

Turkey hopes Erdoğan message to Putin will herald normalization

Hurriyet Daily News, 15.06.2016



Deputy Turkish Prime Minister Numan Kurtulmuş has expressed hope that a congratulatory message sent by President Recep Tayyip Erdoğan to Russia's Vladimir Putin for a Russian national holiday will mark "a major step along the normalization process."

Kurtulmuş's remarks came at an iftar he hosted for correspondents who cover the Prime Ministry and a few hours after Erdoğan's message to Putin, sent on the occasion of Russia Day, was leaked. "I hope that with the letters of Mr. President and Mr. Prime Minister, a major step will be taken in this normalization process."

This is also a declaration of Turkey's decision on the normalization process, it should be seen like this. Inshallah [God willing], the crisis between Turkey and Russia that emerged with the aircraft crisis will improve and results are obtained," Kurtulmuş said, referring to Turkey's downing of a Russian plane along the Syrian border in November 2015.

In his message to Putin, Erdoğan expressed a wish for an improvement in ties between the estranged Black Sea neighbors, Turkish presidential sources said. In the message, Erdoğan said he wished for the relations "to rise to the deserved level," the presidential sources said.

"However, this does not mean that Turkey and Russia agree on all political issues or they have solved all the regional problems. Differences of opinion may continue on many issues, notably the Syria issue. In consequence, what really matters is the building of peace between the two neighboring countries and being able to overcome the issues that may potentially cause disturbance," the deputy prime minister said.

"I hope that a similar signal will come from the Russian side, too. Already, these sorts of attitudes have been displayed by Russia in the recent days as well," he said. The full contents of Erdoğan's letter were not made public. In Moscow, Kremlin spokesperson Dmitry Peskov confirmed that Erdoğan had sent Putin the message, saying it was received "via diplomatic channels," the Ria-Novosti news agency reported.

Turkey's downing of the Russian jet sparked an unprecedented crisis in the two nations' relationship, which has been exacerbated by Moscow's role in the Syrian war. Turkey says the Russian plane strayed into its airspace and ignored repeated warnings, but Russia insisted it did not cross the border and accused Ankara of a "planned provocation." Kurtulmuş delivered the current version of the Nov. 24, 2015, incident to the correspondents. "After being warned repeatedly because of the activity on the border, such an accident occurred there."

Thus, from the very beginning, both Mr. President and we have stated that the identity of the plane was not known at the moment when it was shot down but if the was known, then the consequence would have perhaps been different,” he said.

Kurtulmuş, the former ruling Justice and Development Party (AKP) government spokesperson before a cabinet change in May, said he has repeatedly noted at press conferences following cabinet meetings that “Turkey can’t do without Russia and Russia can’t do without Turkey; they cannot discard each other that easily.” “Therefore the essentiality is that the relations between these two neighboring countries, who have profound economic, political, cultural and other relations, are normalized,” he added.

Erdoğan will go to NATO Warsaw Summit with critical messages on Black Sea, Syria

Hurriyet Daily News, 09.06.2016



President Recep Tayyip Erdoğan will participate in NATO’s Warsaw Summit scheduled to take place in early July at a critical moment for the alliance, with his major focus being the need to enhance defense and deterrence in the Black Sea region, as well as reiterating Ankara’s uneasiness over the emergence of a self-governing Kurdish entity on Turkey’s southern border.

At the July 8-9 summit, NATO’s 28 member states will take the next steps towards enhancing a forward presence in the eastern part of the alliance and projecting stability beyond NATO’s borders.

During the summit, Erdoğan is expected to underline the need and significance of “global cooperation” against groups such as the Islamic State of Iraq and the Levant (ISIL), the outlawed Kurdistan Workers’ Party (PKK), the Democratic Union Party (PYD) and the PYD’s militia forces, the People’s Defense Units (YPG).

Turkey regards both the YPG, which is fighting ISIL jihadists, and the PYD as off-shoots of the PKK, which has been in reignited conflict with Turkish security forces since July 2015. Erdoğan will also highlight the need to strengthen NATO’s capability in the Black Sea.

Erdoğan drew attention to the issue in a speech delivered at the 10th Balkan Countries Chiefs of Defense Conference held in Istanbul in May. Underlining the increasing importance of the Warsaw Summit, Erdoğan had said, “I would like to reemphasize that we will continue our contributions to your efforts of capacity-building under NATO as well. We should transform the Black Sea into a basin of stability again on the basis of cooperation among riparian countries around the Black Sea.” Erdoğan then recalled NATO Secretary General Jens Stoltenberg’s visit to Ankara in the second half of April. “During his [Stoltenberg’s] visit I told him: ‘You are not visible in the Black Sea.



And your invisibility in the Black Sea turns it into a Russian lake, so to speak.' As riparian countries we should live up to our responsibilities. As NATO members, we should take all required steps in all spheres, including the sea, air and ground.

Otherwise, history shall not forgive us. And we should also deepen our existing cooperation in accordance with an approach of regional inclusiveness. I would like to express that we will keep sharing our proposals on this issue with riparian countries of the Black Sea in the coming days," the president told the Balkan countries' chiefs of defense.

Meanwhile, speaking at a press conference in Brussels after this week's NATO defense ministers' conference, U.S. Defense Secretary Ashton Carter touched upon the U.S.-led coalition campaign to deliver a lasting defeat to ISIL. Carter said he and the rest of the NATO defense ministers agreed that ISIL's parent tumor in Iraq and Syria and its metastasis were among the leading sources of instability emanating from NATO's southern flank.

