### **Politics & Economics Bulletin**

**20.06.2014** 



# Turkey defends actions over consulate seizure in Iraq, 80 still held

Reuters, 14.06.2014



Diplomats and soldiers trapped inside Turkey's consulate in the northern Iraqi city of Mosul had no option but to surrender this week after hundreds of heavily armed Islamist militants surrounded the building, the foreign ministry said on Saturday.

The seizure by insurgents from the Islamic State in Iraq and the Levant (ISIL) on Wednesday of 49 Turks, including special forces soldiers, diplomats and children, has prompted criticism of Prime Minister Tayyip Erdogan's government for failing to foresee the danger and evacuate the consulate sooner.

The ISIL offensive threatens to dismember Iraq and leaves Turkey facing a widening Islamist insurgency in two of its southern neighbors, with ISIL also making territorial gains in Syria near the Turkish border. Turkish Deputy Foreign Minister Naci Koru said every security precaution had been taken at the consulate but that events unfolded quickly and that Iraqi security forces stationed around the building abandoned their posts as ISIL seized Mosul. "We gave an order (on Tuesday) to evacuate but our consul general told us that they were safer inside the consulate. He said it was not possible to evacuate under the circumstances," Koru told reporters in Ankara. Hundreds of insurgents surrounded the building the next day, he said, at which point the consul general called Ankara again.

"The militants were asking them to surrender in 10 minutes and said otherwise they would come in. We contacted our prime minister and foreign minister immediately and the decision (to surrender) was made," Koru said. "It wasn't possible to confront such a large group with the number of security personnel inside the consulate." The militants entered the building and put the 49 people into vehicles before taking them to another location, where they are still being held and are unharmed, Koru said. Some Turkish commentators have suggested the events could jeopardize Foreign Minister Ahmet Davutoglu's chances of replacing Erdogan as prime minister. Davutoglu is seen as a potential candidate for the job if, as expected, Erdogan decides to run for Turkey's presidency in an August election.

Erdogan said on Friday all efforts were being made to secure the release of the consulate staff, as well as a second group of 31 Turkish truck drivers also captured by ISIL this week. He criticized his opponents for trying to make political capital out of a highly sensitive situation. Turkish officials have made clear there are no immediate plans to launch any sort of military operation to release the hostages, saying relevant militant groups have been contacted and that diplomatic efforts are underway in co-ordination with NATO, the Iraqi government and the United States. "Our first priority right now is the safe release of our citizens. There is no such thing on our agenda," Koru said, when asked whether Turkey would consider a military intervention.



No demands have been made by ISIL for the release of any of the 80 hostages, Koru added. Iraq is Turkey's second biggest export market and largest oil supplier. The Turkish foreign ministry says an estimated 120,000 Turks are registered as resident in the country. The vast majority of them reside in the autonomous Kurdish enclave which curves around north and east of Mosul and which so far has not been targeted by ISIL, serving as a buffer between the insurgents' advance and Turkish territory. Turkey has urged its nationals to leave Iraq.

Flag carrier Turkish Airlines (THYAO.IS) is scheduling additional flights to Baghdad and Arbil, in Iraqi KRG, to help them do so. Davutoglu said on Friday there were no plans for a full evacuation but that a crisis center with representatives of the foreign, economy, energy, transportation and customs ministries had been set up to keep track of Turkish workers in Iraq. "We are standing next to our friendly neighbor ... We have so many areas of cooperation with Iraq and one of the decisions we have taken is that our cooperation will continue uninterrupted," he said. "We are not planning a total evacuation ... According to our risk analysis, there is no such need."

# Turkey evacuates its consulate in Basra in southern Iraq over security concerns

Hurriyet Daily News, 17.06.2014



Turkey's consulate in the Iraqi city of Basra has been evacuated due to security concerns, Foreign Minister Ahmet Davutoglu announced June 17. The 18 staff members at the consulate, including the consul general, were were taken to Kuwait, Davutoglu wrote on Twitter. "The Iraq Crisis Center and the Baghdad Embassy are on duty 24 hours a day for the evacuation of our citizens in risky regions in Iraq."

"Turkey is ready to give every support to our Iraqi brothers in every platform to return to the normal order," he added. Some 49 members of Turkey's Mosul Consulate and 31 truck drivers were kidnapped by ISIL after they seized Mosul.

One of the Turkish drivers had managed to escape over last weekend. The crisis desk set up by the Foreign Ministry had announced that contingency plans for the evacuation of the embassy in Baghdad have been drafted. However, Davutoglu said the embassy would continue to be operational to ensure the safe evacuation of Turkish citizens from Iraq. Prime Minister Recep Tayyip Erdogan said earlier on June 17 that "intense efforts" were being made to secure the release of the abducted citizens, while accusing the Iraqi government of failing to protect the mission in Mosul.



# Turkey pulls diplomats out of Benghazi, urge nationals to leave

Today's Zaman, 14.06.2014



Turkey has temporarily pulled its diplomatic staff out of the northern Libyan city of Benghazi and urged its nationals to leave the east of the country amid mounting security concerns, the Turkish foreign ministry announced on Saturday, June 14<sup>th</sup>.

Turkey is one of the last countries to maintain a diplomatic presence in Benghazi, where the US ambassador was killed during an attack by Islamist militants on the American diplomatic mission in the port city in 2012. The foreign ministry said its diplomats would continue to work from Tripoli while the Benghazi mission was closed.

The move comes after a huge explosion likely caused by a suicide bomber at an army checkpoint in Barsis, 50 km (30 miles) east of Benghazi killed the attacker and wounded six others late on Wednesday. Islamist militants seized the Turkish consulate as they overran the northern Iraqi city of Mosul earlier this week, taking 49 people hostage including the consul general, special forces and children, and leading to criticism of the foreign ministry for failing to evacuate its staff in good time. They are among 80 Turkish citizens taken hostage by militants in Iraq in recent days. Prime Minister Recep Tayyip Erdogan said on Friday diplomatic efforts were continuing for their release.



# NATO's Rasmussen calls for immediate release of Turks held in Iraq

Reuters, 16.06.2014



NATO Secretary-General Anders Fogh Rasmussen called on Monday, June 16th for the immediate release of Turkish diplomatic and security staff held by insurgents in the Iraqi city of Mosul.

Fighters from the Islamic State in Iraq and the Levant (ISIL) kidnapped 49 Turks, from the Turkish consulate on Wednesday as they overran Mosul. "We follow the dangerous developments in Iraq with great concern. I condemn the unacceptable attack on the consulate general in Mosul," Rasmussen said during a visit to Ankara, standing beside Turkish Foreign Minister Ahmet Davutoglu.

"We want to see all of the Turkish hostages released and we want to see them safe," he said. As ISIL's advance halted on the Tigris an hour's drive north of Baghdad, a Turkish foreign ministry official said that staff in Turkey's embassy in the capital and its consulate general in Basra will not, for the time being, be evacuated but that extra security had been requested from Iraqi authorities. He said that no immediate danger was perceived. Employees were ready to be evacuated if needed. The ISIL offensive threatens to dismember Iraq and leaves Turkey, a NATO member, facing a widening Islamist insurgency in two of its southern neighbors, with ISIL also making territorial gains in Syria near the Turkish border.

Ankara has the second largest armed forces in the NATO military alliance after the United States. It is hosting six NATO Patriot missile batteries meant to defend it against any attacks from Syria. The diplomats and soldiers trapped inside the Mosul consulate had no option but to surrender after hundreds of heavily armed Islamist militants surrounded the building, the Foreign Ministry said on Saturday. Prime Minister Tayyip Erdogan has said the hostages are unharmed and that all efforts are being made to secure their release, as well as a second group of 31 Turkish truck drivers also captured by ISIL last week.



# Turkey checking reports more workers abducted by Iraq insurgents

Reuters, 18.06.2014



The Turkish embassy in Baghdad is investigating news reports that a group of Turkish construction workers were among 60 people abducted by Islamist militants near the Iraqi city of Kirkuk, the foreign ministry said on Wednesday.

Militants from the Islamic State in Iraq and the Levant (ISIL) seized 15 Turks who were building a hospital near the town of Dour, located in Salahuddin province near the oil-rich city of Kirkuk, the Dogan news agency said, citing a worker who was freed along with other Sunni Muslims who were let go. The reported abduction came a week after Turkish nationals were seized by insurgents in the northern Iraqi city of Mosul.

"The embassy in Baghdad is investigating the reports," a foreign ministry official said, declining to be named because of the sensitivity of the issue. He gave no further details. It was not immediately clear when the abduction might have taken place. The 100-bed hospital the workers were building in Dour was a Turkish-run project, Istanbul-based Dogan said. Those abducted also included workers from Pakistan, Bangladesh, Nepal and Turkmenistan, the news agency reported. ISIL and other Sunni militants have swept through towns in the Tigris valley north of Baghdad in recent days. Turkey evacuated its consulate in the southern city of Basra on Tuesday, citing an increased security risk. Separately, the Indian government was unable to make contact with 40 Indian builders who may have been kidnapped in Mosul, according to a foreign ministry spokesman.



