

Report 117
PROJECT ON BUSINESS AND POLITICS IN THE
MUSLIM WORLD

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This is the summary of the whole Euro-America zone (zone 3) taking into account the political, economic, socio-cultural and geo-strategic issues around North America/Canada, Western Europe, Latin America/Southern Europe, Southeast Europe Oceania, Russia and its Neighbour and East/Central Europe.

Report Summary

USA/Canada

Political Issue

The U.S Senate is moving towards passing an overhaul bill on financial regulation. The bill faces serious opposition from Senate republicans but trend seems going against the republicans, thus compromising their stance by supporting, otherwise would be seen as being comfortable with financial indiscipline by the Wall Street financial institutions.

The defection of Gov. Charlie Crist from the Republican Party, standing as an independent for the midterm election is seen as good omen for democrat party. Crist has always hold dissimilar views with his former party and believes his Senate ambition can be achieved through populist votes as he calls himself the 'people's senator'.

According to the Canadian Harris-Decima survey, support for the conservative ruling party is sagging yet that has not be taking advantage of by the Liberal to gain more support. Both parties stand at 29 and 27 respectively. The ruling party is facing public resentment due to political scandal.

Economic Issue

The Bank of Canada Governor Mark Carney is of the view that time for government to withdrawal its hand from the economy can only be plausible should the economy recovers to a speaker growth. Thus, explains why the government has raised 2010 economic growth based on the performance of the private sector. Canada like every other country stimulated the economy out of recession.

According to the Royal Bank of Canada survey inflation and taxes were among the biggest concerns for retired Canadians. The survey also shows that many retired Canadian entered retirement with some forms of debt and still incur debt during retirement, though with the strong feeling that they will get over it.

Social/Humanitarian Issue

The constitutionality of the new Arizona immigration law is being contested. Supporters of the law say it shows how a state can make effective immigration law when federal law appears ineffective. Meanwhile, critics are of the view that it will lead to racial profiling. Professor Kobach who helped draft the bill says Arizona law is supportive of federal immigration laws rather than seeking to supplant them and believes it will stand any legal perspective. Former Alaska GOP Gov. Sarah Palin blamed the Obama administration for playing a racial card on the Arizona law. According to her, Obama is trying to incite his base as election is around the corner.

Meanwhile, President Obama said he believes the Congress has been troubled by controversial issue all through this year thus appetite to tackle the issue of immigration will be wanting.

American law experts were engaged in debate whether or not Washington's drone attack in foreign countries is legitimate. The debate bore a divided views some experts believe such drone attacks violates international law and could make foreign country sue CIA officials for murder, other reject such assertion that it is traditionally acceptable that US can violate others sovereignty by going after terrorists if other country is unwilling to do similar task.

Similarly, Defense Secretary Robert M. Gates has opened an inquiry into whether a top Defense Department official violated Pentagon rules by setting up a network of private contractors to gather intelligence in Pakistan and Afghanistan.

Hesham A. Hassaballa is a physician and writer living in Chicago, she writes on the sharp and dividing line between American Muslims and the American Protestant Pastors, whose view of Islam always carry negative connotation. According to a poll, both protestant pastors and Islamic preachers are wary of their folks being converted to either side. This might be one strong reason for enmity, even though Muslim do not share similar hatred for protestants rather the latter believes the Muslim God is different and Islam a wicked religion.

Food, Environment and Energy Issue

The oil spillage in the Gulf of Mexico is another troubling issue for the Americans but more exigent for the government to take control of. It appears this might be Obama's Katrina, but the extent to which quick action will be taken to reduce more damage is yet to be understood. Protecting further spillage and damage to livelihood of the people on whose shoulder must it be is question ringing in the media, the federal authority or the Louisiana government. Yet as the matter becomes more serious BP Oil Company involved in the spillage is facing acute accusation.

Geostrategic Issues

Mending and patching the loops between U.S and Israel, appears to be the intention of the Obama administration when top officials made speeches before the

American Jewish Committee. It can otherwise be a way of shifting attention away from US-Israeli rift. The American government is sending strong signal to Iran, Syria and their associate Hezbollah that threat against Israel will not be condoned and there is no compromise for Israeli security. Would such statement soften the brawl between Israel and Washington and would it dispel Iran and allies from their stance.