The effort had received contributions from nearly every NATO member, but every nation and the NATO alliance itself needed to do more, Carter added. "At this ministerial [conference], we discussed specific ways that NATO could contribute more directly to the counter-ISIL campaign, including by providing NATO [Airborne Warning and Control System] aircraft and by conducting training and defense capacity-building for the Iraqi security forces in Iraq rather than in Jordan," he said.

In northern Syria, Carter said, the coalition was enabling Syrian-Arab coalition forces working to envelop Manbij, an operation critical for helping seal the Turkish border and cut off the flow of foreign fighters in and out of Syria. "Another challenge emanating from NATO's southern flank is the migrant and refugee crisis, which NATO is helping address in the Aegean Sea," the secretary said. "Soon, the United States will be contributing to that NATO activity by sending the USNS Grapple to support it."

Turkey's PM sends reconciliatory messages to Russia, Israel, Syria, Egypt

Hurriyet Daily News, 17.06.2016



Turkish Prime Minister Binali Yıldırım has sent reconciliatory messages to four countries with whom Turkey has been experiencing problems, declaring that there can be no lasting enmity among countries in the Black Sea and Mediterranean.

“Israel, Syria, Russia, Egypt... There can't be any permanent enmities between these countries encircling Black Sea and the Mediterranean. An incident happened with Russia. We of course won't allow the violation of our right to sovereignty. However, it's not right to stick to a single incident,” Yıldırım said, referring to a severe downturn in relations between Turkey and Russia.

“We need to look at the bigger picture. There is no animosity between our peoples. It's possible to return to the old days and even take it further,” he added. Noting that mutual steps were being taken with Russia, Yıldırım added that diplomatic channels were open.

“Mr. President [Recep Tayyip Erdoğan] has showed his will. Russia has showed will, too. It will be settled after this point,” Yıldırım also said. The relations between Turkey and Russia showed signs of improvement in recent days, with several steps from both countries.

The Russian Defense Ministry stated that a Turkish surveillance plane carrying local and Finnish experts would conduct rare flights over Russia, after which Erdoğan and Yıldırım sent congratulatory letters to their Russian counterparts for Russia Day. Yıldırım also commented on relations with Israel, saying the two countries were in contact.

“We are coming to a point with Israel. They are also showing will. There are contacts. It's not concluded yet. I don't think it will take long. The determinative thing here is eliminating the isolation of Gaza for humanitarian purposes,” he said. Turkey was once Israel's closest regional ally, but ties collapsed in 2010 over the killing by Israeli marines of 10 Turkish pro-Palestinian activists who tried to breach the Gaza blockade.

In response, Turkey demanded an apology for the killings, compensation for the Mavi Marmara victims and the lifting of the blockade on Gaza in exchange for restoring relations. Israel provided the apology, but the two sides have yet to reach a deal on the remaining two issues.

During his interview, Yıldırım spoke about Turkey's relations with Egypt, saying that views on political developments in the latter should not have an effect on the commercial relations between the countries. “We've been saying the same thing since the beginning. Mr. President have been saying it very clearly. Any attempt against the will of the people is a coup. We don't accept it.

This is our sincere view. However this shouldn't prevent commercial relations. Economic and social relations can develop. It's for the good of both countries," he said. Ties between Ankara and Cairo have been strained since Egyptian President Abdel Fattah el-Sisi staged a military coup against Islamist President Mohamed Morsi, affiliated with the Muslim Brotherhood, after mass protests three years ago.

In early February, while categorically ruling out any meeting with former army chief el-Sisi until death sentences for Morsi and other Muslim Brotherhood leaders were lifted, Erdoğan gave a green light for ministerial-level talks between the two estranged countries.

Despite ruling out "permanent enmity" with Syria, Yıldırım gave several warnings against Kurdish aspirations in northern Syria. "We are seeing an effort to open a corridor that connects to the Mediterranean from Iraq and Syria's north. It's an intention that moves forward with cantons. Turkey has sensitivities on the subject. We won't allow a fait accompli. Our addressees are not the local terrorist organizations. It's the coalition forces and the U.S. Syria's territorial integrity is important for us," he said.

Şimşek: Despite Brexit noise and migrant woes, Turkey committed to EU ties

Reuters, 16.06.2016



Turkey remains committed to closer ties with the European Union despite strains in the relationship, and wants to deepen a customs union to become the bloc's third largest trade partner, Deputy PM Şimşek said.

Turkey's relations with Europe have soured over demands it amend its anti-terrorism laws on human rights grounds under a deal to curb migration, prompting President Erdoğan warn: "We're going our way, you go yours." Its decade-long efforts to join the EU have meanwhile been dragged into Britain's acrimonious debate over exiting the bloc, reinforcing the view that Brussels was never serious about membership.

Countering warnings from Britain's "Out" campaign of dire consequences if the largely Muslim nation of 78 million joins, Prime Minister David Cameron, once a staunch advocate of Turkish accession, joked that it did not look as if it would happen until the year 3000.

"Despite all the noise, I think it is in our interests to remain anchored to Europe," Şimşek told Reuters in an interview in his office in Ankara, when asked about a possible "Brexit." "From our perspective, we see Europe as a source of inspiration, as a reference point when it comes to strengthening the rule of law, enhancing standards of democracy ... and I don't see a substitute to the EU in Turkey's near geography."



