

Report 122
PROJECT ON BUSINESS AND POLITICS IN THE
MUSLIM WORLD

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This week report dwells much on Yahoo/AP/Reuters News, New York Times and World Politics review. The report remains a compilation of strategic political, economic, socio-cultural and Geo-strategic issues around North America/Canada, Western Europe, Latin America/Southern Europe, Southeast Europe and Oceania. It obviously begins with a summary of the whole report, a breakdown of easily comprehensible short notes.

Headlines

US/Canada

- Oil spill forces Obama to postpone foreign travel
- 'Furious' Obama heading to Gulf for spill update
- ANALYSIS - Bobby Jindal takes on White House and wins
- White House defends dealmaking in political races
- In old article, Kagan invites tough questioning
- Israel has right to board Gaza-bound ships: Biden
- Support for Conservatives slips
- Canada unveils arsenal for anti-G20 protests
- Job gains larger than expected in May

Western Europe

- Richard Weitz "Global Insights: Geopolitical Consequences of Gaza Flotilla Incident," *World Politics Review*, 01 Jun 2010
- Neri Zilber, "Israel Must Rethink Gaza Strategy," *World Politics Review*, 04 Jun 2010
- Frida Ghitis, "World Citizen: Israeli Opposition Modulates Response to Flotilla Crisis," *World Politics Review*, 03 Jun 2010
- Ex-mayor offers Dutch voters return to tolerance appalling
- AP INTERVIEW: Turkish aid group had terror ties
- French Muslim Council warns government on veil ban
- EU, US agree common anti-terror position
- UN expert: 'Targeted killings' may be war crimes
- Iran accuses nuclear agency of false reporting
- US wants global action on nuclear bomb material

Southeast Europe

Albania

- Political crisis postpones EP resolution on Albania
- Albania must resolve political crisis for visa liberalisation
- Albanians only need ID to travel to Kosovo

Bosnia

- EP panel calls for more reforms in BiH
- Steinberg reaffirms Washington's support for BiH

Bulgaria

Croatia

- Hague tribunal's Brammertz urges more from Croatia
- Croatia's Josipovic pays landmark visit to RS
- Croatian unions seek referendum on proposed labour law

Kosovo

- Kosovo Serbs vote in unauthorised elections
- Kosovo expects EU visa questionnaire this summer
- Kosovo confident of region's EU integration progress
- EU urged to give Kosovo concrete membership perspective
- EC liaison office urges Kosovo not to issue biometric passports
- Thaci: Kosovo institutions must fight corruption
- Disclosures suggest some Kosovo leaders very wealthy

Macedonia

- Defence officials discuss NATO integration in Macedonia

Montenegro

- Thailand asks Montenegro to extradite Shinawatra
- Montenegro says no request for Shinawatra's extradition
- Montenegro's DPS, SDP discuss city council power share

Romania

- Romanian public employees stage strike
- Romanian strike loses momentum

Serbia

- Serbia allows EU citizens to travel without passports
- Serbia, Europol sign co-operation accords
- EP envoy predicts ratification of SAA with Serbia

Slovenia

Oceania

Report Summary

USA/Canada

Political Issue

If Katrina was to Bush, Gulf of Mexico will be for Obama as some Americans view it. The president is said to becoming furious as critique mounts on him on the management of the spill. In return, Obama has sent a legal threat to BP the oil company involved that it will have to face litigation for the spill. The spill crisis has forced the president to cancel his foreign trips.

The frequency of political jab on Obama's administration tells a lot about the American political landscape, where failure by the federal government can be capitalized

upon by the state in scoring political goal. Louisiana Gov. Bobby Jindal was the latest scoring a political goal for his critique on how Obama's administration handles the oil spill, which is more likely to affect Louisiana's fragile coastline. The victory was earned as White House approved a plan that will protect Louisiana's fragile coastline from an onslaught of oil.

Obama's White House is trying to diffuse the allegation that his government has been involved in political maneuvering and deal making geared at favouring particular candidate for Senate primaries and State governorship. The allegation is a dent on Obama's pledge of playing a clear politics devoid of interest. Republicans tagged the deal making as Chicago-style politics.

