

Turkey model country for world: Deputy PM Akdogan

Anadolu Agency, 08.01.2015



The global struggle against terrorism cannot be successful by ignoring certain attacks in the world, Turkish Deputy Prime Minister Yalcin Akdogan said.

Akdogan made the remarks in a series of posts on the social media website, Twitter, and specifically referred to recent terrorist attacks. “The common struggle against terrorism cannot be successful by ignoring the female suicide bomb attack against police in Istanbul, Saudi Arabia attack that killed three border soldiers and Yemeni capital Sanaa attack that claimed 35 lives,” the deputy prime minister tweeted in Turkish.

A woman suicide bomber killed a Turkish police officer and wounded another officer at Istanbul’s main tourist area Sultanahmet, police said. Saudi official news agency SPA reported Monday that a suicide attack on a border patrol force near the frontier with Iraq killed three of its guards. Also, recently a car bomb attack outside a police academy in Yemeni capital Sanaa killed 40 people and wounded dozens of people, according to the Yemeni Interior Ministry. Akdogan also tweeted that Turkey was a model country for the world because of its balance in Islam and democracy, moderation and democratic participation, and cohesion among people.

Turkey to order four more F-35 from US Lockheed Martin

AFP, 08.01.2015



Turkey is planning to buy four more F-35 Joint Strike Fighters from the U.S., in addition to the two it had already ordered, the country’s defense industry agency said.

“It has been agreed that four more F-35 planes will be procured in addition to the two previously ordered as part of a plan to buy a total of 100 new generation F-35 Joint Strike Fighters,” the defense industry executive committee (SSM) said in a statement posted on its website. The decision came after a meeting chaired by Prime Minister Ahmet Davutoğlu for the first time under his rule to discuss key defense purchases.

Turkey has long planned to purchase 100 jets to replace its ageing F-4 and F-16 fleet, but increasing costs have hampered the acquisitions. The Joint Strike Fighter, manufactured by Lockheed Martin, is the Pentagon's most expensive weapons programme ever. The defense committee also agreed to "continue negotiations" over Turkey's plan to buy defense missile systems. Turkey, key NATO member, announced in 2013 that it was entering negotiations with the China Precision Machinery Export-Import Corporation (CPMIEC) to acquire its first long-range anti-missile systems. But the plan has deeply concerned the United States, which has already imposed sanctions on the Chinese firm for supplying arms to Iran and Syria in defiance of an embargo. Ankara has since then asked other contenders - European and American firms - to renew their proposals.

Turkey lagging behind emerging markets, at 1980s levels of FDI: World Bank

Anadolu Agency, 07.01.2015



Turkey has lagged behind other emerging markets in competitiveness levels and returned to the 1980s in terms of attracting foreign direct investment (FDI), World Bank Director for Turkey Martin Raiser said.

"Turkey's FDI figures are very impressive, and the country's FDI attraction rate increased to very high levels in 2007 compared to BRICS countries, Mexico and Nigeria. However, we now see Turkey back to 1988 rates in terms of luring FDI in comparison to other emerging markets, but very few people accept this fact," Raiser said at Turkish think-tank TEPAV in Ankara.

"This is not impressive. One of the causes may be problems in the reform process and regulations," he added. Raiser said there are three obstacles that Turkey must overcome to become a high-income country: Increasing productivity, enabling the working population to participate in the economy more, and preparing Turkey's institutional structures for the high-income group.

"It is necessary for Turkey to strengthen the rule of law and autonomous regulation authorities, as well as to complete financial administration reforms to compete with the best. Compared to many EU countries, Turkey is lagging behind in innovation capacity. Turkey's R&D investments have recently increased two-fold, but this is mostly from the public sector, as the share of private sector investment in R&D activities is lower than many EU countries, for example in Poland," he said.

Raiser said Turkey's global visibility has increased over the last 40 years, according to Anadolu Agency. "If the Customs Union had not been the case for Turkey, the process would have not been experienced," he said, praising the strong banking sector and infrastructure investments in Turkey.

Turkey keeps growing amid problems

Anadolu Agency, 04.01.2015



Turkey continues to grow in a stable manner, despite the negative conditions surrounding it, said Deputy Prime Minister Ali Babacan at an award ceremony.

“Turkey may be growing at a slower pace than it was a couple years ago, but the country continues to grow in a stable and reasonable way amid many negative conditions,” he said at a ceremony organized by the Mersin Entrepreneurs’ Association. He cited Turkey’s experience with the Gezi protests in 2013, followed by the corruption claims, as examples of the negative situations affecting the country recently.