But he described as “unfair” the EU’s insistence that Turkey soften its anti-terrorism laws to win visa-free travel, part of a wider deal on migration which has helped stem the flow of illegal migrants via Turkey to European shores. “Our European partners should understand us,” Şimşek said.

Turkey began EU accession talks in 2005 but has made scant progress despite an initial burst of reforms. Many EU states are not eager to see such a large, mostly Muslim country as a member, and are concerned that Ankara’s record on basic freedoms has gone into reverse in recent years.

Şimşek said economic ties were already much deeper than many realized, with 70-80 percent of foreign direct investment into Turkey coming from the EU, and that there was “political momentum” after high-level discussions in April to widen a 20-year customs union to cover services and agriculture.

“The EU is currently doing the impact analysis, and we are doing the impact analysis, and we’re hoping that at the latest some time in the beginning of 2017 negotiations could start in earnest,” Şimşek said. A deal could “easily double” bilateral trade of around \$160 billion a year, he said, making Turkey one of the bloc’s top three trading partners alongside the United States and China.

European skepticism over Turkey’s EU bid has been fuelled by the tightening grip of Erdoğan, who wants constitutional change to replace a parliamentary democracy with a powerful presidency, a move opponents fear will bring greater authoritarianism.

Şimşek, a former Wall Street banker and ex-finance minister, said such change would bring greater stability to a country with a history, until 2001, of short-lived coalition governments, military coups and financial crises. “In my view, a presidential system with the right checks and balances would serve this country better than a parliamentary system,” he said, adding the debate had wrongly become about personality. “We should focus on the merits of the system.”

Şimşek’s reappointment last month reassured investors who see him as one of few reformers in a new government dominated by allies of Erdogan, economic populists who champion consumption-led growth over structural reforms to boost productivity and savings.

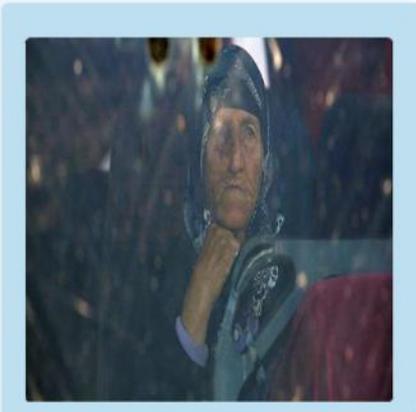
But Şimşek, who was formerly in overall charge of the economy, has had his powers curtailed, continuing to oversee the Treasury and Central Bank but not the regulation of commercial lenders or the capital markets, raising questions about his ability to push ahead with the reform agenda.

He dismissed such concerns, saying progress was being quietly made. A major bill on enhancing the investment climate would be discussed in parliament in the coming weeks, judicial reform to speed up the courts would be effective by next month, and new rules for part-time workers to improve labor market flexibility had already been approved, he said.

He acknowledged growth was too heavily driven by domestic consumption, but pointed to Turkey’s strong public finances, a downward trend in inflation and the creation of more than a million jobs over the past 12 months. “The performance has not been bad ... Let’s face it, growth is a scarce thing in today’s world,” he said. “Turkey is the only sizeable country in this neighborhood that actually could provide the EU with some dynamism.”

Brussels: Turkey-EU migrant deal still fragile despite progress

Hurriyet Daily News, 15.06.2016



A comprehensive deal reached between Ankara and Brussels in a bid to stop the flow of irregular migrants from Turkey to Greece has shown further progress since April, however that progress remains fragile, the European Commission has said.

The second report examining the state of the implementation adopted by the European Commission, outlining the state of ongoing discussions over visa liberalization as well as the implementation of the Readmission Agreement. “Today, the commission adopted second report on the EU-Turkey Statement showing while there has been good progress in its implementation, progress achieved so far remains fragile.

The continued successful implementation depends mainly on the political determination of all parties involved,” read the report. The fact that the number of people crossing irregularly or losing their lives in the Aegean Sea has sharply declined constitutes the best proof of the effectiveness of the deal between the two parties, the report underlined, informing that in the weeks before the implementation of the statement, around 1,740 migrants were crossing the Aegean Sea to the Greek islands every day. By contrast, the average daily number of irregular crossings since May 1 was down to 47.

The return of irregular migrants from Greek islands to Turkey was also functioning, as 462 migrants have been returned to Turkey, in accordance with EU and international law and in full respect of the principle of non-refoulement, the report underlined.

“A total of 511 Syrians have been resettled so far from Turkey to the EU under the 1:1 scheme (additional 408 since the first progress report) – substantially exceeding the number of returns from Greece to Turkey,” it said. The deal obliges the EU to accept one Syrian refugee from Turkey in return of Turkish readmission of one Syrian refugee from Greek islands. On the most controversial part of the deal, visa liberalization for Turkish citizens, the report stressed Turkey needed to fully fulfill all 72 criteria outlined in the roadmap. “Since May 4, further progress has been made, notably with the entry into force of the EU-Turkey readmission agreement that still requires a final decision on actual application.

The commission continues to support Turkey in the work that still needs to be done to fulfil the remaining benchmarks and invites Turkey to take these measures as soon as possible to enable the EU to lift the visa requirements for Turkish citizens,” it said. On one of the much-discussed remaining criteria that Turkey needed to fulfill, the report said, asked the Turkish government “to revise the legislation and practices on terrorism in line with European standards, notably by better aligning the definition of terrorism in order to narrow the scope of the definition and by introducing a criterion of proportionality.”