# Turkey imposes reporting ban on seizure of consulate staff in Iraq

Reuters, 17.06.2014



Turkey has imposed a ban on media reporting about the seizure by Islamic militants of Turkish diplomats and soldiers from the country's consulate in the northern Iraqi city of Mosul, Ankara's broadcasting authority said on Tuesday. Insurgents from the ISIL seized 49 Turks, including special forces soldiers, diplomats and children last Wednesday, prompting criticism of Erdogan's government for failing to foresee the danger and evacuate the consulate sooner.

An Ankara court imposed the reporting ban on the grounds of protecting the safety of those held, according to a copy of the ruling published by the RTUK broadcasting authority.

Erdogan, whose government imposed bans on Facebook and YouTube during a recent corruption scandal, is keen to avoid negative publicity ahead of a presidential election in August in which he is expected to stand. Critics and rights groups have frequently accused Erdogan of seeking to cow the media, pointing to the high number journalists in detention, pressure on editors to steer clear of coverage critical of the government, and recent bans imposed on Facebook and YouTube as a corruption scandal swirled.

Erdogan has accused the opposition of trying to make political capital out of the Mosul events and said its comments on the subject risked the lives of those being held. The foreign ministry said on Saturday the group had no option but to surrender after hundreds of heavily armed militants surrounded the consulate building. The ISIL offensive threatens to dismember Iraq and leaves Turkey facing a widening Islamist insurgency in two of its southern neighbors, with ISIL also making territorial gains in Syria near the Turkish border. NATO Secretary-General Anders Fogh Rasmussen called on Monday for the immediate release of the Turks held in Mosul.



# Turkish PM says U.S. air strikes in Iraq could cause heavy casualties

World Bulletin, 19.06.2014



Turkish Prime Minister Tayyip Erdogan said on Thursday U.S. air strikes on militants in Iraq could cause a high number of civilian deaths and that Washington did not view such a strategy favourably.

The Iraqi government made public on Wednesday its request for U.S. air strikes as its forces battle Sunni militants, but Washington has given no indication it will agree to attack. Turkey has the second largest armed forces in the NATO military alliance after the United States and also hosts a major U.S. Air Force base at Incirlik in its south. It is seen as a potential participant in any international intervention in Iraq.

"America, with its current stance and the statements it has made, does not view such attacks positively," Erdogan told reporters in Ankara when asked about the possibility of U.S. air strikes. "There are (militant) ISIL elements which are mixed in with the people. Such an operation could result in a serious number of deaths among civilians," he said. The lightning offensive by militants from the Islamic State in Iraq and the Levant (ISIL) and other Sunni fighters threatens to fragment Iraq and leaves Turkey facing a widening Islamist insurgency in two of its southern neighbours, with ISIL also making territorial gains in Syria near the Turkish border.

The insurgents are holding at least 80 Turkish nationals, 49 of them seized from its consulate in the northern Iraqi city of Mosul last week, including special forces soldiers, diplomats and children. U.S. officials, speaking on condition of anonymity, said the Iraqi request had included drone strikes and increased surveillance by U.S. drones, which have been flying over Iraq. The U.S. Air Force has remotely piloted aircraft stationed at the Incirlik base, which have been used in the past for surveillance along the Turkish-Syrian border.



## Turkey finance minister says Iraq to weigh on current account deficit

Reuters, 17.06.2014



Violence in Iraq, Turkey's second-biggest export market, could hamper Turkey's efforts to narrow its current account deficit this year, although a recovery in Europe and a weaker lira will help, Finance Minister Mehmet Simsek said on Tuesday.

Turkey's current account gap, fuelled by its heavy dependence on imported goods and energy, is the main structural weakness in its economy. Narrowing the deficit has been a priority for both the finance ministry and the central bank. "Unfortunately geopolitical tensions are risk factors this year," Simsek told a conference in Istanbul.

"Developments in Iraq will have a negative impact on the current account deficit. If not taken under control fast, the latest developments are unfortunate," he said. A stronger European economy, moderate domestic demand, a weaker lira and lower gold imports would however help efforts to reduce the deficit, he said. Simsek said earlier this month that Turkey's current account deficit, which stood at \$11.46 billion in the first quarter, was at a manageable level and was set to narrow. Last year, Turkey's current-account gap was \$65 billion.

Iraq has risen to become Turkey's second-biggest export market after Germany in recent years as Ankara sought to diversify its trade away from a dependence on Europe. Turkey exported \$12 billion of goods to Iraq last year. Islamist insurgents have routed Baghdad's army and seized the north of the country in the past week, threatening to dismember Iraq and unleash all-out sectarian war. The bulk of Turkey's trade is with the autonomous Kurdish enclave in the north of the country, which for the moment has not been targeted by the insurgents. The government has set up a crisis centre to help track Turkish workers in Iraq but has said there are no plans for a full evacuation. Simsek also repeated on Tuesday that he expects the economy to reach the government's 4 percent growth target this year and for inflation to start falling from this month.



# Hundreds of Turkish army officers freed from jail in 'coup plot' case

Reuters, 19.06.2014



Hundreds of military officers convicted of plotting to topple Prime Minister Tayyip Erdogan began emerging from jail on Thursday, a day after the country's top court ruled their trial was flawed.

There were emotional scenes outside prisons in Ankara and Istanbul as the released soldiers were reunited with their families who greeted them with Turkish flags and flowers, some shedding tears of joy. The Turkish military said it "shared the joy of the families of retired and active staff who have regained their freedom" and said it hoped a retrial would now lead to a just verdict.

The 2010-2012 "Sledgehammer" trial marked a high point in Erdogan's drive to tame an army that for decades had dominated politics. Critics accused Erdogan at the time of using the courts to pursue a "witchhunt" against the generals. In consigning hundreds of senior serving as well as retired officers to jail, the case eroded the authority and power of NATO's second biggest army while tension on the borders with Syria and Iraq demanded increased commitments. The constitutional court ruled unanimously on Wednesday that the officers' rights had been violated in the handling of digital evidence and the refusal to hear testimony from two former top military commanders, as requested by defendants.

"This case will only be closed when those who have plotted it are in jail," former First Army commander General Cetin Dogan, a chief suspect in the case, told reporters outside Istanbul's Silivri prison after his release. "So that they don't set up innocent people again." "Obviously l'am happy my husband is being released but it is a bitter-sweet happiness," his wife Nilgul Dogan told Reuters. "These people were held unjustly in jail for four years due to a fabricated, wrongful, unjust trial." "They must give account to us for those four years. After our husbands have rested for some time, we will continue to fight for this country for our children and grandchildren." Erdogan, his primacy over the army established, said early this year he was open to the idea of a retrial.

Officials had suggested evidence had been manipulated by a Islamic cleric who had been using his influence in the police and judiciary to help Erdogan break the army's power. Cleric Fethullah Gulen, a former ally of Erdogan turned bitter rival, denies any involvement in Sledgehammer and in a corruption investigation against Erdogan associates that the prime minister accuses him of concocting to topple him. Release of the officers was not generally expected to undermine Erdogan's popularity and could even, at this stage, help ease relations with an officer corps he has excluded from policy-making bodies since coming to power in 2003. The generals, who removed four governments in four decades, viewed Erdogan with suspicion because of his Islamist past. But his popularity - he has won three elections in a row - afforded him protection while he moved to break their power.



"The constitutional court has restored the Turkish judiciary's reputation which has been in a shambles because of the lawless acts that special authority courts carried out," said Engin Alan, a former lieutenant general and lawmaker for the nationalist opposition party MHP told supporters outside Ankara Sincan prison. "Our struggle will continue until these dishonorable people who have planned, carried out and supported this malignity will stand in front of the just and honorable judges of this country and be given the punishment they deserve In March, a court ordered the release of a former military chief and other defendants accused of the separate "Ergenekon" plot to topple the government. Erdogan, who is expected to seek the presidency in an August election, is now focused on battling U.S.-based cleric Gulen, whom he also accuses of trying to unseat him.

The election comes at a time of heightened tensions on Turkey's frontiers. The armed forces have deployed additional defenses on the Syrian border to cope with spillover from civil war there and a Sunni insurgency in Iraq has also raised alarm. More than 300 officers were sentenced in September 2012 over the alleged "Sledgehammer" conspiracy and the appeals court upheld their convictions last October. The alleged plot dates back to 2003, months after Erdogan first came to power, and was said to include plans to bomb mosques and trigger a conflict with Greece by shooting down one of Turkey's own warplanes to trigger a military takeover. Turkey's armed forces were long the guardians of the secular republic established by Mustafa Kemal Ataturk, carrying out three coups between 1960 and 1980 and pushing an Islamist-led government from power in 1997.

Since first coming to power, Erdogan's Islamist-rooted AK Party has reined in army influence with a series of reforms designed to strengthen democracy, while prosecutors have pursued suspected coup-plotters in the army through the courts. The leading defendants in the Sledgehammer case were Dogan, former air force commander Ibrahim Firtina and retired admiral Ozden Ornek, who were given 20-year prison sentences. Sledgehammer and other trials sparked accusations that the government was using courts to silence political opponents. Former army chief Kenan Evren, 96, was sentenced to life in jail on Wednesday for leading a 1980 coup that resulted in widespread torture, arrests and deaths.