“A local election and a presidential election were conducted in the last two years. The civil war continues in Syria, right beside Turkey. We can barely say Iraq is stable. The recent Russia-Ukraine conflict also makes things worse around Turkey,” he said. The Central Bank’s survey results on “expectations” revealed that expectations made in 2013 for the upcoming year had not come to pass by the end of 2014.

Despite all these negativities, and the decision by the U.S. Federal Reserve (FED) to end the high liquidity party in global markets, the Turkish economy keeps growing and creating new jobs, he said. He noted there are some critical principles of great importance to maintain good performance in the economy. “The most important principles are building confidence and maintaining stability. Economic growth is not possible unless these are ensured,” he said, adding that it was not easy to achieve them. Babacan also said there are several problems with the country’s investment environment. “We have problems in the judicial area. We also see that the links between municipalities and business circles are not strong, as well as the links between universities and the industrial world. We’ll be focusing on solving these problems in the future,” he said.

Turkish Central Bank hikes forex reserve requirement ratios

Reuters, 04.01.2015



Turkey's Central Bank raised foreign exchange reserve requirement ratios citing the need to support financial stability amid volatility in global markets.

With the lira currency trading at record lows against the dollar, the changes are intended to ensure banks and other financial institutions can meet forex liabilities and to encourage them to shift foreign borrowing to longer maturities. Banks will now be required to keep 18 percent of their foreign currency liabilities of up to a year's maturity on hand to provision for potential losses, an increase from 13 percent.

Reserve requirements for similar liabilities of between one and two years' maturity rise to 13 percent from 11 percent. "With a view to supporting financial stability and by taking into account the latest developments in global markets, the reserve requirement ratios of foreign exchange-denominated liabilities of banks and financing companies are revised in order to encourage the extension of maturities of non-core liabilities," the Central bank said in a statement. It also raised the ratio for maturities of between three and five years to 7 percent from 6 percent, but cut reserve requirements for maturities of between two and three years to 8 percent from 11 percent.

Iran 'must end isolation for economy to flourish'

AFP, 04.01.2015



Iran's President Hassan Rouhani said that foreign investors should no longer be viewed as a threat and signaled his country's decades-long isolation from the world economy could soon end.

Speaking at an economic conference in Tehran, he said the Islamic republic would not give up its principles but it would be better placed to conclusively emerge from recession if it opened up. Iran is engaged in long-running negotiations with world powers aimed at a comprehensive deal over its disputed nuclear program which, if successful, will likely result in an investment boom.

A key point in any agreement would be the lifting of wide-ranging sanctions, imposed on Iran as punishment for its atomic activities, blamed for neutering its oil- and gas-rich economy. Rouhani said Iran wanted “lasting and sustainable development” and if it was to escape the recent years of “constriction” caused by its foreign policy then change was necessary.

“Our political life has shown we cannot have sustainable growth while we are isolated,” he told an audience of 1,500 economic experts and guests, including the economy minister and head of the Central Bank. “The time is past when it used to be said that if a foreign investor comes to Iran, our independence will be in danger,” he added.

The president’s comments alluded to a checkered history of foreign involvement in Iran’s economic affairs, chiefly from Russia and Britain in the oil industry. In 1953, British and U.S. intelligence services orchestrated the ouster of democratically elected Prime Minister Mohammad Mossadeq, in a coup d’etat after he announced plans for oil nationalization. His overthrow remains a toxic issue and a rallying point for hardline sceptics of the West.

The nuclear talks between Iran and the P5+1 group (Britain, China, France, Russia and the United States plus Germany) resume in Geneva on January 15, and are aimed at a political agreement by March and a comprehensive accord by June 30.

During the negotiations Iran has limited its enrichment of uranium, a process that creates nuclear fuel but which at high purities can produce fissile material for an atomic weapon. Iran denies seeking the bomb, insisting its nuclear program is for peaceful energy purposes. Although a nuclear deal is seen as the key to unlocking a dormant economy, Rouhani said the current curtailment of Iran’s nuclear activities should not be considered as weakness.

Iraqi PM calls for ‘tribal revolution’ against ISIL

Reuters, 06.01.2015



Iraqi Prime Minister Haider al-Abadi called for a “tribal revolution” against ISIL in a sign of the importance Baghdad places on tribal resistance against the jihadists.”