The slipping support for the conservative minority government in Canada does not suggest the support has shifted to the opposition. The weekly Ekos survey puts support for the Conservatives at 31.7 percent, down from 33.9 percent last week. Support for the Liberals, the biggest opposition party, dropped to 26.2 percent from 27.1 percent.

The Canadian authority is preparing a high security arrangement for the forthcoming G 8 and G20 summits scheduled for Toronto. The arrangement is estimated around one billion-dollar, a bill challenged by the opposition parties as wasteful expenditure. The security measure is tailored at controlling protesters from the global summits. Protesters are nurturing the fear that apparatus expected to be used on them could be too dangerous and urge government to rethink about it. Although Constable Wendy Drummond, a spokeswoman for the Integrated Security Unit said the apparatus as communications tool not weapons.

Economic Issue

The Canadian government and the Central Bank are not expected to change present policy not until the economy regains its stamina. The government hopes to see the currency stable, more employments and entire health economy. The economy saw an improvement last week with an increase of 24,700 jobs.

Social/Humanitarian Issue

Like many before her, facing the Senate screening is not always fun rather frustrating because past ruling, comments and stances are always used as evidences to determine the objectivity of a prospective Supreme Court judge. Supreme Court nominee Elena Kagan's has to face the Senate for her confirmation but her past comment expressing contempt for senate confirmation committee is more likely to hurt her.

Food, Environment and Energy Issue

Geostrategic Issues

U.S-Israel relation has been strained recently and both parties are finding ways to patch their differences. Unlike the rest of the world condemning Israel for attacking the flotilla, U.S vice president Joe Biden rather believes Israel has the right to protect itself. The attack of the Flotilla is reported to be on international water outside the jurisdiction of Israel.

Western Europe

Political Issue

Richard Weitz's article titled *Global Insights: Geopolitical Consequences of Gaza Flotilla Incident* published in *World Politics Review*, 01 Jun 2010, described the various political fallouts in the Israeli-Flotilla saga. The article argues that the incident pushes Israeli to a tight corner, gave the international community right to question the blockage and also bashed US-Israel stance with the rest of the world's position as Washington refuses to condemn Israel. Turkey-Israel tie is further strained by the event, raised Turkey's position in the Muslim world and showed the incapability of the Arab leaders to fight for their own cause. Lastly, the event shifted UNSC's attention from Iran; instead the council is focused on how to punish Israel. Similarly, Neri Zilber's *Israel Must Rethink Gaza Strategy* published June 042010 in *World Politics Review* challenges the current Israeli security strategy. The writer was of the view that the security prism through which Israel reads the world is no more attainable, the flotilla is shown that Gaza siege must be lifted and the attack of civilian ship by a democratic state has no justification.

Meanwhile Frida Ghitis's article "World Citizen: Israeli Opposition Modulates Response to Flotilla Crisis," in same review depicted how Israeli opposition parties rallied behind the government regardless of what the world are saying of attack. They believed in national solidarity, although only time will tell when the opposition will challenge the coalition rightist government for the frequent diplomatic roar, detrimental to Israel international standing.

Picking on immigrant and Muslims are two sensitive and vulnerable issues every rightist European politician can exploit in order to score a political goal. Even though The Netherlands has recently witnessed much of these sentiments but Job Cohen, Amsterdam's mayor is looking beyond the aisle of sentiments; rather under his Dutch Labor party is being calling for inclusiveness (Muslims and immigrants) and equality (of women in politics) Polls indicate that Labor, under the popular and inclusiveness mantra of Cohen is prone to gaining more votes.

Economic Issue

Social/Humanitarian Issue

Not until its confrontational attempt to unblock the three years Gaza siege last week little was known of the Istanbul-based Foundation for Human Rights and Freedoms and Humanitarian Relief, known as IHH. After the confrontation with the Israeli

commandos and lives lost, report alleged IHH of having terror links. A former French investigating judge Jean-Louis Bruguiere said in the 1990s he had found members of IHH having links with al-Qaeda and holds that he doubts the ignorance of IHH that the group is infiltrated by terrorists. The claim has been disputed by IHH leaders as baseless.