The report also cited progress as for the opening of chapters, particularly on Chapter 33 on financial and budgetary provisions that will likely be opened on the last day of June. "In addition, preparatory work continues at an accelerated pace to make progress on five chapters, without prejudice to member states' positions in accordance with the existing rules," it said, adding work has almost been finalized in the areas of energy and judiciary and fundamental rights.

Israel and the Russian Federation today

Modern Diplomacy, 13.06.2016



There are many signs which make us think of a new strategic relationship between Russia and Israel in the Middle East. In general terms, we can now assume that the Jewish State is already considering and assessing the US disengagement from the Middle East system - hence Israel is trying to define a policy to "replace" them, thus establishing connections with the Russian Federation.

Obviously the bad personal relations between President Barack Obama and Prime Minister Netanyahu carried a remarkable weight in this respect, but we are witnessing a real redefinition of all the regional geopolitical equilibria.

Also the US and EU slapdash attitude on the JCPOA, namely the Treaty on the Iranian civilian-military nuclear power, rightly criticized by Prime Minister Netanyahu and the whole Israeli establishment, had a significant influence in this regard.

Both Russia, which has already "won" its war in Syria and Israel, which has drawn all the geopolitical consequences of the "Arab springs" and the ambiguous initial US support for the anti-Assad Syrians "rebels", are redesigning - almost alone - the new Greater Middle East map.

Whatever happens in Syria from now on, the US destiny is a progressive marginalization both in the Sunni and Shiite regions, as well as a subjection of its operations to a series of alliances (with Russia, Israel, Saudi Arabia and Jordan) in which the United States will no longer have the clout they had until a few years ago. As already said, the signs of a "new start" for the Russian-Israeli relations are manifold.

Suffice to think of Russia's returning of an M48 Patton Israeli tank, captured by the Syrians in the 1982 Lebanon War near Sultan Yaakov during an ambush in which the three tank drivers were killed. The tank was sent by Hafez el Assad to Moscow for it to be studied by the Soviet technical and intelligence services and was later placed in the Tank Museum of Kubinka. However there is no official news about the fate of the three IDF soldiers.

Obviously President Vladimir Putin preliminary informed Bashar al-Assad of its decision and nothing prevents the current Syrian Alawite leadership from deciding, in the future, to provide to the Israeli government information about the sad fate of the three tank drivers.



Furthermore, during all Russian operations in Syria, the Russian and Israeli soldiers met regularly to exchange information and avoid duplication of efforts. The Russians tolerated some trespassing - indeed regularly reported - of Israeli aircraft over the Golan Heights and into central Syria, while the Jewish State tolerated (having been preliminary informed) some Russian aircraft overflying its territory.

Hence it is clear that the sideline negotiations between Russia and Israel are made up of three strands, which are obviously closely interwoven. Israel wants the Russian Federation to act as a credible mediator and power broker between Israel and the Palestinian region, because Russia is reliable for both parties. In addition, the Jewish State does not want any transfer of military technology, information and logistics from Russia to its allies in Syria: the Hezbollah, the Iranian brigades of the Pasdaran Al Quds Force and Bashar al-Assad's government.

Nor can we rule out that - in the coming months or years - the axis between Russia and Israel may result in redesigning regional powers in the Middle East region. Currently those powers have neither father nor mother, and the replacement of great powers by Iran and Saudi Arabia will not last long. They are too small and unable to create far-reaching strategic correlations.

Hence time has come for the Middle East to be anchored to a global power, which will be the Russian-Chinese axis, with Israel acting as a regional counterweight. It is worth recalling that China has already made military flights over the Syrian territory. The Chinese "non-interventionist" line does not mean lack of real knowledge of facts or lack of pressure and interference power.

The Russian-Israeli negotiations also imply a Russian guarantee for Israel regarding possible Iranian military operations, the marginalization of the Lebanese Shiites' "Party of God", a new Assad's government not aiming at destroying the "Zionist entity", or the division of current Syria into three parts, with the consequent reduction of all its internal factions. This is the US line, and partially also the line of some Israeli decision-makers.

Russia, however, thinks that the whole Southern Syria shall go back under Bashar al-Assad's regime, while Israel, along with the United States, Saudi Arabia and Jordan, believes that a mini-State in Southern Syria is fundamental for Assad and his Iranian allies to invade the Golan Heights.

However, President Putin's offer to the Jewish State seems to be the following: if Israel accepted the "Greater Syria", the Russian forces would remain in the Western region of the country to protect Israel against any action by Iran or Assad's government.

This is the reason why Russia wants to reopen the political relations between Assad's regime and Israel, so as to make the Baathist government depart from Iran's and the Lebanese Shiites' geopolitical line. This is not even in its interest.

Hence this is the strategic reason for the token gesture of the restitution of the Israeli tank. Nevertheless, there is more in the new Russian project in the Middle East and in the Israeli response to the rise of the new Russian power in the Middle East. During Netanyahu's visit to Russia on April 21, 2016, for example, the Israeli Prime Minister and the Russian President pointed out Russia's interest in developing and exploiting the new offshore natural gas field known as Leviathan, which will be the real "game changer" in the Middle East in the near future.



If GazProm cooperates in the exploitation and marketing of the offshore gas field area between Haifa and the Gaza Strip, it will be vital for the Russian Federation to ensure - along with Israel - security of communications, particularly in relation to the possible Hezbollah actions from the Lebanon or the Iranian pressures on the Golan.