In a meeting with Suhaib al-Rawi, the newly elected governor of embattled Anbar province, Abadi “stressed the need for a tribal revolution to rid the body of Iraqi society of this foreign enemy,” the premier’s office said. He emphasised “the importance of the tribes and the sons of the province taking part in liberating their areas from the terrorist organisations.” ISIL spearheaded a sweeping militant offensive last year that overran large parts of Iraq.

The support of Iraq's powerful Sunni tribes is seen as essential to defeating ISIL, and tribal fighters - who are now being trained by Baghdad - have played a key role in keeping the jihadists from gaining further ground in Anbar. Iraqi security forces wilted under the initial ISIL onslaught last June, but are now backed by U.S.-led air strikes, international advisers, Shiite militiamen and Sunni tribes, and have begun to claw back some areas.

Kurds push back ISIL in Syria's Kobane

AFP, 05.01.2015



Kurdish fighters have seized the security and government district of Syria's Kobane from ISIL and now control 80 percent of the border town, a monitoring group said.

"The People's Protection Units [YPG] fighting the jihadists for nearly four months have full control of the security district," the Syrian Observatory for Human Rights said. The Britain-based group said Kurdish fighters had seized control of the area after fierce clashes. A US-led coalition against ISIL also carried out at least three air strikes against the jihadist group in the town on the Turkish border, at least 14 ISIL members were killed in the fighting, the Observatory said.

ISIL began its assault on Kobane in mid-September and came close to overrunning the town, which is also known as Ain al-Arab.

Hamas 'totally opposed' to Abbas plan for new UN bid

AFP, 05.01.2015



Hamas said it was "totally opposed" to Palestinian president Mahmud Abbas's plans to re-submit to the UN Security Council a resolution on ending Israel's occupation. "Hamas is totally opposed to any return to the UN Security Council by the Palestinian Authority," spokesman Sami Abu Zuhri said.

"Such a step would be political foolishness which plays a dangerous game with the destiny of our nation. "Mahmud Abbas and the leadership of the Palestinian Authority should completely stop this political foolishness," Abu Zuhri said. The Palestinian leadership decided to refile a draft resolution setting a deadline for reaching a final peace deal.

Speaking to AFP, Abbas's spokesman Nabil Abu Rudeina said the resolution would be presented again "soon", without saying exactly when. The vote saw Security Council heavyweights China, France and Russia among eight countries who gave their support, while the United States and Australia voted against. Five other countries, including Britain, abstained -- among them Nigeria which had been expected to vote in favour but changed its stance at the last minute. The failure to win the nine "yes" votes necessary for the resolution to be adopted spared Washington from having to wield its veto, a move sure to cause embarrassment with its key Arab allies. But it was a diplomatic blow for the Palestinians who had been counting on the symbolic victory of nine votes, even though the resolution would in all likelihood have been blocked by a US veto. However, the makeup of the 15-member council changed with the addition of five new non-permanent members -- Angola, Malaysia, New Zealand, Spain and Venezuela -- some of which are perceived as having a more pro-Palestinian stance.

IMF talks resume in Ukraine as Soros urges bigger aid package

Reuters, 08.01.2015



An IMF team resumed talks in Kyiv that Ukraine's government hopes will lead to a bigger aid program, as billionaire financier George Soros urged the West to step up funding to the country.

The IMF's existing package is worth \$17 billion. But Kyiv, overseeing an economy already pushed close to bankruptcy by a pro-Russian separatist war in the east and now facing huge debt repayments, is anxious for the program to be expanded. Ukraine hustled through an austerity budget in late December, required for the next disbursement of IMF cash under a program that has so far paid out \$4.6 billion.

At the time, Central Bank head Valeria Gontareva said Kyiv expected the IMF to release two additional slices of credit before year-end, plus a fifth tranche following the January visit. With a combined value of \$2.7 billion for tranches three and four, a further expected disbursement of \$1.4-1.5 billion this month would take the overall figure for overdue and pending payments to over \$4 billion.

Hungarian-born hedge fund magnate Soros called yesterday on the West to step up its aid, outlining steps towards a \$50 billion financing package he said should be viewed as a bulwark against an increasingly aggressive Russia. The IMF, whose new mission is expected to wrap up before the end of the month, has said, along with Ukraine's other Western backers, that any extra financial help will hinge on Kiev's ability to implement long-promised reforms. Much will depend on how the Fund views the detail of Ukraine's budget and a series of austerity laws, including amendments that would impose extra duties on imports.