# Iraqi cleric Al-Sistani tells followers to fight Sunni rebels

NBC News, 14.06.2014



Iraq's senior Shiite cleric issued a call to arms as radical Sunni fighters continued their relentless advance across the country, raising the specter of a sectarian conflict echoing the bloody civil war raging in neighboring Syria.

The message from Grand Ayatollah Ali al-Husseini al-Sistani came in the form of a rare intervention during Friday prayers in the holy city of Karbala. "People who are capable of carrying arms and fighting the terrorists in defense of their country ... should volunteer to join the security forces to achieve this sacred goal," said Sheikh Abdulmehdi al-Karbalai, delivering Sistani's message.

Worshipers chanted in acknowledgement when Sistani's deputy said that those killed fighting al Qaeda-linked Islamic State of Iraq and al-Sham (ISIS) would be martyrs, according to Reuters. His call to the faithful came as the Sunni militants pushed toward Baghdad on Friday, sending thousands fleeing in fear from the Iraqi capital. Shiites are the majority in Iraq but were governed by Sunni dictator, Saddam Hussein, for decades until he was toppled by American forces in 2003. An unverified video on YouTube allegedly showed busloads of men heading to the city of Samarra to defend its Shiite holy sites.

"Battalions of volunteers still arriving to Samara to protect the noble shrines," the message running alongside the video declared. The 2006 bombing of a Shiite shrine in Samarra helped to spark a civil war that left thousands dead. Also on Friday, ISIS also marched into the towns of Saadiyah and Jalawla in the eastern province of Diyala after security forces abandoned their posts, security sources told Reuters. Meanwhile, Iraqi Kurdish forces seized control of Kirkuk, an important oil hub near their autonomous enclave. United Nations official told that the number of people killed after ISIS militants overran Iraq's second largest city Mosul may run into the hundreds.



# Maliki stands with Sunni leaders, appealing for Iraqi unity

Reuters, 17.06.2014



Iraqi Prime Minister Nuri al-Maliki broadcast a joint appeal for national unity on Tuesday with bitter Sunni critics of his Shi'ite-led government - a move that may help him win the United States help against rampant Islamists threatening Baghdad.

Just hours after Maliki's Shi'ite allies had angrily vowed to boycott any cooperation with the biggest Sunni party and his government had accused Sunni neighbor Saudi Arabia of backing "genocide", the premier's visibly uncomfortable televised appearance may reflect U.S. impatience with its Baghdad protege.

In a rerun of previous failed efforts at bridging sectarian and ethnic divisions, Shi'ite, Sunni and Kurdish leaders met behind closed doors and then stood frostily before cameras as Maliki's Shi'ite predecessor Ibrahim al-Jaafari read a statement denouncing "terrorist powers" and supporting Iraqi sovereignty. U.S. President Barack Obama is considering military options to push back al Qaeda splinter group the Islamic State of Iraqand the Levant (ISIL), which has swept the Sunni north of the country over the past week as the Shi'ite-led army has crumbled. But in return Washington want Maliki to do more to address the widespread sense of political exclusion among minority Sunnis which ISIL has exploited to win support among tribal leaders and former followers of ousted dictator Saddam Hussein. "No terrorist powers represent any sect or religion," Jaafari said in the address, which included a broad promise of "reviewing the previous course" of Iraqi politics.

Afterwards, most of the leaders, including Maliki and Usama al-Nujaifi, the leading Sunni present, walked away from each other in silence. Earlier, Maliki's government accused Saudi Arabia, the main Sunni power, of backing ISIL - something Riyadh denies. "We hold them responsible for supporting these groups financially and morally and for its outcome - which includes crimes that may qualify as genocide: the spilling of Iraqi blood, the destruction of Iraqi state institutions and historic and religious sites," a government statement said. Maliki has blamed Saudi Arabia for supporting militants in the past, but the language was unprecedented.

On Monday, Riyadh blamed sectarianism in Baghdad for fuelling the violence. Maliki, who has been buoyed by a call by Iraq's senior Shi'ite cleric for citizens to rally to the armed forces, dismissed four generals for abandoning the big northern city of Mosul a week ago and said they would face court martial. Scores were killed on Tuesday in a battle for another provincial capital, close to Baghdad, and fighting shut Iraq's biggest refinery at Baiji, hitting fuel and power supplies. Government forces said they repelled an overnight attempt by insurgents to seize Baquba, capital of Diyala. Some residents and officials said scores of prisoners from the local jail were killed. There were conflicting accounts of how they had died. ISIL fighters who aim to build a Muslim caliphate across the Iraqi-Syrian frontier launched their revolt by seizing Mosul and swept through the Tigris valley.



The fighters, who consider all Shi'ites to be heretics deserving death, pride themselves on their brutality and have boasted of massacring hundreds of troops who surrendered. Western countries, including the United States, have urged Maliki to reach out to Sunnis to rebuild national unity as the only way of preventing the disintegration of Iraq. "There is a real risk of further sectarian violence on a massive scale, within Iraq and beyond its borders," U.N. Secretary-General Ban Ki-moon said. "I have been urging Iraqi government leaders including Prime Minister al-Maliki to reach out for an inclusive dialogue and solution of this issue." But the prime minister, in power for eight years and effective winner of a parliamentary election two months ago, seems instead to be relying more heavily than ever on his own sect, who form a majority long oppressed under Saddam.

Though the joint statement late on Tuesday said only those directly employed by the Iraqi state should bear arms, thousands of Shi'ite militiamen have been mobilized to defend Baghdad? The sudden advance by Sunni insurgents has the potential to scramble alliances in the Middle East, with the United States and Iran both saying they could cooperate against a common enemy, all but unprecedented since the 1979 Iranian revolution. Iran, the leading Shi'ite power, has close ties to Maliki and the Shi'ite parties that have won elections since U.S. forces toppled Saddam in 2003. Although both Washington and Tehran are allies of Baghdad, they have not cooperated in the past but diplomats discussed Iraq briefly on Monday in Vienna. Obama, under fire at home by critics who say he did too little to shore up Iraq since withdrawing U.S. troops in 2011, is considering options including air strikes. He has sent a small number of extra marines to guard the U.S. embassy but has ruled out redeploying troops following their 2011 withdrawal.

Obama has invited Congressional leaders to talks at the White House on Wednesday as he considers his options in Iraq. Iraqi officials confirmed that the Baiji refinery north of Baghdad had shut down, although they said government troops still held the vast compound. Foreign workers were evacuated by Iraqi government helicopters. With the refinery shut, Iraq will have difficulty generating electricity and pumping water to sustain its cities in summer. There were already reports of queues for fuel in the north. One official with the Iraqi oil ministry said that northern and western Iraq would be hardest hit, while Baghdad would be less affected due to a refinery on its southern edge.

Tens of thousands of Shi'ites have rallied at volunteer centers in recent days, answering a call by the top Shi'ite cleric to defend the nation. Many recruits are now in training. But with the million-strong regular army abandoning ground despite being armed and trained by the United States at a cost of \$25 billion, the government is increasingly relying for its own preservation on various Shi'ite militias, many of which operated during the death squad bloodletting of 2006-07. According to one Shi'ite Islamist working in the government, well-trained organizations Asaib Ahl Haq, Khataeb Hezbollah and the Badr Organization are now being deployed alongside Iraqi military units as the main combat force. Baghdad is on edge.

Sunnis worry about convoys of civilian cars with bearded men in military uniform they assume are militiamen, while Shi'ites living in Sunni districts, are moving away, worried that a new round of civil war is unfolding. Two attacks hit Shi'ite markets in Baghdad Tuesday, a suicide bomber and a car bomb. The two attacks left 18 dead and 52 wounded, according to medical and security sources. The Sunni militants have moved at lightning speed, slicing through northern and central Iraq, capturing the towns of Hawija and Tikrit in the north before facing resistance in southern Salahaddin province, where there is a large Shi'ite population.



The battle lines are now formalizing, with the insurgents held at bay about an hour's drive north of Baghdad and just on the capital's outskirts to the west, beyond the airport. Militants also attacked a town near the northern oil hub of Kirkuk that is inhabited by Shi'ite ethnic Turkmen. The fighting went back and forth and appeared a preview of the challenges the Kurds now facing having rolled into Kirkuk last week after the Iraqi army abandoned positions. A local official from said 5,000 Turkmen had fled. By nightfall, ethnic Kurdish fighters had cleared most of the town but militants still held some ground.

In a further sign of ethnic and sectarian polarization, Maliki allies have accused the Kurds of colluding with Sunnis to dislodge government forces in the north. The mainly Turkmen city of Tal Afar, west of Mosul, fell to Sunni militants on Sunday, and the Iraqi military said it was sending reinforcements. The army said it killed a top militant named Abu Abdul Rahman al-Muhajir in clashes in Mosul. But security officials seemed pessimistic. One warned: "There is no clear strategy for the Iraqi government to retake Mosul. And without the U.S. and international community support, the Iraqi government will never retake Mosul."

