen if the U.S. chose to contain or undermine China's efforts. More Chinese leadership will lead to more regional and global public goods, a more stable order in Asia, and a more confident and secure China. That, in turn, will help to keep rising domestic nationalism at bay. Fourth, some within China worry that taking on too much international responsibilities will weaken China's own social and economic development. This worry is unwarranted. With power comes greater responsibility. China's power has increased significantly over the last decades and China has been the biggest beneficiary of globalization and economic openness; now is the right time for China to make some contributions to the international community.

To play an effective leadership role in global affairs, China must also adopt meaningful economic, political, and social reforms at home. Just like the U.S., China's global leadership must come from internal accomplishments. This means that the Chinese government should rebuild its domestic legitimacy through redefining state-society relations and shifting emphasis from GDP growth to morality. The good news is that the current Chinese leadership, led by President Xi Jinping, is keenly aware of this problem and is determined to tackle legitimacy issues through more major reforms. All this talk about China's leadership might make some countries uneasy. But they need not worry. The international community must acknowledge that today's fast-rising China has earned the right to play an important role in shaping a new international order.

The global economy's tale risks

Politics Syndicate, 20.03.2014



Fluctuations in the world's economies are largely due to the stories we hear and tell about them. These popular, emotionally relevant narratives sometimes inspire us to go out and spend, start businesses, build new factories and office buildings, and hire employees; at other times, they put fear in our hearts and impel us to sit tight, save our resources, curtail spending, and reduce risk.

They either stimulate our “animal spirits” or muffle them. Visiting Japan on a speaking tour, I am struck by the positive impact of the economy-related stories on people's thinking and behavior, and also by how fragile that change is.

Since Prime Minister Shinzo Abe assumed office in December 2012 and launched his program of monetary and fiscal stimulus and structural reform, the impact on Japanese confidence has been profound. According to the International Monetary Fund, the output gap – the difference between actual and potential GDP – narrowed from -3.6% in 2011 to -0.9% in 2013. Most of the rest of the world lacks a comprehensive, easily understood narrative of positive change similar to Japan's “Abenomics.” The output gap for the world's major advanced economies, as calculated by the IMF, remains disappointing, at -3.2% in 2013, which is less than half-way back to normal from 2009, the worst year of the global financial crisis, when the gap was -5.3%.

We seem to be at the mercy of our narratives. Ever since 2009, most of us have just been waiting for some story to turn our hearts aglow with hope and confidence – and to reinvigorate our economies. Think of the story of the real-estate boom in the United States and other countries in the first half of the 2000's. This was a story not of a “bubble”; rather, the boom was a triumph of capitalist enterprise in a new millennium. These stories were so powerful because a huge number of people were psychologically – and financially – invested in them. Most families owned a house, so they were automatically participating in the boom. And many homeowners, eager to participate even more in the boom and feel like savvy capitalists, bought more expensive houses than they normally would.

With the abrupt end of the boom in 2006, that ego-boosting story also ended. We were not all investing geniuses after all. It was just a bubble, we learned. Our confidence in ourselves, and hence in our futures, took a hit, discouraging economic risk-taking. Then the financial crisis erupted, scaring the entire world. A story of opportunity and riches turned into one of corrupt mortgage lenders, overleveraged financial institutions, dimwitted experts, and captured regulators. The economy was careening like a rudderless ship, and the sharp operators who had duped us into getting on board – call them the 1% – were slipping away in the only lifeboats.



By early 2009, the plunge in stock markets around the world reached its nadir, and fear of a deep depression, according to the University of Michigan Consumer Sentiment Survey, was at its highest level since the second oil crisis in the early 1980's. Stories of the Great Depression of the 1930's were recalled from our dimmest memories – or from our parents' and grandparents' memories – and retold. To understand why economic recovery (if not that of the stock market) has remained so weak since 2009, we need to identify which stories have been affecting popular psychology. One example is the rapid advance in smartphones and tablet computers. Apple's iPhone was launched in 2007, and Google's Android phones in 2008, just as the crisis was beginning, but most of their growth has been since then. Apple's iPad was launched in 2010.

Since then, these products have entered almost everyone's consciousness; we see people using them everywhere – on the street and in hotel lobbies, restaurants, and airports. This ought to be a confidence-boosting story: amazing technologies are emerging, sales are booming, and entrepreneurship is alive and very well. But the confidence-boosting effect of the earlier real-estate boom was far more powerful, because it resonated directly with many more people. This time, in fact, the smartphone/tablet story is associated with a sense of foreboding, for the wealth that these devices generate seems to be concentrated among a tiny number of tech entrepreneurs who probably live in a faraway country.