In December, Prime Minister Arseniy Yatseniuk, who held talks yesterday in Berlin with German Chancellor Angela Merkel on Western aid for his country, said Ukraine risked possible default unless Western donors came up with more funds. Its foreign currency reserves more than halved in 2014 to a 10-year low, and at just under \$10 billion are barely sufficient to cover two months of imports, and \$7.3 billion of external debt repayments fall due this year.

Ukraine: Merkel demands ‘visible progress’ from Russia

Reuters, 08.01.2015



Angela Merkel has called on Russia to make “visible progress” towards fully implementing the Minsk ceasefire agreement, in order to facilitate a political solution to the crisis in eastern Ukraine. Referring to preparations for a leaders’ summit next week in Astana, the capital of Kazakhstan, Merkel said at a joint press conference with Ukrainian Prime Minister Arseniy Yatsenyuk in Berlin: “We have to first restore trust.”

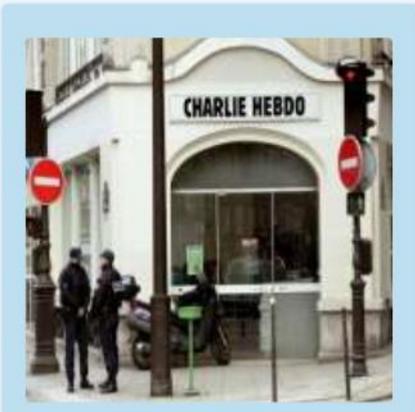
She said: “In the past there have been agreements on road maps to implement the elements of the Minsk agreement, but they have not been followed.”

Merkel criticized Russia’s reluctance to put strong pressure onto pro-Russian separatists in eastern Ukraine. She confirmed that foreign ministers from Ukraine, Germany, France and Russia were holding talks on a possible leaders summit, but underlined it was not clear whether it would take place. “Whether we would achieve progress to enable such a meeting to take place would only be clear after the talks in the coming days,” Merkel said.

German Chancellor Merkel will meet Kazakhstan’s President Nursultan Nazarbayev in Berlin, as part of talks on the proposed meeting. Nazarbayev has recently stepped in to try and help find a political solution to the crisis and carried out extensive talks in Moscow and Kiev last month to host a summit in Astana on Jan.15 between Russian, Ukrainian, German and French leaders. The Minsk agreement was signed in the capital of Belarus on Sept. 5 with the goal of seeking a sustainable cease-fire between pro-Russian separatists and Ukrainian forces. However it has not been respected. At least 4,707 people have been killed and 10,322 wounded in the conflict between Ukrainian forces and pro-Russian separatists in eastern Ukraine since mid-April, according to the UN. Since the September ceasefire, 1,357 fatalities have been recorded.

Bloody Charlie Hebdo attack condemned worldwide

Reuters, 09.01.2015



The French satirical magazine bloody attacks that happened and killed 12 people, including the editor of the weekly magazine and two police officers, sparked anger and fury in France and across the world.

Politicians and people around the world held demonstrations in support of the French magazine, Charlie Hebdo. Dutch Prime Minister Mark Rutte spoke in Amsterdam, saying, "we do not allow fear to rule us." In Russia, many gathered in front of the French Embassy in Moscow on Thursday. The crowds continued to place flowers and light candles to commemorate and pay tribute to those who died in the attack.

Approximately 500 people gathered in front the French Institute in the Greek capital of Athens. Mourners held banners, which read "Je Suis Charlie" a slogan that has become the main rallying cry of support for the magazine on social media and demonstrations. In addition, most Italian papers dedicated their front pages to the deadly attack. Around 2,000 people also gathered in front of the French Embassy in Rome at Piazza Farnese square to pay tribute to the victims.

Euro falls to 9-year low, Greece and ECB in focus

Reuters, 05.01.2015



The euro slumped to a nine-year low as investors bet that the prospect of inflation across the region turning negative and mounting political uncertainty in Greece will force the European Central Bank to unleash quantitative easing.

European shares were volatile, initially falling sharply before rebounding into positive territory within an hour of the open as investors digested the implications of the weak euro and yet another hefty slide in oil to a 5-1/2 year low. The euro fell to \$1.18605 in early Asian trading yesterday, its weakest level since March 2006. In early European trade it was at \$1.1964, down 0.3 percent from late U.S. trade.