This new energy system will finally change the relations between Israel and Turkey, which will be the hub of the natural gas extracted from the Leviathan field, and will make the Russian oil and gas companies enter the Middle East market, thus excluding the US companies operating in Turkey and in most Sunni world.

It is worth recalling that both Iran and Qatar now operate mainly on the natural gas market, and the large Israeli Leviathan gas field could compete with many of the fiercest Muslim, Shiite or Sunni opponents of the Jewish State.

Therefore the three visits paid to Russia by Prime Minister Netanyahu over a year are essential both for Israel's foreign policy and for its economic future. Moreover, Israel knows that the Obama administration believes that some territories conquered by the Jewish State were annexed illegally and also this fact could bring Russia and Israel closer in the future.

Russia must maintain its presence in Ukraine and support - at international level - Crimea's annexation. If Israel supports Russia's demands, it is very likely for it to support Israel's good right to keep the Palestinian territories. Moreover, in strictly military terms, the Jewish State fears that the presence of Russia's advanced weaponry - such as the Iskander missile or the batteries of S-4007 carriers, sold by Russia also to Iran - would make the Syrian territory very dangerous for Israel's security.

Hence very specific operational guarantees and a clear idea of Russian defenses eastwards and along the route of the future Leviathan pipeline will be needed to reassure Israel of the Russian Federation's good intentions.

It is said, however, that the deployment of the Triumph S-4007 and the other Russian advanced weapons is basically a Russian cosmetic operation for "image" purposes, and some British analysts do not even believe that these news and reports are really grounded.

Nevertheless, at least since 2007 Russia has already had a listening post in place in the Golan Heights, which controls Israel's telephone traffic (via the Internet and electronically) and, above all, its decision-making centers. On the other hand, the Jewish State has some listening posts in the Golan Heights and in other safe areas of the Middle East region.

In other words, both President Putin and Prime Minister Netanyahu are playing open-face by laying all their cards on the table, being well aware of the projects and the "tacit knowledge" they have about each other. So, considering all these conditions, in the best possible scenario Israel could:

a) replace - in the long run - the United States with the Russian Federation as a global ally and as a presence of reference in the Middle East region. In fact, the American ruling class is closely linked to the Saudi lobby, also from a financial and political subsidizing viewpoint. The two wars of the US-led Coalition in Iraq have disrupted Saudi Arabia's main enemy, namely Iran.



They have placed a Western advanced military system between Saudi Arabia and its Iranian global enemy and they have finally created a center of gravity north of Saudi Arabia, which has stabilized the whole region in favor of the Saudi Sunnis.

Furthermore, b) Israel can rely on a more stable and credible mediator, namely the Russian power broker, both vis-à-vis the Palestinians and, in the long run, even in relation to the Shiite and Alawite world.

The United States have played all their cards in the Greater Middle East on the democratization and secularization of populations and regimes that have not the same culture, the same history and the same link between religion and politics as those traditionally existing in the West.

It is also worth noting that their psyops and propaganda operations were, and still are, limited and often incomprehensible for the huge Islamic masses of the Greater Middle East. The modernization that has been successful in the current Islam, if any, is the jihad one, not the adaptation to the pro-Western and secularized cultural universe.

Not all Arabs would decide to be shahid, namely “martyrs” for Al Qaeda, but all the Arab masses celebrated - in the streets - the destruction of the Twin Towers and the Pentagon attack. This is the new imagery and narrative with which we have to come to terms.

It is the “imaginal” - a philosophical concept developed by the orientalist Henry Corbin, who believed that the term “imaginary” had acquired a very restricted meaning in Western philosophy - stemming from the fact that the great powers’ balance in the Middle East has been replaced by the small regional powers, which have to radicalize their ideology to hide their strategic, military and geopolitical inadequacy or failure.

Hence, since the two Iraqi wars, the United States have viewed the Eastern region under Western eyes - just to quote the title of a great novel by Joseph Conrad, initially set - incidentally - in Saint Petersburg.

A comprehensive strategy of democratization and secularization, which today has clearly failed, and to which the US ruling class cannot but respond with Thomas Jefferson’s formula: no entanglements. But can there be a global power, with a global currency, without entanglements? It is a paradox of the US foreign policy which cannot be solved in the short term.

Finally 3) Israel, jointly with the Russian Federation, will be able to manage its new policy of global projection outside the Middle East. In the future, for Israel, there will be a place in the Chinese Belt and Road Initiative, in Central Asia, in India, even in Latin America and in some African areas.

All areas which are now in the Russian and Chinese strategic reach, while the EU is retreating even from the Mediterranean (and increases its already substantial rate of anti-Semitism) and dreams, together with the United States, of an irrational revival of the Cold War, with the current NATO operations in Poland. It is worth noting, however, that both Crimea and Ukraine are in Russian hands, at least de facto, and that a military operation against the NATO positions along the border with the Russian Federation can be led from those areas - an operation which would be hard for NATO to oppose.

Netanyahu stresses Arab peace initiative must be rewritten

AFP, 14.06.2016



PM Netanyahu has said a long-dormant Arab peace initiative with the Palestinians that he has spoken of reviving must be changed before Israel can support it. Netanyahu made the comments night to members of his Likud party, Israeli media reported, after facing pressure from right-wing members of his cabinet over his recent comments on the Arab initiative.