### Situation in Iraq shows signs of 'civil war'

Gulf Business News, 18.06.2014



Saudi Arabia said on Wednesday neighbouring Iraq faced the threat of full-scale civil war with grave consequences for the wider region and, in an apparent message to arch rival Iran, warned against outside powers intervening in the conflict. Iraq's Prime Minister Nuri al-Maliki has appealed for national unity with bitter Sunni critics of his Shi'ite-led government after a stunning offensive through the north of the country by Sunni Islamist militants over the past week.

Maliki has also accused regional Sunni powerhouse Saudi Arabia of backing the militants of ISIL, who want to carve out a Sunni caliphate in the heart of the Middle East.

"This grave situation that is storming Iraq carries with it the signs of civil war whose implications for the region we cannot fathom," Foreign Minister Prince Saud al-Faisal told a gathering of Arab and Muslim leaders in Jeddah. He urged nations racked by violence to meet the "legitimate demands of the people and to achieve national reconciliation (without) foreign interference or outside agendas". Saud did not elaborate but the remarks appeared aimed at Shi'ite Iran, a key ally of the Maliki government.

On Wednesday, Iran said it would not hesitate to defend Shi'ite holyl sites in Iraq against "killers and terrorists". Saud said the three-year civil war in Syria, where a largely Sunni Muslim uprising has failed to unseat President Bashar al-Assad, another ally of Iran, had "helped to deepen the internal disturbance in Iraq." On Monday, Saudi Arabia blamed the Iraqi crisis on Maliki, citing what it called years of "sectarian and exclusionary policies" by his government against Iraq's Sunni minority.



## Iraq accuses Saudi Arabia of promoting 'genocide'

Sky News, 17.06.2014



Iraq's Shi'ite rulers have accused neighbors Saudi Arabia of promoting "genocide" by backing Sunni militants, as Baghdad battles insurgents who have seized swathes of territory.

Defying calls from the West to reach out and defuse the crisis, a government statement said: "We hold them responsible for supporting these groups financially and morally, and for the outcome of that - which includes crimes that may qualify as genocide: the spilling of Iraqi blood, the destruction of Iraqi state institutions and historic and religious sites."

Riyadh denies backing fighters from the Islamic State in Iraq and Syria (ISIS) and said on Monday that sectarianism in Iraq was fuelling the violence. But later in an apparent bid to bridge divisions, and more crucially secure US assistance in pushing back ISIS, Iraq's Shia Prime Minister Nouri al Maliki made a joint statement with Sunni and Kurdish leaders, calling for citizens to put aside their differences and unite as Iraqis, in the face of the sweeping militant offensive. Washington wants Mr al Maliki to reach out to the minority Sunnis, whose sense of exclusion has been exploited by the Islamic extremists. It came as authorities confirmed at least 13 people were killed and 30 others wounded by a car bomb in a crowded outdoor market in Baghdad's Shia Sadr City districUN Secretary General Ban Ki-moon has warned there is a "real risk" of sectarian violence on a "massive scale" as a result of the conflict And Prime Minister David Cameron said insurgencies by religious extremists in Syria and Iraq is the most serious threat Britain faces today, with the prospect of battle-hardened militants returning to the UK.

Speaking at a joint press conference with Chinese Premier Li Keqiang, Mr Cameron said: "We will do absolutely everything we can to keep our people safe. That means stopping people from going, it means arresting people who are involved in plots, it means focusing our security, our policing, our intelligence effort on to that area of the world, on to those people." Meanwhile, Mr al Maliki has sacked four top security officers for failing to stop Mosul, Iraq's second largest city, falling into insurgent hands. It is one of a number of towns and cities in northern Iraq lost to the sweeping advance by ISIS rebels. Clashes overnight in Baquba, less than 40 miles from Baghdad, left 44 prisoners dead at a police station after insurgents tried to storm the jail. And the bodies of 18 Iraqi security personnel were also found outside the city of Samarra. Although still in government hands, Iraq's biggest oil refinery at Baiji has been shut down, threatening power and water supplies. In response to the crisis, US President Barack Obama announced on Monday that up to 275 troops could be sent to Iraq to provide security for US personnel and the US Embassy in Baghdad. The White House is also considering sending special forces to train and advise Iraqi troops.



# Iran says envisages Iraq role with U.S. if Washington tackles regional militants

Reuters, 14.06.2014



The Islamic Republic of Iran could contemplate cooperating with its old adversary United States of America on restoring security to Iraq if it saw Washington confronting "terrorist groups in Iraq and elsewhere", Iranian President Hassan Rouhani said on Saturday, June 14<sup>th</sup> to members of the press.

Rouhani, a pragmatist who has presided over a thaw in Iran's relations with the West, also said Tehran was unlikely to send forces to Iraq but stood ready to provide help within the framework of international law. Baghdad has not requested such assistance, he added.

Shi'ite Muslim Iran has been alarmed by the seizure this week of several major northern Iraqi towns by Sunni Islamist insurgent forces and their sweep southward to within an hour's drive of Baghdad, and not far from the Iranian border. "We all should practically and verbally confront terrorist groups," Rouhani told a news conference broadcast live on state television. Asked if Tehran would work with Washington in tackling the advances by Sunni insurgents in Iraq, he replied: "We can think about it if we see America starts confronting the terrorist groups in Iraq or elsewhere." Fighters of the Islamic State of Iraq and the Levant (ISIL) are bent on recreating a mediaeval caliphate spanning territory they have carved out in fragmenting Iraq andSyria, where it has exploited a power vacuum in the midst of civil war.

A senior Iranian official told Reuters earlier this week that Tehran, which has strong leverage in Shi'ite-majority Iraq, may be ready to cooperate with Washington in helping Baghdad fight back against the jihadist ISIL rebels. (Full Story) The official said the idea of cooperating with the Americans was being discussed within the Tehran leadership. For now, according to Iranian media, Iran will send advisers and weaponry, although probably not troops, to boost Baghdad. "Iran has never dispatched any forces to Iraq and it is very unlikely it will ever happen," Rouhani told Saturday's news conference.

Western diplomats suspect Iran has in the past sent some of its Revolutionary Guards, a hardline force that works in parallel with the army, to train and advise the Iraqi army or its militia allies. Interior Minister Abdolreza Rahmani Fazli, quoted by Fars news agency, said: "Supporting the Iraqi government and nation does not mean sending troops to Iraq. It means condemning terrorist acts and closing and safeguarding our joint borders." In Washington, U.S. President Barack Obama said he was reviewing military options, short of sending combat troops, to help Iraq repel the insurgency but warned any U.S. action must be accompanied by an Iraqi government effort to bridge divisions between Shi'ite and Sunni communities. U.S. officials said there were no contacts going on with Iran over the crisis in Iraq. Rouhani said he was not aware of any American plans for Iraq or whether Washington wanted to help Baghdad.



"If the Iraqi government and nation ask for our help, we will review it. So far there has not been such a request," he added. "We are ready to help in the framework of international regulations and laws." Rouhani said "terrorist groups" were getting financial and political backing and weaponry from some regional countries and some powerful Western states. He named no countries, but was alluding in part to Sunni Gulf Arabs who Iran suspects has funnelled support to ISIL. "Where did ISIL come from? Who is funding this terrorist group? We had warned everyone, including the West, about the danger of backing such a terrorist and reckless group." Gulf Arab governments deny any role in backing ISIL, noting that the group has long battled Saudi Arabia's allies among other Sunni rebel factions in Syria. Saudi Arabia last month designated ISIL a terrorist organisation, conveying its concern that young Saudis hardened by battle could come home to target the ruling Al Saud royal family - as happened after earlier wars in Afghanistan and Iraq.

## Israel concerned about any U.S.-Iran cooperation in Iraq

Reuters, 16.06.2014



Israel voiced concern on Monday at the prospect of its closest ally, Washington, cooperating with its what it considers its deadliest foe, Iran, to stave off a sectarian break-up of Iraq. But, Israeli Strategic Affairs Minister Yuval Steinitz told, the United States and other major powers have pledged that any such cooperation would not set back their drive to curb Tehran's nuclear program.

The Obama administration said on Sunday it was considering talks with Iran about the Iraqi crisis. Iranian officials have voiced openness to working with the Americans in helping Baghdad repel a Sunni Muslim insurgency.

While deploring the "ungodly horror" of the bloodshed in Iraq, Steinitz said Iran should not be helped to extend its sway in Iran where fellow Shi'ite Muslims form the majority. That, he said would give Tehran an arc of control running through Syria, where the Iranians back embattled President Bashar al-Assad, and on to Lebanon, where they have powerful allies in the Hezbollah militia. "And we would especially not want for a situation to be created where, because both the United States and Iran support the government of (Iraqi Prime Minister Nuri) al-Maliki, it softens the American positions on the issue which is most critical for the peace of the world, which is the Iranian nuclear issue," Steinitz said in an interview.

Even before the Iraq crisis, Israel was concerned about Iran's nuclear talks with Washington and five other powers, aimed at ensuring Iran is not developing atomic weapons capability. Israel fears Tehran would be able to shake off international sanctions built up over the last decade. Steinitz was cautiously optimistic that the negotiations would be unaffected by any international involvement in Iraq. "We are troubled, but we have been made to understand by everyone - the Americans and the British and the French and the Germans - that a total separation will be enforced," he said.