Investors betting that the ECB will take the plunge very soon and open up a bond-buying program like the U.S., UK and Japanese central banks have done were emboldened by an interview ECB president Mario Draghi gave to German financial daily Handelsblatt. He said the risk of the Central Bank not fulfilling its mandate of preserving price stability was higher now than half a year ago. Economists forecast that eurozone consumer prices fell 0.1 percent in December, the first decline since 2009. That should fan expectations the ECB will ease policy as soon as Jan. 22, when it holds its first policy meeting of the year.

Greek politics were at the forefront of market thinking yesterday as the debate around the possibility of elections later this month resulting in the country leaving the euro zone picked up again. French President Francois Hollande said yesterday countries including Spain and Greece had paid a heavy price to stay in the euro and it was “up to the Greeks” to decide whether to now remain a part of the single currency. His comment in an interview with France Inter radio came in reaction to a media report at the weekend that said the German government believed the euro zone would now be able to cope with Greece leaving the euro.

The German government wants Greece to stay in the euro zone and there are no contingency plans to the contrary, Vice Chancellor Sigmar Gabriel said on Jan. 4, responding to a media report that Berlin believes the currency union could cope without Greece. “As for Greece remaining in the eurozone, Greece alone can decide,” Hollande said. “At this time we should not hypothesize about whether, according to the Greek vote, they would not or would still be a member of the euro zone. The Greeks are free to determine their own destiny.” The question of Greece’s continued membership in the euro zone has come into focus ahead of the Jan. 25 parliamentary election that left-wing opposition party Syriza, which has promised to end austerity policies if elected, is seen winning. Syriza leader Alexis Tsipras said in December his party would ask Europe to erase a big portion of its debt.

Troubled UK supermarket Tesco unveils revival plans

AFP, 08.01.2015



British supermarket giant Tesco launched cost-cutting plans to shut stores, sell assets and axe its dividend, in a bid to revive its fortunes and recover from an accounting scandal.

The nation’s biggest retailer announced the news in a gloomy statement which revealed sliding sales in the key Christmas trading period, as it continues to face fierce competition in its home market. Tesco said it will close its head office, slash capital expenditure, shut 43 “unprofitable” shops. The group agreed to sell the Tesco Broadband internet arm and Blinkbox TV-streaming service to telecoms firm TalkTalk for an undisclosed amount.

And Tesco cancelled a final-year shareholder dividend for the 2014/2015 financial year, adding it was exploring options to dispose of its Dunhumby data analytics business. Tesco, which did not outline potential job losses, will overhaul central overheads to deliver 250 million (\$377 million, 319 million euros) of savings per year, at a one-off cost of 300 million. “We have some very difficult changes to make,” said Tesco chief executive Dave Lewis in the statement. “I am very conscious that the consequences of these changes are significant for all stakeholders in our business but we are facing the reality of the situation. “Our recent performance gives us confidence that when we pull together and put the customer first we can deliver the right results.”

The supermarket chain will meanwhile shut its main headquarters in Cheshunt, Hertfordshire, in 2016, and move to Welwyn Garden City. Tesco, facing pressure in Britain from supermarket price wars and German-owned discounters Aldi and Lidl, also faces various probes after the giant admitted overstating its profits by 263 million earlier this year as a result of accounting errors. The group meanwhile revealed Thursday that total sales, stripping out the impact of new floor space and excluding petrol, fell 0.6 percent in the six weeks to January 3 from a year earlier. In Britain, sales declined by 0.3 percent. In an attempt to boost flagging sales, Tesco has overnight slashed prices on a number of its best-known products in Britain.

Switzerland urged to take in 100,000 Syrians

AFP, 07.01.2015



Rights groups have urged Switzerland to take in 100,000 refugees that are fleeing from nearly four years of conflict in their homeland, Syria. Solidarite sans frontieres - a migration policy organization based in the Swiss capital Bern - along with 26 non-governmental organizations, has called Swiss authorities to do more for the Syrian refugees in an open letter that appeared at SSF's website .

The letter said that there have never been so many people fleeing their homes since the Second World War and it was difficult to understand that the EU and Switzerland was adopting a “policy of isolation”.

It also said that Switzerland, as one of the richest countries, should be doing much more than it is doing now for the Syrian refugees. Switzerland is resettling 500 Syrian refugees over three years under a pilot project that started in 2013, which was strongly criticized by the non-governmental organizations as “hypocrisy”.