Members of the religious nationalist Jewish Home party who hold key positions in Netanyahu's cabinet oppose a Palestinian state. "If the Arab nations grasp the fact that they need to revise the Arab League proposal according to the changes Israel demands, then we can talk," Netanyahu said.

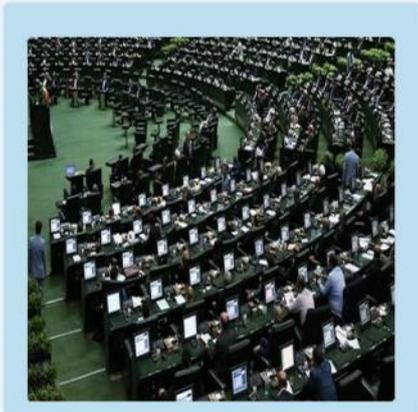
"But if they bring the proposal from 2002 and define it as 'take it or leave it' -- we'll choose to leave it." Netanyahu spoke of the Arab League-endorsed proposal that dates to 2002, saying it "includes positive elements that can help revive constructive negotiations with the Palestinians."

But some analysts questioned whether his comments were a bid to fend off international critics over his appointment of hardline Defense Minister Avigdor Lieberman and his strong opposition to a French peace initiative now taking shape. The Arab proposal essentially calls for Israel to withdraw from the occupied territories and resolve the issue of refugees with the Palestinians, leading to the creation of a Palestinian state, in exchange for normalized relations with Arab countries.

According to Israeli newspaper Israel Hayom, Netanyahu also told fellow Likud members that "the Arab initiative includes positive elements." "But it is clear that it must be updated in order to take account of changes that have occurred in the region in recent years," he said. Haaretz reported that Netanyahu said the plan's "negative elements" included what he described as the return of Palestinian refugees and the demand that Israel retreat from of all lands occupied in the 1967 Six Day War.

France becomes first major nation to ratify climate deal

AFP, 16.06.2016



President Francois Hollande has finalized ratification of the Paris climate accord reached in December 2015, making France the first industrialized country to do so.

“Signing is good, ratifying is better,” Hollande quipped at the Elysee Palace ceremony, flanked by Environment Minister Segolene Royal, Foreign Minister Jean-Marc Ayrault and other top officials. He noted that the deal will not come into force unless at least 55 countries responsible for at least 55 percent of global greenhouse gas emissions ratify it. So far 17 states - mainly small island and coastal countries vulnerable to the sea-level rise - have ratified the deal.

Hollande called on other European countries to follow France’s lead by the end of the year. The United States, the biggest emitter of greenhouse gases after China, will ratify the accord soon, U.S. Secretary of State John Kerry said during a visit to Oslo. Norway’s ratification is also imminent following a green light by its parliament.

“The United States will join soon, this year and together we are going to work to bring this agreement into force as quickly as possible,” Kerry told a news conference in Oslo. Kerry was to overfly the Norwegian archipelago of Svalbard, north of the Arctic Circle, yesterday “to see firsthand the impacts of climate change on the Arctic.”

At the December COP21 gathering in Paris, 195 governments agreed to a target of limiting global warming to “well below” 2.0 degrees Celsius (3.6 Fahrenheit) compared with pre-industrial levels. To achieve even the two-degree target, additional investment of \$5.3 trillion (4.7 trillion euros) in zero-carbon power -- on top of an already projected \$7.8 trillion -- would be needed by 2040, a key energy report said.

The French hosts of the meeting, held just weeks after the devastating November terror attacks on Paris, were showered with praise for its success, notably Hollande and then foreign minister Laurent Fabius. The 32-page deal also calls on rich nations to muster at least \$100 billion a year in climate aid from 2020. Just how that will happen has yet to be worked out. COP21 is the acronym for the 21st conference of parties to the UN Framework Convention on Climate Change (UNFCCC), the arena set up under the 1992 Earth Summit in Rio.

EU: Turkey is a difficult but reliable partner

Reuters, 13.06.2016



European Council President Donald Tusk has hailed enhanced cooperation between the EU and Turkey, amid problems over the recent deal between Ankara and Brussels that foresees Turkey's acceptance of migrants in exchange for the lifting of visa restrictions in Europe.

“Yes, Turkey is a difficult partner, but it is the most reliable one in the region,” Tusk said. “The country is facing a difficult situation: Weekly terrorist attacks, unsafe borders with Syria, Iraq and Iran. Plus, there are over two million refugees in the country. That is why we have to offer [Turkey] solidarity but also criticism,” he said.

Tusk emphasized that the EU would not accept violations of the freedom of press and opinion, and will continue to raise such issues in talks with Ankara. The EU-Turkey refugee deal was hammered out by European and Turkish leaders in March, and was strongly backed by German Chancellor Angela Merkel.

The agreement was widely criticized by European Parliament lawmakers and opposition parties in Germany for “ignoring human rights deficits” in Turkey, and making Europe too much dependent on Ankara in finding a solution to the refugee crisis. “Nothing in life is for free, including this agreement. However, we will not accept violations of the freedom of the press and opinion. You can believe me when I say how important they have been for my whole life,” Tusk said.

The EU-Turkey deal aims to discourage irregular migration through the Aegean Sea by taking stricter measures against human traffickers and improving the conditions of nearly three million Syrian refugees in Turkey. The deal also allows for the acceleration of Turkey's EU membership bid and visa-free travel for Turkish nationals within the Schengen area, on the condition that Ankara meets 72 requirements set by the EU.