Western Europe

Political Issue

Linguistic and economic barriers between the French (4million) and the Dutch speaking (6.5 million) Belgian has been a perennial issue in the country. Premier Yves Leterme's government collapsed last week for failing to resolve Brussels-area voting district crisis, which the constitutional court ruled illegal in 2003. The exit of Leterme will pave way for Marianne Thyssen to be the first woman who could become Belgium's next prime minister.

Yes there is political infighting within the coalition government led of Italian Prime Minister Silvio Berlusconi, but that will not stop the government from serving out the remaining three years in office. Berlusconi claims his government has done more for the country amid criticism and scandal that continues to haunt the PM.

Despite the political drama unfolding on the British political landscape, the May 6 election will obviously be decided by the people. The run-up to the election was characterised by American style election and more media attention, amid political blunders coming from the ruling labour party. The latter continues to rank low in polls and top British newspapers are backing away from the party known as the party of the people (labour). The run-up saw the growing image of Nick Clegg, leader of the Liberal party, whose popularity is akin to Obama during the last American election. But would he be able to translate the Cleggmania to real votes of becoming next British PM.

Ayguel Oezkan a member of Chancellor Angela Merkel's conservative Christian Democratic Union (CDU) was appointed as first female Muslim minister in Germany. She will be overseeing the ministry of social affairs for the northern state. Of course her appointment is a progressive step for Muslim immigrant community in Germany. She promised using her position to facilitate the issue of integration.

Economic Issue

The EU's bid to showcase itself as a big power through the Lisbon Treaty is not playing out as expected. The failure of the bloc to swiftly seek a solution to the Greek financial trauma speaks more on this, thus paving way for IMF to sway its influence in the bloc. EU powerful members dislike the interference of IMF, their inability to devise a constructive solution is hampered by national interest. Meanwhile, Greeks are nurturing fear that their economy might turn worst with the involvement of IMF's 45 billion euro

aid package and 120 billion euros over three years. The fear is allayed as European stocks rose modestly and the euro halted its decline.

BP appears to be reaping the economic fallout from its oil spillage in the Gulf of Mexico. The company is feeling the impact as shares run down. BP shares were down 2 percent at 571 pence in early trading on the London Stock Exchange

Social/Humanitarian Issue

The question whether or not the Belgian ban on burka (niqab) will have a neighbourhood event is a matter of time. The lower Belgian parliament house unanimously bans the veil yet requires Senate final approval. Will such law give more mementos to the drum of ban in France, where the conservative ruling party wants the veil out of the public by September or in Denmark and elsewhere in Europe?

Lotfi Raissi, an Algerian-born commercial airline pilot who was trained in the US and living in Britain was arrested soon after 9/11 on ground that he trained the 9/11 hijackers. After a long legal battle, he was exonerated from the accusation and thus eligible for up to £2m for the nine years of hell he went through.

Food, Environment and Energy Issue

Geostrategic Issues

Southeast Europe

Political Issue

Effort of Albania and Bosnia towards EU visa liberalisation scheme has been applauded after Tirana completed one out of four sections of the processes. Meanwhile, European Parliament (EP) Rapporteur for Albania Tanja Fajon says the EP will make a final decision on Albania's and Bosnia and Herzegovina's (BiH) EU visa liberalisation process in October.

Albania political stalemate is far from being over, the opposition parties led by the Socialist Party (SP) keeps demanding the ruling party to investigate and review the last June 2009 election which according to SP was replete with irregularities. The deadlock has been a source of setback for domestic politics as well as Albania-EU integration.

Meanwhile, NATO Secretary-General Anders Fogh Rasmussen has joined in urging the country to resolve its crisis, while the EU is asking the government to close the chapter of the crisis by May 10th.

Croatian ruling party has submitted constitutional amendments bill to the parliament. The amendments touch all contentious issues facing the country, among which there is divided opinion between the ruling and opposition parties.

Kosovo government has resolved to recognize and include Montenegrin minority as an integral of the country. On a separate development, International Civilian Office (ICO) head Pieter Feith said he is convinced that there will soon be results in Kosovo's anti-corruption effort because that is part of its EU prerequisites.