Meanwhile, “Switzerland has initiated a temporary extended family reunification programme from September to November 2013,” the Swiss foreign ministry told the Anadolu Agency. “Under this programme 4,600 visas have been issued to date and 4,200 Syrian have arrived in the country,” it added. The ministry said that there were nearly 10'000 Syrian civilians living in Switzerland, 168 of

whom were resettled, 1,460 were granted refugee status and 3,500 had provisional admissions. The UN refugee agency had called for 130,000 resettlement spots for the most vulnerable Syrian refugees in December, 2014 and around 36 countries pledged to shelter 100,000 Syrian refugees.

UN calls for tolerance after Germany anti-Muslim rallies

Anadolu Agency, 06.01.2015



The United Nations urged tolerance and acceptance in Germany following an increased number of anti-Islam rallies around the country.

“The Secretary-General has spoken repeatedly against what we have seen as a rise in extremism in different parts of Europe. His message is one of tolerance and one of acceptance,” said UN spokesman Stephane Dujarric. More than 18,000 people took to the streets in German city of Dresden in support of a right-wing group calling itself “Patriotic Europeans Against the Islamisation of the Occident.”

They were heard shouting anti-immigrant and anti-refugee slogans. The rally prompted massive counter-demonstrations in a number of cities including Cologne, Berlin, Stuttgart and Hamburg, where thousands of immigrants and Germans protested against the populist group and its copycat anti-Islam movements. “We’re seeing throughout the world an unprecedented crisis in terms of refugees that are moving very often under perilous conditions seeking safety. And I think it is the responsibility of everyone to ensure that those refugees are welcome and treated fairly,” Dujarric said.

During his year-end press conference in December, UN Secretary-General Ban Ki-moon said countering extremism and the rise of far-right political parties that target minorities, migrants and Muslims would be one of the four imperatives the UN would focus on in 2015. The rise of the Patriotic Europeans group has made headlines in Germany and abroad. The group started weekly protests in Dresden in October with an estimated 500 protesters, but significantly increased its support base since that time. Germany witnessed an increase in suspicion and negative feelings toward Muslims in recent months as far-right and right-wing populist parties sought to benefit from a growing fear of Islam and Muslims, largely influenced by reports of atrocities committed by the militant Islamic State of Iraq and the Levant group in the Middle East. Germany has approximately 4 million Muslim resident, with 3 million of them of Turkish origin.

Nigerian official denies fresh Boko Haram assault, says 'only 100' killed

Anadolu Agency, 09.01.2015



A local Nigerian official has denied reports about a fresh Boko Haram assault on the north-eastern Baga town, where militants overran a military base last week. "There is no fresh attack in Baga beyond what happened last weekend," Baga district chief Alhaji Baba Abba Hassan told reporters.

Media reports earlier said that Boko Haram militants had attacked Baga in Borno State on Wednesday, a few days after the militants launched a daring attack on the Multinational Joint Task Force (MNJTF) in the town. Reports said that more than 2,000 people had been killed in Saturday's attack, which the Nigerian official has dismissed as "outrageous".

"The figure of 2000 quoted is outrageous," he said. "Boko Haram has killed many people, more than 100, many that survived fled to Niger and Chad," Hassan said. "Corpses litter the town and surrounding bushes of Baga as I speak now. We don't even have access to the place to pick the corpses for decent burial," he added. Hassan said that Baga town is still under Boko Haram control, going on to claim that militants have captured Gwoza town, south of Borno State. "Some people have also fled to the state capital. Most of the people killed are women and children who were trying to flee when the Boko Haram stormed the town. Boko Haram pursued them even into the surrounding bushes," he said. For the last five years, Nigeria has battled a fierce Boko Haram insurgency that has ravaged the country's volatile northeastern region.

Somalia's Al-Shabaab executes 7 'spies'

Anadolu Agency, 07.01.2015



Somalia's Al-Shabaab militant group has executed seven civilians who it accused of "spying" in three different parts of the fractious country, a government official has said.

"In Bardera city in the southern Gedo region, they killed four people. In the neighboring Hiran region, two other people were killed, along with one person in the Gambole area," Ibrahim Adan, district commissioner for the Gedo region, told. According to the official, all seven were killed in public by firing squad within a period of 24 hours. On its Andalus radio channel, the militant group alleged that one of those killed in Bardera had worked for the CIA.