Tusk stressed that Turkish citizens will benefit from visa freedom once Ankara “fulfills all of the requirements,” without exception. “The negotiations will probably last till October, but we are getting closer,” he told Bild. While Turkey fulfilled most of the criteria last month, differences between Brussels and Ankara on anti-terror legislation have forestalled the visa liberalization, previously expected in June.

The EU has said Turkey must revise its “legislation and practices on terrorism in line with European standards” in order for visa liberalization for Turkish citizens to enter into force. But Ankara has firmly rejected any such change, stressing that it is not realistic to expect such changes at a time when Turkey is fighting terror organizations such as the outlawed Kurdistan Workers' Party (PKK) and the Islamic State of Iraq and the Levant (ISIL).

Sanders vows to help Clinton beat Trump, keeps rallying

Reuters, 17.06.2016



Bernie Sanders promised to work with presumptive Democratic presidential nominee Hillary Clinton to defeat Donald Trump in the Nov. 8 election, but did not formally pull out of the race for the White House.

Sanders did not endorse Clinton during speech, but made it clear he was shifting his focus to building a grassroots movement to fight for liberal policy agenda and transform Democratic Party. “The major political task we face in the next five months is to make certain that Donald Trump is defeated, and I personally intend to begin my role in that process in a very short period of time,” the senator said.

“I also look forward to working with Secretary Clinton to transform the Democratic Party so that it becomes a party of working people and young people, and not just wealthy campaign contributors,” he said in a speech broadcast from his hometown of Burlington, Vermont.

“Defeating Trump cannot be our only goal. We must continue our grassroots efforts to create the America that we know we can become,” he said. “And we must take that energy into the Democratic National Convention on July 25 in Philadelphia where we will have more than 1,900 delegates.”

The Obama administration needs to double down on the Iran deal

Foreign Policy, 16.06.2016



Obama spent enormous political capital to cement an agreement with Iran constrained its nuclear program for more than a decade. That agreement is now at risk of unraveling.

The danger of the agreement collapsing, to the detriment of U.S. interests, is now evident. Under the nuclear accord, Iran agreed to constrain its nuclear program in return for economic reprieve from U.S. sanctions. While Iran has so far lived up to its nuclear-related obligations — addressing concerns over nuclear program by reducing number of operating centrifuges— the United States has struggled to fulfill its end of the nuclear bargain.

The British law firm Clyde & Co. conducted a recent survey of business executives interested in engaging Iran. Respondents stated that the major barrier to market entry into Iran is U.S. sanctions, which are inhibiting access to trade finance and insurance and effectively preventing banks from bolstering their business ties with Iran. As a result, Iran has faced persistent difficulties receiving practical value from the lifting of sanctions, which is placing the nuclear accord at risk.

Hard-liners in Iran are touting the sanctions issue as an example of why the United States cannot be trusted. Hard-liners in Iran are touting the sanctions issue as an example of why the United States cannot be trusted. That message is having an effect:

Recent polling indicates that the Iranian people are growing increasingly skeptical that Washington is acting in good faith in meeting its commitments. Iranian moderates who support the accord, meanwhile, risk being undermined by this development. Absent a turn in Iran's economic fortunes, the hopes and aspirations of the Iranian people will continue to be denied and their political engagement — as evidenced by recent parliamentary elections, in which Iranian hard-liners were dealt a significant defeat — stymied.

To its credit, the Obama administration is actively seeking to resolve concerns over the sanctions-lifting. A few weeks ago, Secretary of State John Kerry hosted a meeting of the British Bankers Association to encourage major European banks to re-engage their Iranian counterparts. High-level U.S. officials have likewise been touring the world, seeking to provide practical guidance on what the lifting of sanctions means and the scope of remaining U.S. sanctions. More public written guidance will soon be forthcoming.

But such guidance has been insufficient — and is likely to remain so. Following their meeting with Kerry, most of the banks in attendance stated publicly that they would not engage in Iran-related business for the foreseeable future, due to persistent U.S. sanctions risks.



Without major European banks willing to re-engage Iran, financing will be unavailable for some of Iran's bigger trade and investment opportunities. The Obama administration needs a new game plan. The Obama administration needs a new game plan. Just as it expended political capital to secure the deal, it must expend the political capital to sustain it. Otherwise, the administration risks snatching defeat out of the jaws of victory and upending this historic diplomatic achievement.

Such additional steps come in two parts. First, the Obama administration will need to provide detailed written guidance to foreign banks and companies explaining what steps are required to ensure that they do not risk exposure to U.S. sanctions. Absent such guidance, non-U.S. banks and companies will continue to lack the confidence to engage in Iran-related dealings.

The Obama administration reportedly has been reluctant to provide the level of detail necessary to instill confidence in companies that they can do business in Iran. For instance, companies have long sought to understand the necessary level of due diligence to avoid exposure to U.S. sanctions — perhaps through a checklist of sorts. But U.S. officials, unwilling to act outside their comfort zone, have rejected calls to provide such detailed guidance, thus failing to address many firms' primary concern.

Second, the Obama administration will need to take action to ease market entry into Iran. Banks have been hesitant to facilitate trade with Iran so long as Iran remains cut off from the U.S. financial system, and large foreign enterprises have been reluctant to pursue trade and investment opportunities in Iran so long as the U.S. primary trade embargo remains intact.