It was ruminating process before the Romanian Democratic Alliance of Hungarians (UDMR), consented to the proposal of President Traian Basescu, of turning Romanian bicameral parliament into a unicameral one, and reducing the number of lawmakers from 471 to 300. The proposal has been a serious political issue in the country for months.

In Serbia, Tomislav Nikolic and Jovan Krkobabic were re-elected as the leaders of the opposition Serbian Progressive Party (SNS) and Party of United Pensioners of Serbia (PUPS) respectively. Both leaders promise to forge ahead Serbia-EU integration.

According to the Italian foreign minister effort is on to unblock the Stabilisation and Association Agreement that will facilitate and help Serbia get EU candidate status in the first half of 2011.

The Slovenian parliament is due to ratify the referendum due for June 6, which will arbitrate the border dispute between Slovenia and Croatia. Both countries have been at loggerhead over border and Slovenia has used that against Croatia-EU accession.

Economic Issue

The European Commission (EC) will launch an excessive deficit procedure against Bulgaria because Sofia missed the stability and growth pact benchmark deficit of 3% of GDP. Its deficit was 3.9% of GDP for the first time since joining the EU in 2007.

The relation between Sofia and Damascus is likely to be strengthened due to the intention of Syria to pay its debt to Bulgaria. The latter is expected to be paid 24% (\$17m) of \$75m Syria owes it. Meanwhile, as both strikes agreement on debt payment, they also agreed to restore air traffic between Sofia and Damascus and Varna and Latakia and to boost co-operation in the fields of textile and food production, education, tourism and medicine.

Kosovo Telecommunications Regulatory Authority (TRA) has taken a drastic step disabling all Serbia telecommunication operators in Kosovo accused to be operating without permission and failing tax payment. The action irked the Serbian government and has accused Kosovo of trying to put thousands of Serbs without telephone service. Meanwhile, two machines of Kosovo telephone operators were damaged in response to the step taken by the government.

Social/Humanitarian Issue

According to the US-based Freedom House report, press freedom declined in almost every region of the world last year, while the Balkan region ranks around 70s, 80s

and 100s among countries in the world with press freedom. It is understandable that this region needed to boost the image of media in the region because that will keep them abreast with the EU conditionality.

Croatian parliament has recently abolished the crisis tax on income ahead of schedule, at the government's request. The additional 2% levied on taxable income of between 415 and 820 euros will be removed as of July 1st, while the 4% tax on incomes higher than 820 euros will be scrapped as of November 1st.

Food, Environment and Energy Issue

Geostrategic Issues

Turkey's regional role and influence remains visible as Ankara extends its influence into the Balkan, the former Ottoman Empire's sphere. The recent meeting of Bosnia, Serbia and Turkey president which focused on regional cooperation and understanding throws elucidate that Turkey can bridge gap between foes as being done between Syria and Israel.

NATO has offered Bosnia and Herzegovina (BiH) its Membership Action Plan (MAP), a path towards NATO membership. But such plan will not be fully implemented unless BiH resolves the military property issue in the country.

Croatia and Serbia returned to the negotiation table to demarcate the border that links them after a seven years stall.

KFOR authority handed over to Kosovo border police to controlling the country's border with Albania. This is an expression of capability and responsibility of the Kosovo government to man its own security.

According to survey by the Institute for Democracy "Societas Civilis" which suggests that 65% of Macedonians oppose a name change for the sake of joining NATO. Macedonia and Greece has been at loggerhead over name, the latter wants Macedonia to be renamed as "Republic of Northern Macedonia" but Macedonian Prime Minister Nikola Gruevski said he will personally vote against it even though if that will be the solution it must go through referendum.

Oceania

Political Issue

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

Australian Labour party has failed to secure the consent of the parliament for carbon trading scheme to cut greenhouse gas emissions until at least 2013. PM Rudd has been interested to make Australia the pacesetter on such scheme but the opposition conservative party refused on the ground that global action to gas cut has been very slow.

However the Australian Green slammed the parliamentary delay, saying the government lacked political will to address the issue.

Geostrategic Issues

Latin America

Political Issues

Brazilian presidential candidate Mr. Serra sees fighting crime as one of his presidential mandates if elected, however doing that will be feasible with the help of the country's veteran soldiers.