Steinitz said such a separation of policies would be similar to Russia's participation alongside Western powers in the Iranian nuclear talks even as it spars with them over Ukraine. Neither Washington nor Tehran, old adversaries with often contrary interests in the Middle East, have articulated how they might cooperate in Iraq. Washington has no appetite to send troops back to the country it occupied for almost a decade, but the Obama administration has suggested it could carry out air strikes against insurgents. Steinitz, who regularly confers with the United States about the Iranian nuclear negotiations and other regional issues, said he did not know what actions the Americans might take in Iraq.

Western diplomats suspect Iran has in the past sent some of its Revolutionary Guards, an elite force separate from the regular army, to train and advise the Iraqi army or allied militia. During its occupation of Iraq, the United States said some attacks on its forces had Iranian help. Iran says it has never sent forces to Iraq but might now assist the Maliki government with advisers and weaponry. Another Israeli security official, who spoke to Reuters on condition of anonymity, said deeper Iranian commitment in Iraq could make Tehran more accommodating in the nuclear talks as it might feel over-extended and reluctant to spark further crises. "They would have to redirect resources, perhaps even pull their forces out of Syria to send to Iraq instead," the second Israeli official said. "Let them sink into that new quagmire." Steinitz rejected this view, however, saying: "I would never look to solve one travesty with another travesty."

## Egyptian PM to launch new government after Sisi's election

Reuters, 16.06.2014



Egypt's prime minister will meet members of his new government later on Monday, the cabinet spokesman said, finalizing an appointment process following the inauguration last week of President Abdel Fattah al-Sisi.

Spokesman El-Kawish said the ministers, most of them holdovers from the previous 31-member cabinet, would be sworn in on Tuesday. The most important change will be the re-creation of an investment ministry separate from that of industry and trade, a move critical to Cairo's chances of enticing back foreign funds to stimulate an economy racked by years of political turmoil.

"The new government includes 10 new ministers and a new ministry," Prime Minister Ibrahim Mehleb told reporters. Keeping the cabinet largely intact could allow Sisi to implement quickly the types of reform urged by the United Arab Emirates - among the Gulf states that gave billions of dollars in aid after Islamist President Mohamed Mursi was ousted by the army in July following mass protests against his rule. Sisi reappointed Mehleb as premier last week, but the formation of the new government was delayed on Sunday after candidates turned down offers for the ministries of investment, justice, culture and information.



### Dozens killed as Ukrainian transport plane is shot down by rebels in Luhansk

Wall Street Journal, 15.06.2014



Pro-Russian separatists shot down a Ukrainian military transport plane early Saturday, killing all 49 people on board, in the deadliest episode of months of unrest in eastern Ukraine. The II-76 plane was downed near the government-controlled airport in Luhansk, a region largely in the grasp of the separatists, after coming under fire from heavy machine guns and shoulder-launched missiles, said Ukraine's Defense Ministry.

The Ukrainian prosecutor general's office said the 40 military personnel and the nine crew members on board were all killed.

The incident, the second such shooting down of a plane this month, demonstrates how far the nascent government in Kiev is from its target of restoring security in the regions bordering Russia. Luhansk has been the center of significant unrest in recent months, and a month ago separatists declared independence in the region, as well as in Donetsk. It also came less than a day after the U.S. said it had confirmed the rebels had acquired tank and missile launchers from Russia and as the North Atlantic Treaty Organization released images it said supported allegations that Russian tanks had entered Ukraine. Russian PresidentVladimir Putin has consistently denied charges that the country has provided weapons and troops to the rebels in Donetsk and Luhansk. In the wake of the attack, Ukrainian President Petro Poroshenko called on the European Union to immediately introduce sectoral sanctions against Russia.

In a phone call with French president Francois Hollande, Mr. Poroshenko said that if destablizing actions continued, including deliveries of arms, then an "EU decision on the introduction of sectoral sanctions against the Russian Federation, including the termination of military-technical cooperation, should be shared and immediate." Although the EU has introduced sanctions against some Russian officials and companies, it hasn't targeted whole sectors of the Russian economy. The Group of Seven leading nations said June 5 that sanctions on Russian economic sectors could come as soon as July unless Mr. Putin recognized the legitimacy of Ukraine's election of Mr. Poroshenko; stopped sending arms across the border and got separatists to lay down arms; and worked with the government in Kiev to engage Ukrainians in the east. Hotspots Along the Ukraine-Russia Border.

German Chancellor Angela Merkel told Mr. Putin on Saturday that she was shocked by the reports of a downed military airplane in Ukraine, according to a German government spokesman. The remarks came in a joint call between Mrs. Merkel, Mr. Putin and Mr. Hollande in which the Western leaders urged Mr. Putin to help implement a ceasefire in Ukraine, the German government said. To preserve a cease-fire, Russia needs to "effectively control its borders with Ukraine to contain inflow of weapons and fighters," Mrs. Merkel said in the phone conversation, according to her spokesman.



U.S. Secretary of State John Kerry on Saturday also pressed Moscow to make clear its commitment to end the flow of weapons and other support to separatists in Ukraine, the U.S. State Department said. Mr. Kerry, in a phone call with Russian Foreign Minister Sergey Lavrov, expressed "strong concern" about the shooting down of the Ukrainian plane and the flow of weapons across the border, a U.S. official said. In separate incident Saturday, two people were killed and many wounded when rebels on the outskirts of the port city of Mariupol shot at a military truck carrying border guards, according to Ukraine's border service. On Friday, the Ukrainian government declared a significant victory against separatists in the east, saying its forces had taken back Mariupol and that the city was now secure enough to move the administration of the restive Donetsk region there from its capital, Donetsk city.

### Ukraine investigates gas pipeline blast

The Guardian, 17.06.2014



An explosion on a gas pipeline carrying Russian gas to Europe through Ukraine was described as a possible terrorist attack on Tuesday, as fighting in the east of Ukraine continued.

The explosion on a section of the pipeline in the Poltava region came a day after Russia's Gazprom monopoly said it would stop supplying Ukraine with gas for its own needs until the country paid a huge accumulated debt. Witnesses reported a huge blaze in the area of the explosion, but Ukrainian authorities said there was no disruption to gas flow to Europe as an alternative pipeline was used.

The interior minister, Arsen Avakov, said several possible causes were being investigated, including terrorism. Separately, at least one Russian journalist died when his crew got caught in shelling on Tuesday, as a Ukrainian army operation against armed separatists in the east continued. Igor Kornelyuk, 37, died in hospital, and his sound engineer is missing. Russia's foreign ministry said the incident highlighted the "criminal nature" of the Ukrainian operation against the separatists, and called for an investigation. Last month, an Italian photographer and his Russian translator were killed during shelling in the town of Slavyansk, one of the hotbeds of the insurgency. Russia's foreign minister, Sergei Lavrov, accused the Ukrainians of policies of "ethnic cleansing" in the east.

"Instead of the ceasefire promised by President [Petro] Poroshenko, we have heard people in Kiev calling for only a temporary ceasefire so that so-called separatists can leave the territory of Ukraine. This is not a national dialogue, or negotiations with the regions, this is ethnic cleansing," he said. Poroshenko, who was inaugurated as president last week, said a ceasefire could be implemented when Ukrainian forces had regained control of the border with Russia, and there could be an amnesty for those who did not have "blood on their hands". Few details of how this might work in practice have been released. The conflict has so far left around 300 people dead and forced thousands to flee their homes. Kiev accuses Russia of backing the rebels with financial and logistical support.



There was further diplomatic fallout on Tuesday over comments by Ukraine's foreign minister, Andriy Deshchytsia, at the weekend referring to Russia's president, Vladimir Putin, as a "dickhead". On Monday, Lavrov said he had nothing more to say to his Ukrainian counterpart and did not plan to speak to him ever again. This prompted Ukraine's interior minister Avakov to write on Facebook that for Lavrov, "lying comes as easily as drinking vodka does for an alcoholic". Alexei Pushkov, head of the Russian parliament's international affairs committee, suggested on Tuesday that Russia should impose sanctions on members of the Ukrainian government for their insulting comments.

Pushkov said Russia should abandon its long-held stance that sanctions are an inadmissible diplomacy tool. "At a time when a large number of global actors from the leading countries of the contemporary world apply sanctions, I think Russia is narrowing its foreign political potential by rejecting this instrument," he said. The EU wired Kiev a €500m (£400m) loan on Tuesday, which the European economics commissioner Olli Rehn said was "a further concrete sign of European solidarity". Brussels has pledged £8.8bn to Ukraine in coming years, and will sign a free-trade agreement with Kiev next week. The former president Viktor Yanukovych's U-turn over signing the treaty sparked protests that eventually forced him from office in February.

## Ukrainian leader proposes a unilateral cease-fire in East

New York Times, 18.06.2014



President Petro O. Poroshenko of Ukraine said on Wednesday that he would soon put forward a 14-point plan to end the separatist violence that has effectively plunged his country into civil war, and that the peace effort would begin with a unilateral cease-fire by government forces.