The administration can resolve these persistent concerns through a broader licensing scheme. For instance, the United States could re-authorize the U-turn license, which permitted U.S. dollar transactions involving Iran to be cleared through a U.S. bank, or license American banks to provide dollars to foreign financial institutions so that dollar-clearing can take place offshore.

Similarly, the administration could take a hard look at the sense of maintaining a unilateral trade embargo with Iran while it is encouraging foreign parties to engage in trade with Iran. In lieu of those more dramatic steps, the administration could also license U.S. persons to facilitate certain transactions with Iran, particularly if those U.S. persons are employed in non-U.S. companies.

The politics of such action may not prove appetizing. Uber-hawks in Congress are bent on denying the Obama administration this diplomatic success and will try to block any action aimed at resolving sanctions concerns. But the sustainability of the nuclear accord is dependent on the Obama administration taking these steps.

Absent such measures, the Iran deal threatens to unravel with the United States being the scapegoat, as Iran will continue to be denied the benefit of its bargain. Passing off current problems with the lifting of sanctions to the next administration is not an option. Obama has made a big investment in limiting Iran's nuclear program — the time is now to secure that investment.

Kerry tells Russia US patience on Syria 'very limited'

Hurriyet Daily News, 15.06.2016



U.S. Secretary of State John Kerry told Russia and Syrian President Bashar al-Assad on June 15 to respect a fragile ceasefire, warning that Washington's patience was running out.

"Russia needs to understand that our patience is not infinite, in fact it is very limited with whether or not Assad is going to be held accountable," Kerry said during a visit to Norway. "We also are prepared to hold accountable members of the opposition" who have been involved in continuing violence, he said after a meeting with his Iranian counterpart Mohammad Javad Zarif.

World powers have failed to turn a fragile cessation of hostilities in Syria, in effect since February 27, into a durable truce and Damascus has stepped up its military campaign against the Islamic State of Iraq and the Levant (ISIL) and rebels in the second city of Aleppo.

"It is very clear that the cessation of hostilities is frayed and at risk and that it is critical for a genuine cessation to be put in place. We know that, we have no illusion," Kerry said. "This is a critical moment and we are working very, very hard to see if we can in the next week or two come to an agreement that has a capacity to more fully implement a ceasefire across the country and deliver humanitarian access in a way that then provides for a genuine opportunity to bring people to the table and start talking about a transition," Kerry said.

"I'm not going to make any promises to be delivered on but I do believe the conversation I had with Zarif indicates to me possibilities for how this could be achieved," he added, without elaborating. Kerry's talks with Zarif follow a meeting between the defense ministers of Iran, Russia and Syria last week on the battle against the various armed groups fighting the Assad regime.

The Syrian government, meanwhile, said that French and German forces were present in northern Syria, an accusation denied by Germany. Syrian state media said the government strongly condemned the presence of French and German forces in Ain al-Arab, also known as Kobane, and Manbij. Germany's defense ministry denied that German special forces were in northern Syria and said repeated claims by the Syrian government to this effect were not and had never been true.

"There are no German special forces in Syria. The accusation is false," a ministry spokesman said. The U.S.-backed Syria Democratic Forces (SDF) are currently staging an offensive against ISIL near Manbij.



Announcements & Reports

► *Stability and Instability in the Gulf Region in 2016*

Source : CSIS

Weblink : <https://www.csis.org/analysis/stability-and-instability-gulf-region-2016>

► *European Banking Supervision: The First Eighteen Months*

Source : Bruegel

Weblink : <http://bruegel.org/2016/06/blueprint-european-banking-supervision-the-first-eighteen-months/>

► *Lessons For The Euro From Early US Monetary and Financial History*

Source : Bruegel

Weblink : <http://bruegel.org/2016/05/lessons-for-the-euro-from-early-us-monetary-and-financial-history/>

Upcoming Events

► *The Search for Europe*

Date : 18 June 2016

Place : Brussels - Belgium

Website : <http://bruegel.org/events/the-search-for-europe/>

► *The UK and the EU: Managing the Euro and the Single Market*

Date : 19 June 2016

Place : London - UK

Website : <https://www.chathamhouse.org/event/uk-and-eu-managing-euro-and-single-market>

► *Competitive Gains in the Economic and Monetary Union*

Date : 19 June 2016

Place : Brussels - Belgium

Website : <http://www.bruegel.org/nc/events/event-detail/event/534-competitive-gains-in-the-economic-and-monetary-union/>

► *The Future of Capitalist Democracy: UK-Japan Perspectives*

Date : 20 June 2016

Place : London - UK

Website : <http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives>



► *Emerging Markets and Europe: Time for Different Relationships?*

Date : 22 June 2016
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/524-emerging-markets-and-europe-time-for-different-relationships/>

► *What future for Europe's Social Models?*

Date : 24 June 2016
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/>

► *Challenges for Growth in Europe*

Date : 28 June 2016
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/521-challenges-for-growth-in-europe/>

► *Global Governance of Public Goods: Asian and European Perspectives*

Date : 30 June 2016
Place : Paris - France
Website : <http://www.bruegel.org/nc/events/event-detail/event/529-global-governance-of-public-goods-asian-and-european-perspectives/>

► *The Future of the Welfare State*

Date : 30 June 2016
Place : Berlin - Germany
Website : <http://www.bruegel.org/nc/events/event-detail/event/541-the-future-of-the-welfare-state/>