Mohammed Moussaoui, head of the French Council of the Muslim Faith (CFCM), made it clear that his group does not believe in the full hijab and it violates the French value. His comment shows the lingering divided between the immigrant and native European Muslims as to who best understand and can interpret the scripture. CFCM though holds that veil is not compulsory yet complete ban by the government is also out of place because it will further isolate women from the public sphere. Meanwhile, debates continue on the constitutionality of the ban, police officers believe the ban will degenerate into insult and outrage.

A new communiqué drafted by the EU with the consent of Washington shows a consensus on how to deal with the issue of terrorism. Spanish Interior Minister Alfredo Rubalcaba, whose country chairs the European Union made it clear that the message is to the Muslim world that the two sides of the Atlantic will give a strong fight to terrorist in protecting their values and at the same time respect other (Muslim) cultures. The usage of the word 'war on terror' has been a dividing line between Bush's Washington and the EU but Obama has tried abandoned its usage.

Food, Environment and Energy Issue

Iranian chief representative at the IAEA questions the correctness of the organization's finding on Iran. The report says Iran is progressing in its nuclear activity and the apparatus used has been removed when IAEA investigative teams went for recheck. Iran is contesting this report asking the director of IAEA to correct the wrong information.

Rose Gottemoeller, the chief U.S. negotiator of the new U.S.-Russia nuclear arms treaty wants the rest of the world to join the campaign against WMD. She holds that if the New START treaty gets strengthened, this will be a stepping stone for others on global disarmament.

Geostrategic Issues

Southeast Europe

Political Issue

The European Parliament made an uncomfortable stance against Tirana last week; the parliament refused having resolution vote on Albania's EU integration. This owes to political impasse between the Albanian ruling and opposition party over last June election. The unresolved vote is also implicative for Albania-EU visa liberalisation scheme. Meanwhile, the parliament supported Bosnia-EU visa liberalisation scheme but added that ethnic tensions and slow pace of political development in the country needed

to be rectify. Serbia's willingness to relay fugitive Ratko Mladic's diaries to The Hague war crimes tribunal will be considered positive and that will allow EU member states to begin ratifying the Stabilisation and Association Agreement (SAA).

UN war crimes tribunal demands more of Croatia's support in its investigation of war crimes associated with Zagreb. The latter has submitted certain documents to the tribunal to boost the tribunal's investigations. Croatia's co-operation with the tribunal is essentially attached to its political criteria for EU accession. As a sign of reconciliation and readiness for peaceful co-existence, Croatian President Ivo Josipovic made the first ever visit by to a Croatian head of state to Republika Srpska (BiH) visited three major sites of massive killing of ethnic Croats, Serbs and Bosniaks.

Local elections were held at the Serb populated northern Kosovo, the election was organised by Serbia in bid to create a parallel structure in Kosovo. The election has been rejected by EULEX, International Civilian Representative and EU Special Representative Pieter Feith and the Kosovo authority as unauthorized and unrecognizable.

Kosovo Prime Minister Hashim Thaci believes tackling high level corruption in the country should be the responsibility of Kosovo institution and EULEX just as facilitator. The country is undergoing sanitation that will purge out corrupt leaders. Recent assets declaration shows that Kosovo leaders are very wealthy.

The European commission warns Kosovo authority from issuing biometric passports considered dangerous at this moment. Violation of the recommendation might hurt and delay Pristina-EU visa liberalisation scheme. In the same line, European Parliament (EP) Rapporteur for Kosovo Ulrike Lunacek believes that Kosovo needs a clear membership perspective, rather than promises, concurrently urging EU member states to make Serbia understand that its EU membership is politically attached to Kosovo being recognised.

Talks of coalition government is on-going between representatives of the Social Democratic Party (SDP) and the Democratic Party of Socialists (DPS) after both parties won considerable votes in recent city council elections.

Economic Issue

Croat Labour union leaders are geared at gathering signatures required to call a referendum on proposed amendments to the labour law. The government has planned to change the labour law, but the labour leaders object to such change.

Social/Humanitarian Issue

Romanian labour unions are on the streets protesting against government's austerity measures that will cut salaries and pension. The plan by the Romanian government is will help in managing deficit and meeting IMF requisite.