For more than two months, the Ukrainian military has been battling pro-Russian rebels in the eastern regions of Donetsk and Luhansk, with scores of casualties on both sides and no sign that the conflict will abate anytime soon. Mr. Poroshenko's announcement of his cease-fire plan came in response to questions in Kiev.

It was followed by a phone call late Tuesday with President Putin, in which both sides said the cease-fire was a main topic. Other elements of Mr. Poroshenko's plan include sealing the border with Russia and amending the Ukrainian Constitution to allow for a "decentralization" plan that will give more authority to local governments. The initial step, however, would be a halt to the so-called antiterrorist operation in which the Ukrainian military has sought to crack down on the pro-Russian militias, which include some Russian citizens who crossed the border to join the fight. Senior Russian officials have long insisted that any peace effort must begin with the Ukrainian government ending its use of force against the separatists. "The plan will begin with my order of a unilateral cease-fire," Mr. Poroshenko said on Wednesday.



Mr. Poroshenko said that he envisioned a temporary cease-fire, during which rebels would put down their arms and Russian fighters would be allowed to return home. The initial reaction from the separatists, however, indicated that they were not prepared to accept the deal in its current form. Senior Russian officials have long insisted that they do not control — or speak for — the rebels, and previous efforts by Russia and the West to negotiate a peace settlement have failed. Claudia Kulbatskaya, a spokeswoman for the Donetsk People's Republic, the self-declared separatist government, said the insurgent forces were dismissive of the proposal.

"He talks about a cease-fire every day," Ms. Kulbatskaya said by telephone. "And then the next day they start bombing even more heavily." Denis Pushilin, one of the leaders of the political wing of the Donetsk People's Republic, told Rain TV in Moscow that he considered Mr. Poroshenko's proposal "meaningless." "This is what happens: they cease fire, we disarm and they take us unarmed," Mr. Pushilin said. The Russian foreign minister, Sergey V. Lavrov, who has repeatedly called for the Ukrainian government to halt its military operations against the separatists, said on Wednesday that Mr. Poroshenko's plan might not be sufficient.

Speaking in Baku, Azerbaijan, where he was on an official visit, Mr. Lavrov said the Kremlin expected a "comprehensive" cease-fire, not a temporary one. "If this initiative aims at comprehensive cease-fire, in which the opposition militia fighting the authorities will be able to exhibit a good will and start negotiations, to which the authorities will invite representatives of the southeast, then I think it could be the step promised by Ukrainian president Petro Poroshenko and which is actually expected by all of us," Mr. Lavrov said, according to the Interfax news service.



## Britain says it is ready to reopen Iran embassy

The Guardian, 17.06.2014



Underscoring its warming relations with Iran, Britain announced Tuesday that the "circumstances are right" to reopen the British Embassy in Tehran and that it would establish a small presence there as soon as possible.

Full diplomatic ties were suspended in 2011 after attacks on Britain's diplomatic compound in Tehran, but relations have been improving ever since a change in political leadership in Iran last year and progress in international talks on Iran's nuclear program. The pace of the thaw appears to have been intensified by a shared interest in containing Sunni militants after their recent military successes in Iraq.

On Monday, the office of Prime Minister David Cameron said that Foreign Secretary William Hague had spoken about the crisis in Iraq to his Iranian counterpart, Mohammad Javad Zarif, over the weekend. "I have therefore now decided the circumstances are right to reopen our embassy in Tehran," Mr. Hague said in a statement to Parliament that was also published on the website of the British government. "There are a range of practical issues that we will need to resolve first. However, it is our intention to reopen the embassy in Tehran with a small initial presence as soon as these practical arrangements have been made." Mr. Hague told Parliament that while Iran had been a divisive force in the region in the past, it now had the ability to play "a more positive role." While describing the embassy reopening as a significant step forward, Mr. Hague said there would be limits on Britain's relationship with Iran. Other issues remain difficult, including Iran's nuclear program and its human rights record, Mr. Hague told lawmakers.

The improvement in relations with Tehran began well before the recent offensive by a Sunni militant group in Iraq known as the Islamic State in Iraq and Syria. In October, the British government announced talks on improving the relationship between the two countries. A British diplomat, Ajay Sharma, was appointed nonresident chargé d'affaires for Iran, based in Britain but taking over many of the functions of an ambassador. At the time, the Foreign Office said Mr. Sharma's appointment would enable Britain to have "more detailed and regular discussions with Iran on a range of issues, including conditions under which our embassies could eventually be reopened." Mr. Sharma visited Iran in December and said in a statement that he had held "detailed and constructive discussions with the Iranian Ministry of Foreign Affairs about taking forward our bilateral relationship on a step-by-step and reciprocal basis." He also visited the British Embassy compound to assess the damage caused by the attack in 2011. An Iranian diplomat has made reciprocal visits to Britain, the Foreign Office said.



## Kerry says U.S. help will only work if Iraqi leaders unite

Reuters, 15.06.2014



John Kerry said U.S. assistance to Iraq, which is seeking to repel a stunning militant advance, would only work if Iraqi leaders overcame deep divisions.

Kerry spoke with Iraqi Foreign Minister Zebari in a call on Saturday, the State Department said in a statement. "He emphasized to the Foreign Minister that assistance from the U.S. would only be successful if Iraqi leaders were willing to put aside differences and implement a coordinated and effective approach to forge the national unity necessary to move the country forward and confront the threat of ISIL," the statement said, referring to the Islamist militants.

Kerry also urged Iraq to quickly ratify the results of its April 30 parliamentary elections and to form a new government without the long period of wrangling that followed 2010 elections. The advance by Sunni militants from Islamic State in Iraq and the Levant, or ISIL, toward the Iraqi capital, Baghdad, appeared to be slowing on Saturday, but a grave threat remains to the government of Shi'ite Prime Minister Nuri al-Maliki.

U.S. President Barack Obama said on Friday he was reviewing military options, short of sending troops, to help Maliki fight an insurgency that has been strengthened by the war in neighboring Syria. The United States ordered an aircraft carrier moved into the Gulf on Saturday, raising expectations of new U.S. assistance in addition to the weapons sales and limited training the United States has provided Iraq since it withdrew troops in 2011. But U.S. officials are reluctant to provide major new assistance without assurances that politicians from Iraq's Sunni, Shi'ite and Kurd communities can overcome long-standing divisions.



# The United States and Iran hold talks over Iraq crisis but rule out military alliance

The Guardian, 16.06.2014



United States and Iranian officials held talks over the advance of Islamist insurgents in Iraq on Monday, June 16, the first time the two nations have collaborated over a common security interest in more than a decade. The discussions in Vienna took place on the sidelines of separate negotiations about Iran's nuclear programme, as Barack Obama told Congress that the he was deploying up to 275 military personnel to Iraq.

The developments came amid conflicting signals in Washington over the extent of any coordination with Tehran over the crisis in Iraq.

John Kerry, the US secretary of state, pointedly declined to rule out military cooperation in an interview on Monday, but US and Iranian officials later stressed that there was no prospect of military coordination, and none was discussed in Vienna, where talks were described as short and inconclusive. "We are open to engaging the Iranians," said a senior State Department official, who characterised the discussions as brief. "These engagements will not include military coordination or strategic determinations about Iraq's future over the heads of the Iraqi people," the US official said, on condition of anonymity. The Iranians confirmed that military cooperation was not on the cards. "The disastrous situation in Iraq was discussed today.

No specific outcome was achieved," a senior Iranian official told Reuters. Fighters from the Islamic State in Iraq and the Levant (Isis) have rapidly advanced through mostly Sunni areas of Iraq in recent days, capturing several cities. It was reported on Monday that they had taken Tal Afar, a northern Iraqi city. On Sunday, the insurgent fighters posted images purporting to show the execution of hundreds of Shia fighters. Obama said in his notification to Congress that the military personnel being sent to Iraq would provide support and security for the American embassy in Baghdad, but was "equipped for combat". "This force will remain in Iraq until the security situation becomes such that it is no longer needed," he said.

Around 170 of those forces have already arrived and another 100 soldiers will be on standby in a nearby country such as Kuwait until they are needed. In addition, officials told Reuters that the White House was considering sending a contingent of special forces to train and advise beleaguered Iraqi troops, many of whom have fled their posts in the face of the insurgency. Earlier, in an indication of how sensitive in Washington any cooperation with Tehran would be, officials moved quickly to clarify remarks by Kerry, who went further than his administration colleagues in entertaining military cooperation with Iran against a common adversary. "We're open to discussions if there is something constructive that can be contributed by Iran, if Iran is prepared to do something that is going to respect the integrity and sovereignty of Iraq and ability of the government to reform," Kerry told Yahoo News.



Pressed by interviewer Katie Couric over whether that would include military cooperation, Kerry replied: "At this moment I think we need to go step by step and see what in fact might be a reality. But I wouldn't rule out anything that would be constructive to providing real stability." Less than three hours later, the Pentagon released a series of public statements that firmly ruled out military coordination. "There has been no contact, nor are there plans for contact, between [the Department of Defense] and the Iranian military on the security situation in Iraq," lieutenant commander Bill Speaks, a Pentagon spokesman, told the Guardian. Notwithstanding the denials of military collaboration, the advent of joint diplomatic efforts between Washington and Tehran over the chaos in Iraq represents a dramatic turnaround for the two rival powers, whose relations, frozen for several decades, have only begun to thaw over the past year.