Two others were accused of providing intelligence to Ethiopia, while another was charged with helping the U.S. gather information on Al-Shabaab leaders when the group still controlled the port city of Barawe. The two killed in Hiran were accused of collecting information for Djiboutian and Somali militaries, according to the broadcaster. Al-Shabaab has recently suffered several major blows, losing most of its strongholds in the southern and central parts of the country to Somali and African Union troops. Several group leaders have also been killed in recent U.S. drone attacks. U.S. drone attacks are said to rely heavily on accurate intelligence gathering on the ground.

Australia issues security alert for Indonesia

Hurriyet Daily News, 06.01.2015



Australia has followed the U.S. in issuing a security warning for Indonesia, urging citizens to exercise great caution amid intelligence reports of potential attacks. Foreign Minister Julie Bishop told reporters in Perth that Australia was monitoring potential threats in Indonesia “very closely”.

Foreign Affairs said in travel advice released that it had received information suggesting “terrorists” may be planning attacks in Indonesia. The advice tells Australian nationals they “should exercise particular caution around locations that have a low level of protective security and avoid places known to be possible terrorist targets.”

Referring to the loss of Australian lives in the 2002 Bali attack, Bishop said: “We’re working closely with the Indonesian security, intelligence and law enforcement agencies.” The bombings killed 202 people, including 88 Australians and seven Americans. Bishop said that although she would feel comfortable visiting Bali, tourists should take out insurance or reconsider traveling if they cannot afford the expense.

The alert was issued as Prime Minister Tony Abbott visited the Middle East, where Australian forces are taking part in air strikes against the Islamic State of Iraq and the Levant, known as ISIL. The U.S. Embassy in Indonesian capital Jakarta posted a security warning on its website for U.S.-associated banks and hotels in Surabaya, the country’s second largest city.

“The U.S. embassy has been made aware of a potential threat against U.S.-associated hotels and banks in Surabaya, Indonesia,” the statement said. “The US embassy recommends heightened vigilance and awareness of one’s surroundings when visiting such facilities.” The next day, Indonesia’s national police force announced that there was no indication of planned terror activities in Surabaya.

Inspector General Ronny F. Sompie, national police spokesperson, told the Jakarta Post: “There’s nothing to worry about since the intelligence assessment carried out by the National Police’s head

of intelligence and security department has so far found that there are no public order disruptions [in Surabaya] related to any terror plot.” Nevertheless, he added that National Police chief Gen. Sutarman, who like many Indonesians uses only one name, had ordered police in East Java province to increase their vigilance and raise awareness. “The police expect all parties to be cooperative by contacting and informing [us] about any developments that could lead to public order disruptions, including those initiated by terrorists,” the Post quoted him as saying.

Surabaya was the departure point of the AirAsia Flight QZ8501 that crashed into the Java Sea on Dec. 28. The U.S. said the warning was not related to the flight tragedy. Indonesia’s National Counterterrorism Agency has reported that more than 500 Indonesians support ISIL. In August, Indonesia banned membership and support for the group. Several ministries, intelligence agencies and the National Counterterrorism Agency have been instructed to work together to detect and prevent would-be fighters from traveling to conflict areas like the Middle East and south Asia.

U.S. rules out Venezuela prisoner swap offer

AFP, 06.01.2015



The United States rejected an offer by Venezuelan President Nicolás Maduro for a jailed opposition leader to be freed in exchange for a Puerto Rican nationalist. U.S. State Department spokeswoman Jen Psaki said that the two cases could not be compared.

“President Maduro proposes to send into exile opposition figures instead of having a discussion about the real concerns and problems confronting Venezuela,” she said. Before leaving on a world tour in search of financial support and cooperation to counter falling oil prices that have driven the Venezuelan economy into recession, Maduro said.

“The only way that I would use my presidential powers to release (López) would be to put him on a plane to the United States, leave him there, and have them bring Oscar López Rivera. Man for man,” Maduro was quoted by local media. Both men claim they are political prisoners. López Rivera was a member of the FALN, a Puerto Rican paramilitary organization that sought independence from the United States. He was jailed by the U.S. in 1981 for seditious conspiracy and faces a 70-years sentence, including an additional 15 years for attempting to escape.

In December, a teleSUR report cited a relative who said that members of the Uruguayan government informed her that after negotiations with the U.S. López Rivera could be released imminently. However, he currently remains in an Indiana state penitentiary. Leopoldo López, the leader of Venezuelan opposition party Voluntad Popular, became a key figure in anti-government protests in early 2014 that spread to a number of cities across the country.

He surrendered to authorities in Caracas on Feb. 18 to face charges of inciting violence and public disorder during the protests. The more serious charges of murder and terrorism were dropped soon after his detention. He has denied all charges against him and maintains they are politically-motivated by Maduro's governing PSUV party.