Food, Environment and Energy Issue

Geostrategic Issues

Despite its political troubles, Albanian authority has created a relaxed visa scheme for its citizens to travel and visit ethnic Albanian in Kosovo without hurdles. Albanian citizens will need only an electronic ID card to travel to neighbouring Kosovo. Such visa relaxation is also true for Serbia, as Belgrade will now allow EU citizens, as well as those of Switzerland, Norway and Iceland, to enter Serbia and travel around the country without a passport this summer, relying instead on an identity card.

Two days NATO summit held in Bitola, Macedonia reiterates the need to accelerate and integrate Western Balkan into the military bloc; a failure will make Balkans remain a bastion of potential tension.

Despite report that the Thai authority has requested the arrest and extradition of former Thai Prime Minister Thaksin Shinawatra from Montenegro, Foreign Minister Milan Rocen said Montenegro has not received an extradition request from Bangkok. Thaksin is accused of having supported the months old protest in Thailand between the red shirts and the government that killed many.

Serbia is maintaining good military standing abroad. Belgrade currently has peacekeepers with UN missions in the Ivory Coast, Liberia, Congo and Chad but plans to send missions to Lebanon and Cyprus, possibly this year.

Oceania

Political Issue

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

Geostrategic Issues

Report Details

US/Canada

WASHINGTON (Reuters) – With the worst oil spill in U.S. history presenting a key test of his presidency, President Barack Obama postponed a trip scheduled for this month to Australia and Indonesia, the White House said early on Friday. It was the second time in a little more than two months that Obama canceled a trip to the two countries. He previously was due to have gone in March but postponed to stay at home to give a final push to his healthcare overhaul plan in Congress.

White House spokesman Robert Gibbs told Reuters in an email that Obama postponed the trip again in order to deal with the Gulf of Mexico oil spill and other important issues.

The president is due to travel to the Louisiana Gulf coast to visit affected communities on Friday, his third trip there since an April 20 offshore oil rig explosion that killed 11 workers and triggered the huge spill.

WASHINGTON – Determined to project both command and compassion, President Barack Obama is returning to the Louisiana coast for a fresh reality check on work to stanch the oil spewing into the Gulf of Mexico and the spiraling effects of the nation's worst environmental disaster. The president underscored the mounting political implications by abruptly canceling plans for a trip to Indonesia and Australia later this month. Addressing a crisis that threatens to undermine his presidency, Obama spoke for many Thursday in declaring himself furious at a situation that "is imperiling an entire way of life and an entire region for potentially years." Friday's trip will be his second to the Gulf in eight days, answering critics in both parties who suggest he has seemed detached from the crisis. Polls show the public growing more negative toward the president's handling of the spill. White House spokesman Robert Gibbs announced late Thursday that Obama was scrapping his foreign trip — which already had been postponed — "to deal with important issues, one of which is the oil spill." Speculation the president would need to rethink the trip, set to begin June 13, mounted as the administration came under increasing scrutiny for its handling of the Gulf spill. The trip was first put off while Obama was making the final push for his massive health-care overhaul. Obama had a sensitive political decision to make: Risk putting off two allies in a strategic part of the world once again or endure all the downsides, including an inevitable level of backlash, for being on the other side of the world during a huge crisis at home. The domestic agenda proved dominant. Prime Minister Kevin Rudd of Australia and the president of Indonesia, Susilo Bambang Yudhoyono, both said through spokesmen they were disappointed by the turn of events, but understood it was necessary for Obama to stay home and deal with the crisis.

HOUSTON (Reuters) – Midway through a news conference to lambaste the Obama administration for dragging its heels on approving a plan to fight a massive oil spill on Wednesday, Louisiana Gov. Bobby Jindal chalked up a political victory. Standing at a podium in Venice, Louisiana, an aide handed Jindal a piece of paper informing him that the White House had approved a plan requiring BP Plc to spend \$350 million to build five barrier islands. The sand islands hopefully will shield the state's fragile coastline from an onslaught of oil. Over the past few weeks, the barrier islands have become a flash point between the White House and Jindal, the 38-year-old son of Indian immigrants with national political ambitions. With criticism of President Barack Obama mounting, Jindal has buffed his political credentials by vilifying both London-based BP and the Obama administration, political analysts said. "Our federal government does not need to be making excuses for BP," Jindal said during the news conference, only moments before he received word that the White House had approved his request. "Every day they make us wait, we're losing our battle to protect our coast."