Military experts say any US air strikes in Iraq would will be impeded by the lack of intelligence from the the ground. An Iranian offensive, by contrast, would be expected to involve elite forces of ground troops that would engage in direct combat with Isis fighters, gaining a detailed knowledge of the battle lines. Yet the notion of a partnership between the longtime foes prompted intense resistance in some quarters of Washington and Tehran on Monday. "It would be the height of folly to believe that the Iranian regime can be our partner in managing the deteriorating security situation in Iraq," senator John McCain said in a statement. McCain's remarks contrasted with those of another Republican hawk, Lindsey Graham, who on Sunday expressed support for cooperating with Iran. McCain and Graham are usually in lockstep over foreign policy issues and their dispute revealed the divisions uncovered by the prospect of a collaboration with Iran.

Washington has dispatched some of its most senior White House and State Department officials to the nuclear talks in Austria, including the top deputy secretary of state, William Burns. He was scheduled to meet Iran's foreign minister Mohammad Javad Zarif and EU foreign policy chief Catherine Ashton on Monday. Their meeting kicks off five days of negotiations between Iran and the six world powers collectively referred to as "P5+1". Before arriving in Vienna, Zarif spoke by telephone with the British foreign secretary, William Hague, about the possible role Iran could play in easing the conflict in Iraq. Iran and the US previously collaborated over military intelligence in the post 9/11 fight against the Taliban in Afghanistan 13 years ago. But a US offical cautioned against reading too much into the latest talks. "No one should expect that all of a sudden, overnight, even if we resolve the nuclear agreement, that everything will change. It will not," the official said. "The fundamentals remain exactly as they are. Until we resolve the nuclear issue there cannot be any kind of fundamental change in this relationship."

In Iraq on Monday, the capital, Baghdad, remained outside the grasp of Isis. But the mayor of Tal Afar, a city of 200,000 people located 260 miles north-west of Baghdad, told the Associated Press that the insurgent group was in control there. A resident said militants in pickup trucks with machine guns and jihadi banners were roaming the streets as gunfire rang out. Fighting in Tal Afar began on Sunday, with Iraqi government officials saying Isis fighters were firing rockets seized from military arms depots in the Mosul area. They said the local garrison suffered heavy casualties and the main hospital was unable to cope with the wounded. There were fears that militants would carry out further atrocities in Tal Afar, which is ethnically mixed and made up of Shias and Sunni Turkomen. Claims at the weekend that the insurgents had killed 1,700 Iraqi soldiers could not be verified. But pictures, on a militant website, appear to show masked Isis fighters loading captives on to flatbed trucks before forcing them to lie face down in a shallow ditch with their arms tied behind their backs.



# Obama sends U.S. military advisers to Iraq as battle rages over refinery

Daily Herald, 20.06.2014



President Barack Obama said on Thursday he was sending up to 300 U.S. military advisers to Iraq but stressed the need for a political solution to the Iraqi crisis as government forces battled Sunni rebels for control of the country's biggest refinery.

Speaking after a meeting with his national security team, Obama said he was prepared to take "targeted" military action later if deemed necessary, thus delaying but still keeping open the prospect of airstrikes to fend off a militant insurgency. But he insisted that U.S. troops would not return to combat in Iraq.

Obama also delivered a stern message to Prime Minister Nuri al-Maliki on the need to take urgent steps to heal Iraq's sectarian rift, something U.S. officials say the Shi'ite leader has failed to do and which an al Qaeda splinter group leading the Sunni revolt has exploited. "We do not have the ability to simply solve this problem by sending in tens of thousands of troops and committing the kinds of blood and treasure that has already been expended in Iraq," Obama told reporters. "Ultimately, this is something that is going to have to be solved by the Iraqis." Obama, who withdrew U.S. troops from Iraq at the end of 2011, said the United States would increase support for Iraq's beleaguered security forces. But he stopped short of acceding to Baghdad's request for the immediate use of U.S. air power against Islamist insurgents who have overrun northern Iraq.

Leading U.S. lawmakers have called for Maliki to step down, and Obama aides have also made clear their frustration with him. Some U.S. officials believe there is a need for new Iraqi leadership but are mindful that Washington may not have enough clout to influence the situation, a former senior administration official said. While Obama did not join calls for Maliki to go, saying "it's not our job to choose Iraq's leaders," he avoided any expression of confidence in the embattled Iraqi prime minister when asked by a reporter whether he would do so. Warning that Iraq's fate "hangs in the balance," Obama said: "Only leaders with an inclusive agenda are going to be able to truly bring the Iraqi people together."

The U.S. president also said he was sending Secretary of State John Kerry to Europe and the Middle East starting this weekend for talks he hoped would stabilize the region. A U.S. official said: "Kerry is expected to go Iraq soon," but did not give a date. Obama's decision to deploy military advisers and deepen U.S. re-engagement in Iraq came after days of arduous deliberations by a president who won the White House in 2008 on a pledge to disentangle the United States from the long, unpopular war there. He said that recent days had reminded Americans of the "deep scars" from its Iraq experience, which started with the 2003 U.S.-led invasion that toppled Saddam Hussein and saw U.S. troops occupy the country for nine years.



Even as Obama announced his most significant response to the Iraqi crisis, the sprawling Baiji refinery, 200 km (130 miles) north of the capital near Tikrit, was transformed into a battlefield. Troops loyal to the Shi'ite-led government held off insurgents from the Islamic State of Iraq and the Levant, or ISIL, and its allies who had stormed the perimeter a day earlier, threatening national energy supplies. A government spokesman said at one point on Thursday that Iraqi forces were in "complete control." But a witness in Baiji said fighting was continuing. Two Iraqi helicopters tried to land in the refinery but were unable to because of insurgent gunfire, and most of the refinery remained under rebel control. A day after the government publicly appealed for U.S. air power, Obama's decision to hold off for now on such strikes underscored skepticism in Washington over whether they would be effective, given the risk of civilian deaths that could further enrage Iraq's once-dominant Sunni minority. "We will be prepared to take targeted and precise military action if we conclude the situation on the ground requires it," Obama said.

Turkish Prime Minister Tayyip Erdogan, a NATO ally, said the United States "does not view such attacks positively," given the risk to civilians. A Saudi source said that Western powers agreed with Riyadh, the main Sunni state in the region, that what was needed was political change, not outside intervention, to heal sectarian division that has widened under Maliki. Maliki's Shi'ite alliance won the most votes in April parliamentary elections, and U.S. officials said the Obama administration was pressing Iraqi authorities to accelerate the process of forging a new governing coalition and for it to be broad-based, including Sunnis and Kurds. A senior member of Maliki's State of Law list suggested immediate U.S. military action was no longer necessary because defenses in the capital, Baghdad, hade been strengthened and the new advisers would make it easier to bomb in the future if needed. "Once they are down there, they will be able to do targeting," the politician said, suggesting that Iraqi security forces have "bought time" by toughening their resistance to the insurgent advance. But Obama's decision drew criticism from some Republican opponents.

Representative Edward Royce, who chairs the House Foreign Affairs committee, said "the steps he announced are needed but fall short of what is required to stop this al Qaeda offshoot from gaining more power, which must include drone strikes." Video aired by Al-Arabiya television showed smoke billowing from the Baiji plant and the black flag used by ISIL flying from a building. Workers who had been inside the complex said Sunni militants seemed to hold most of the compound in early morning and security forces were concentrated around the control room. The 250 to 300 remaining staff were evacuated early on Thursday, one of the workers said by telephone. Military helicopters had attacked militant positions overnight, he added. Baiji, 40 km (25 miles) north of Saddam

Hussein's home city of Tikrit, lies squarely in territory captured in the past week by an array of armed Sunni groups, spearheaded by ISIL, which is seeking a new Islamic caliphate in Iraq and Syria. On Tuesday, staff shut down the plant, which makes much of the fuel Iraqis in the north need for both transport and generating electricity. ISIL, which considers Iraq's Shi'ite Muslim majority as heretics in league with neighboring Shi'ite Iran, has led a Sunni charge across northern Iraq after capturing the major city of Mosul last week as Maliki's U.S.-armed forces collapsed. The group's advance has only been slowed by a regrouped military, Shi'ite militias and other volunteers. The government announced on Thursday that those who joined up to fight in "hot areas" would be paid about \$150 a week. ISIL, whose leader broke with al Qaeda after accusing the global jihadist movement of being too cautious, has now secured cities and territory in Iraq and Syria, in effect putting it well on the path to establishing its own well-armed enclave that Western countries fear could become a center for terrorism.



The U.S. secretary of state, Kerry, played down the extent of possible cooperation with Iran, the main Shi'ite power, which backs Maliki, saying Washington wanted communication on Iraq with its old enemy to avoid "mistakes" but would not work closely with Tehran. Obama challenged Iran to play a constructive role in Iraq and not come in "solely as an armed force on behalf of the Shia." Anthony Cordesman, an expert at the Center for Strategic and International Studies think tank in Washington, said Obama's decision guaranteed that the United States, not just Iran, would have a presence on the ground during the Iraq crisis.