These stories awaken our fears of being overtaken by others on the economic ladder. And now that our phones talk to us (Apple launched Siri, the artificial voice that answers your spoken questions, on its iPhones in 2010), they fuel dread that they can replace us, just as earlier waves of automation rendered much human capital obsolete. I had the pleasure of meeting with Abe on this trip. He sticks to the script, telling a story of taking aggressive and definitive action against an economic malaise that has plagued Japan for decades. He inspires confidence; I felt it immediately. Abe is also described as reviving national patriotism, even nationalism. Though I heard none of this from him in my meeting, I think it may be a central part of his story, too.

Nationalism, after all, is intrinsically bound up with individual identity. It creates a story for each member of the nation, a story about what he or she can do as part of a successful country. Some of Abe's most controversial steps, such as visiting the Yasukuni Shrine despite Chinese and Korean objections, only increase the story's impact. Still, it is not easy for national leaders, even those with Abe's talents, to manage such stories, just as it is hard for film producers to make a blockbuster every time. No leader can consistently shape the narratives that affect the economy. But that does not rule out the need to try.



Announcements & Reports

► *Ukraine: The International Response*

Source : Chatham House

Weblink : http://www.chathamhouse.org/sites/default/files/home/chatham/public_html/sites/default/files/20140313UkraineInternational.pdf

► *Coordinating Responses to the Crisis in the CAR: The Role of the UN*

Source : Chatham House

Weblink : <http://www.chathamhouse.org/publications/papers/view/198331>

► *Southeastern Europe: The Road Forward*

Source : Chatham House

Weblink : <http://www.chathamhouse.org/publications/papers/view/198357>

► *Change in Foreign Policy of Iran under Rouhani Government and Its Reflections in Domestic Politics*

Source : ORSAM

Weblink : http://www.orsam.org.tr/en/enUploads/Article/Files/2014320_orsambrief.pdf

► *The Demographic Engineering in Crimea: Soviet Ethnic Cleansing in Russia 1945-1953*

Source : BILGESAM

Weblink : <http://www.bilgesam.org/en/images/stories/analiz/pdf/1122.pdf>

► *Global Economics Monthly: Taxing Times for Abenomics*

Source : Center for Strategic and International Studies

Weblink : http://csis.org/files/publication/140320_Global_Economics_Monthly_V3.pdf

► *The FY2015 Defense Budget and the QDR: Key Trends and Data Points*

Source : Center for Strategic and International Studies

Weblink : http://csis.org/files/publication/140320_FY2015_QDR_Data_Points.pdf

► *The Cold War on the Korean Peninsula: Finding the Off Button*

Source : Center for Strategic and International Studies

Weblink : <http://csis.org/files/publication/Pac1421.pdf>



Upcoming Events

► *8th International Turkish - African Congress*

Date : 16 – 17 April 2014
Place : Accra-Ghana
Website : http://www.tasam.org/en/Icerik/5010/the_8th_turkish_-_african_congress_in_ghana

► *9th International Turkish - African Congress*

Date : 24 – 25 April 2014
Place : Turkey
Website : http://www.tasam.org/en/Etkinlik/592/9th_international_turkish_-_african_congress

► *3rd World Turkic Forum*

Date : 28 – 30 May 2014
Place : Edirne – Turkey
Website : http://www.tasam.org/en/Etkinlik/579/3rd_world_turkic_forum

► *9th International Turkish - African Congress*

Date : 24 – 25 April 2014
Place : Turkey
Website : http://www.tasam.org/en/Etkinlik/592/9th_international_turkish_-_african_congress

► *European Energy Horizons 2014*

Date : 8 May 2014
Place : Stockholm - Sweden
Website : <http://www.economistinsights.com/energy/event/european-energy-horizons-2014?region%5B4%5D=4®ion%5B7%5D=7>

► *3rd World Turkic Forum*

Date : 28 - 30 May 2014
Place : Edirne - Turkey
Website : http://www.tasam.org/en/Etkinlik/579/3rd_world_turkic_forum

► *World Water Conference*

Date : 11 November 2014
Place : Edirne - Turkey
Website : <http://www.economistinsights.com/sustainability-resources/event/world-water-forum?region%5B4%5D=4®ion%5B7%5D=7>