Chile's right wing president Pinera is set to increase tax with the blessing of the opposition. The tax increase is expected to affect some private businesses, tobacco and mining sectors. The tax becomes imperative for the reconstruction of the country after a massive damage by an earthquake.

Colombians are in the run-up for the nation's next election, but the neighbouring state of Venezuela is more concern about the outcome of the next election. If the election result favours former defense minister Santos, Venezuela believes the unsettled tide between Colombia and Venezuela will turn worst as Santos was once reported to have said he will be ready to bomb Venezuela and Ecuador if to protect Colombia's sovereignty.

Venezuela was once accused of supporting the Colombian FARC revolutionary group, an accusation that caused brawl between Colombia and Venezuela. More recently, Venezuelan opposition and the U.S accuses the government of Cubanising the Venezuelan army and harbouring Iranian revolutionary army in the country. The government has rejected all such insinuations rather saying U.S is simply nurturing fear over Brazil, Venezuela and Iran cooperation.

Economic Issues

The latest Brazil-Venezuela meeting is seen as good omen for both countries as Brazil hopes to purchase more of Venezuelan oil, balance their trade and improve the strategic cooperation of both countries. Oil export from Venezuela to China is expected to soar, while Venezuela pays Chinese \$20 billion debt by exporting 100,000 barrels of oil per day. Venezuela is already exporting 420,000 barrels of oil to China per day

Social Issues

Socio-economic imperative is compelling the Brazilian government to reinstate the construction of the third largest dam in the world after China. The dam of course is necessary for the energy demand and for the coming world sport Brazil will be hosting but natives around the site of the dam are resentful of the construction on the premise that it will endanger their environment.

The leader of Chilean Catholic Church met with the country's president to discuss the latest scandal that rocked the church, Chile a Catholic country was among the countries demeaned by the sexual abuses crisis.

Food, Environment and Energy Issue

Iranian nuclear deadlock is moving beyond the concern of western powers accusing Tehran of attempting to build a nuclear weapon. Brazilian President Lula has been quite affirmative against new strict sanction on Iran. Lula hopes to avail the next G15 summit to enunciate this rejection of western tailored sanction.

The challenges posed by climate change and global warming occupied the meeting of BASIC members held in India, where imminent climate issues were discussed and deliberated. The summit hopes to have a binding climate regulation for world polluters.

As energy crisis hits the globe, Mexican energy minister announces the intention of the government to launching a pilot programme for the people to reducing the energy crisis. Mexico has also pledged to reduce the greenhouse gas emission during this year ahead of the target of 2012.

Geostrategic Issues

The necessity of regional cooperation was elaborated in the just concluded Brazil-CARICOM summit. The summit held at the Brazilian Foreign Ministry hit on the imperative to rejuvenate the historical and cultural ties between Latinos and Caribbean and to also foster Mercosur and Caribbean cooperation in air and land transportation.

Argentine is taking the path of Brazil geared at fostering Latin American ties with Pakistan. Last week Brazilian diplomats agreed to facilitate Pakistan with ethanol as alternative energy for the energy crisis in the country. Argentine is equally ready to enter into biotechnology cooperation with Pakistan.

Relation between Argentina and Venezuela is likely to turn sour due to the recent allegation of graft spearheaded by the opposition. The graft issue is linked to Venezuelan business lobby.

Turko-Brazilian relations went back to 1900s, when 100,000 Turks migrated to Brazil and such relations is hoped to be boosted by the recent visit of Turkish defense minister to Brazil. In fact both countries are members of the non-permanent United Nations Security Council and have similar stance on various international issues.

The recent earthquake casualties incurred by the Chile has moved the Latin America country to seek help from Japan, another regular victim of earthquake. Japan is credited for having a successful earthquake alarming security system, which alarms before earthquake.

Despite the rift between the two countries, US ambassador to Mexico said in a conference that provision of jobs and security for the Mexicans could strengthen ties between US and Mexico as availability of jobs and security could dissuade peoples' intention away from drugs and intention of moving aboard. Meanwhile, Mexican president urges Mexicans not to visit Arizona because of the Arizona recent immigration law, while the Canadian government also warns its citizen of visiting Mexico due to intensity of the violence around Mexico.

Russia and East/Central European Neighbours

Political Issues

Economic Issues

Social Issues

Geostrategic