"It gives the United States the kind of direct contact with Iraqi forces that allows them to judge their strengths and weaknesses and act as a check on sectarian abuses," he wrote. "It keeps up the right kind of pressure on Maliki and any successor." From Iran, which has pledged to intervene if necessary in Iraq to protect Shi'ite holy places, a tweet from an account linked to Supreme Leader Ayatollah Ali Khamenei noted that Western powers supported the mostly Sunni revolt against Syria's Iranian-backed leader. It called for Sunnis and Shi'ites to resist efforts by the militants and the West to divide Muslims. A group of Islamist Sunni scholars led by the influential Qatar-based cleric Youssef al-Qaradawi called on Arab and Islamic states to protect Iraqi Sunnis, saying a "revolution" was "natural" because of the "great injustice" done to them.

### China scolds Vietnam for 'hyping up' South China Sea oil rig row

Reuters, 18.06.2014



China's top diplomat scolded Vietnamese officials during talks in Hanoi on Wednesday for "hyping up" a row over a Chinese oil rig drilling in disputed waters in the South China Sea, in tough comments.

State Councilor Yang Jiechi also told his hosts that the rig's activities in waters also claimed by Vietnam were "completely legal", China's Foreign Ministry spokeswoman Hua Chunying said at a daily briefing in Beijing. Yang, who outranks the country's foreign minister, made the remarks in a meeting with Vietnamese Deputy Prime Minister and Foreign Minister Pham Binh Minh.

Before the visit, experts had said many obstacles remained to resolving one of the worst breakdowns in Sino-Vietnamese relations since the neighbors fought a brief border war in 1979. Among them is Beijing's demand for compensation in the wake of anti-Chinese riots that erupted in Vietnam after the drilling platform was deployed on May 2. "The most urgent thing is for Vietnam to stop its interference and harassment, stop hyping up the issue and stop whipping up disagreement to create new disputes, and properly deal with the aftermath of the recent serious incidents of violence," Hua said, describing Yang's comments. Yang later met Prime Minister Nguyen Tan Dung and was due to have talks with the head of Vietnam's ruling communist party before attending a dinner hosted by Minh. No news conferences are planned.



Vietnam has yet to make any statement about the talks. Yang's visit is the highest-level direct contact between the two sides since the rig was parked 240 km (150 miles) off the coast of Vietnam. Vietnam says the platform is in its 200-nautical mile exclusive economic zone and on its continental shelf. China has said the rig is operating completely within its waters near the Paracel Islands, which are occupied by China." State Councilor Yang Jiechi said China and Vietnam's relations are facing difficulties at the moment because for more than a month, Vietnam has been continually illegally harassing Chinese drilling operations in the waters near the Paracel Islands," Hua said. "Yang stressed that the Paracel Islands are China's inherent territory and that there exists no dispute about this." Nevertheless, both sides believed the talks were "frank and constructive", Hua added.

Earlier, Yang and Minh shook hands in front of reporters without smiling at a government guesthouse. Outside the building, neither country's national flag was flying, as is customary when senior foreign visitors attend meetings in Hanoi. Sino-Vietnamese ties have been largely frozen since early May, with both sides accusing the other of inflaming the situation. Dozens of Vietnamese and Chinese coastguard andfishing vessels have repeatedly squared off around the rig, resulting in a number of rammings and collisions. Vietnam's official Tuoi Tre (Youth) newspaper said Chinese ships did little to try to impede Vietnamese boats in the area on Tuesday. It quoted a senior Vietnamese naval official as saying the Chinese ships had been less aggressive, suggesting an effort to dial down tensions on the water ahead of Yang's visit. While communist parties rule both countries and trade has taken off in recent years, Vietnam has long been suspicious of its giant neighbor, especially over China's claims to almost the entire South China Sea.

Ordinary Vietnamese are also quickly angered by any perceived bullying from China. The Philippines, Malaysia, Brunei and Taiwan also have claims to parts of the potentially energy-rich waters. The deployment of the Haiyang Shiyou 981 rig triggered anti-Chinese riots in Vietnam in which four people were killed during a rampage of destruction and looting of factories believed to be owned by Chinese companies. Many of the factories were Taiwanese-owned. Vietnam detained several hundred people in the aftermath of the violence. Around a dozen people have been tried and given jail terms of up to three years. Prime Minister Dung last month said his government was considering taking legal action against China. That drew an angry response from Beijing. China has said the rig will explore until mid-August. It has a good chance of finding enough gas to put the area into production, Chinese industry experts have said.



### **Announcements & Reports**

#### ► Ukraine's President Proposes a Peace Plan

**Source**: STRATFOR

Weblink : http://www.stratfor.com/sample/analysis/ukraines-president-proposes-peace-plan

### ► Iraq's Kurds Could Find Leverage With Baghdad in Fighting Sunni Militants

**Source**: STRATFOR

Weblink : http://www.stratfor.com/sample/analysis/iraqs-kurds-could-find-leverage-baghdad-fighting-sunni-militants

#### ▶ Tensions Frame Arms Purchases in the Caucasus

Source : STRATFOR

Weblink : http://www.stratfor.com/sample/analysis/tensions-frame-arms-purchases-caucasus

### ► Iraq's Kurds Could Find Leverage With Baghdad in Fighting Sunni Militants

Source : STRATFOR

**Weblink** : http://www.stratfor.com/sample/analysis/iraqs-kurds-could-find-leverage-baghdad-fighting-sunni-militants

### ▶ Jordan Could Be the Islamic State in Iraq and Levant's Next Target

**Source**: STRATFOR

Weblink : http://www.stratfor.com/analysis/jordan-could-be-islamic-state-iraq-and-levants-next-target#axzz35BRjUui9

#### ► Russia: Natural Gas Cutoff Puts Pressure on Ukraine

**Source**: STRATFOR

Weblink : http://www.stratfor.com/analysis/jordan-could-be-islamic-state-irag-and-levants-next-target#axzz35BRjUui9

### ► Iraq in Crisis

**Source**: Center for Strategic and International Studies

Weblink : http://csis.org/publication/iraq-crisis-1

#### ▶ The President has Taken the Right First Step on Iraq

Source : Center for Strategic and International Studies
Weblink : http://csis.org/publication/president-has-taken-right-first-step-iraq



### ► Turkish Kurdish Energy Cooperation in the Iraqi Conundrum

**Source**: Center for Strategic and International Studies

**Weblink** : http://csis.org/publication/turkish-kurdish-energy-cooperation-iraqi-conundrum

### ▶ Internal Tensions in Iran: Some Underlying Metrics

Source : Center for Strategic and International StudiesWeblink : http://csis.org/publication/internal-tensions-iran-some-underlying-metrics-0

#### ▶ Reslience: A Critical Framework for Development

Source : Center for Strategic and International Studies
Weblink : http://csis.org/publication/resilience-critical-framework-development

### ► Hoping for Trouble in Iraq

**Source**: Center for Strategic and International Studies

Weblink : http://csis.org/publication/hoping-trouble-iraq

## ▶ Not Legitimate Yet: The Need for Continued Commitment after the Afghan Elections

**Source**: Chatham House

Weblink :http://www.chathamhouse.org/publication/not-%E2%80%98legitimate%E2%80%99-yet-need-continued-commitment-after-

afghan-elections

### ► Complexity, Strategy and the National Interest

**Source**: Chatham House

Weblink : http://www.chathamhouse.org/publication/complexity-strategy-and-national-interest



### **Upcoming Events**

### ▶2014 4th International Conference on Financial Management and Economics - ICFME 2014

Date : 3 - 4 July 2014

Place : Plymouth – United Kingdom

Website : http://www.icfme.org/

### ▶2014 4th International Conference on Strategy Management and Research - ICSMR 2014

**Date** : 3 - 6 July 2014

Place : Plymouth – United Kingdom

Website : http://www.icsmr.org/

### ► ECPEL 2014 - The European Conference on Politics, Economics and Law

**Date** : 16 – 19 July 2014

Place : Brighton – United Kingdom

Website : http://iafor.org/ecpel

### ► International Conference on "Management of Marketing, Banking, Business and Finance for Sustainable Economy" (MBFSE- 2014)

**Date** : 5 - 6 Juky 2014

Place: New Delhi, Delhi, India

**Website** : http://krishisanskriti.org/mgt\_conference.html

## ► International Interdisciplinary Business-Economics Advancement Conference (IIBA 2014)

Date : 16 – 19 July 2014
Place : Istanbul - Turkey
Website : http://iibaconference.org

#### ► Finance and Economics Conference 2014

Date : 13 – 15 August 2014 Place : Munich, Bavaira, Germany

**Website** : http://www.lcbr-fec.org/



### ► International Conference on Business Strategy and Social Sciences

Date : 16 – 17 August 2014 Place : Kuala Lumpur - Malaysia

Website : http://www.pakrdw.com/?ic=details&id=3

#### Supported by PETFORM

### ► All Energy Turkey- 2014 (in Turkey)

**Date** : 24 – 25 September 2014

Place: Istanbul – Turkey

**Website** : http://www.all-energy-turkey.com/?lang=tr