Nearly a year since his incarceration, his ongoing trial continues to be routinely adjourned, with the defense accusing the court of not allowing its witnesses to be heard. While the 2014 protests had initially called for the government to address rampant crime, widespread shortages of staple products, and media censorship, protesters soon began to call for Maduro to step down. More than 40 people were killed during the three months of unrest, including anti-government protesters, government supporters, and security forces. In an open letter published in late December, López called for intervention from the international community, particularly neighboring Latin American nations, to end the "crisis facing my country."

US criticizes Israel for freezing Palestinian tax revenue

AFP, 06.01.2015



The U.S. is opposed to Israel's decision to freeze the transfer of tax revenues to the Palestinian Authority as a reaction to Palestinians' efforts to join the International Criminal Court, an official said.

"We call on both sides to avoid actions that raise tensions and make it more difficult to return to direct negotiations," said Jean Psaki. The Palestinian UN envoy last week formally delivered an application to join the International Criminal Court a day after the UN Security Council rejected a Palestinian draft resolution calling for a three-year deadline for the end of Israel's occupation of Palestinian territory.

The move came two days after Palestinian Authority President Mahmoud Abbas signed the Rome Statute – the founding treaty of the ICC – along with 20 international agreements and organizations. Reacting to the Palestinians' move, Israeli Prime Minister Benjamin Netanyahu said Sunday that Israel "will not sit idly by" as the Palestinian Authority decides to confront Israel by joining the ICC.

The Israeli government blocked the transfer of approximately \$125 million in tax revenues collected on behalf of the Palestinian Authority, a move chief Palestinian negotiator Saeb Erekat described as "piracy." Psaki said the U.S. Congress that begins a new term this week under Republican control, might react to the Palestinian move by withholding aid or implementing any number of other measures. "There could be implications on assistance. There are a range of ways that could take place. Congress has a great deal of power in that regard," she said.



According to Israeli media, a senior Israeli official said Israel would use its pro -Israel members in the U.S. Congress to ensure the enforcement of legislation that would stipulate that if Palestinians initiate any action against Israel at the ICC, the State Department would have to stop American aid to the Palestinian Authority.

Announcements & Reports

► *The Economic Effects of Syrian Refugees on Turkey: A Synthetic Modelling*

Source : ORSAM
Weblink : <http://www.orsam.org.tr/en/showArticle.aspx?ID=2757>

► *The Latest Extremist Attack on Free Speech in Europe*

Source : Brookings
Weblink : <http://www.brookings.edu/blogs/up-front/posts/2015/01/08-extremist-attack-free-speech-europe-laurence>

► *American Public Attitudes Toward ISIS and Syria*

Source : Brookings
Weblink : <http://www.brookings.edu/research/reports/2015/01/08-american-opinion-poll-isis-syria-telhami>,

► *Bridging Trade Finance Gaps*

Source : Brookings
Weblink : <http://www.brookings.edu/research/reports/2015/01/08-trade-finance-exports-suominen-lee>

► *Palestine's ICC Accession: Risks and Rewards*

Source : Chatham House
Weblink : <http://www.chathamhouse.org/expert/comment/16604>

► *Terror in Paris*

Source : Baker Institute
Weblink : <http://bakerinstitute.org/research/terror-paris/>



► *U.S. Foreign Policy in Iran and Saudi Arabia*

Source : Baker Institute

Weblink : <http://bakerinstitute.org/research/us-foreign-policy-iran-saudi-arabia/>

Upcoming Events

► *Ageing and Health: Policy-making in an Era of Longevity*

Date : 09 February 2015

Place : London – United Kingdom

Website : <http://www.chathamhouse.org/conferences/ageing>

► *Security and Defense*

Date : 23 February 2015

Place : London – United Kingdom

Website : <http://www.chathamhouse.org/Defence2015>

► *Diversifying MENA Economies*

Date : 02 - 03 March 2015

Place : London – United Kingdom

Website : <http://www.chathamhouse.org/conferences/MENA-Economies>

► *Creating an Effective Financial System*

Date : 09 March 2015

Place : London – United Kingdom

Website : <http://www.chathamhouse.org/conferences/financialsystem>

► *Innovation Forum 2015*

Date : 26 March 2015

Place : Chicago – USA

Website : <http://www.economist.com/events-conferences/americas/innovation-2015>