After Hurricane Gustav hit Louisiana in 2008, the Oxford-educated Republican governor proved his mettle as a savvy crisis manager who could reel off detailed information on the number of ice bags and power generators on hand. Now the oil spill has allowed Jindal to display his grasp of fine details while portraying both BP and

Obama as ineffectual, said Bernie Pinsonat of Southern Media and Opinion, a Baton Rouge polling firm. "Jindal has clearly run circles around (Obama) in being out in front on the issue," Pinsonat said. "You can see the tread marks all over Obama, up and down his back." THE POLITICS OF DISASTER, Hurricanes and other natural disasters have been the downfall of more than one U.S. politician. A fumbling response to Hurricane Katrina in 2005 has been cited as the political undoing of Jindal's Democratic predecessor, Kathleen Blanco. Former President George W. Bush also was roundly criticized for reacting too slowly to Katrina. "I guess the only one who wasn't paying attention to that episode was Obama," Pinsonat said. Political analysts mention Jindal as a possible presidential candidate in coming years and see him as the Republicans' answer to Obama: a smart politician who can appeal to younger voters.

But as he seeks to work with Washington now, critics are reminding him of a March 2009 address in which he said: "There has never been a challenge that the American people, with as little interference as possible by the federal government, cannot handle." Jindal's political career has not always been smooth sailing, although recent polls showed his support buoyant at over 60 percent. In 2009, Jindal's high-profile response to Obama's first State of the Union speech was panned as off-mark. In taking a confrontational tone toward the White House, Jindal appeals to conservative voters who distrust Washington, said Robert Hogan, an associate professor at Louisiana State University in Baton Rouge. "He's been dogged with this (barrier island) issue and has utilized it to his advantage," Hogan said. "Now that the federal government has cried uncle, where does he go next?" Jindal likely will shift his focus toward extracting funds and aid from BP, Hogan said.

WASHINGTON – The White House scrambled Thursday to explain new revelations of political dealmaking, defending attempts to steer state primary races but saying the president was unaware an aide had urged a Colorado Democrat to seek a federal job rather than run. With Republicans denouncing "Chicago-style politics" and accusing President Barack Obama of breaking his clean-politics promises, White House aides mustered a multi-pronged response. The White House has the right to try to avoid messy Democratic primaries, they said, but Obama leaves the details to underlings. They also offered more information about the Colorado Senate matter after being accused of trying to hush a similar Pennsylvania episode that broke wider open last week. Presidents, as leaders of their parties, "have long had an interest in ensuring that supporters didn't run against each other in contested elections," press secretary Robert Gibbs said. But when it comes to personally persuading a candidate to step aside, he said, Obama "is not aware of the individual circumstances."

Political insiders say it's naive to think that presidents and other top officials of both parties don't sometimes try to help the strongest candidates win nominations with a minimum of cost and trouble. Nonetheless, even Obama supporters agree that the latest revelations could dent his claims to run a more transparent government and his ability to focus on issues such as the Gulf oil spill and the economy. The episodes also fuel growing public resentment of Washington-centered, top-down politics. Voters in several states have rejected establishment candidates from both parties this year, nominating insurgents with grass-roots pedigrees. For the second time in a week, the White House acknowledged that a top Obama associate had urged a potential Democratic Senate

candidate to accept a federal position rather than challenge the president's preferred nominee. The first case involved an unsuccessful bid to the clear the Pennsylvania primary path for Republican-turned-Democratic Sen. Arlen Specter. The White House acknowledged last Friday that it had turned to former President Bill Clinton to urge Rep. Joe Sestak to stay in the House and accept an unpaid presidential advisory post rather than challenge Specter. Sestak declined, and defeated Specter in last month's Senate primary. The White House acknowledged Thursday that it had contacted former Colorado House Speaker Andrew Romanoff about possible administration jobs in hopes that he would not challenge Sen. Michael Bennet in the state's Aug. 10 Senate primary. Both the White House and Romanoff said there was no job offer, and Romanoff remains in the race.

WASHINGTON – Supreme Court nominee Elena Kagan's review of the book "A Confirmation Mess" is creating a confirmation mess of its own.

Kagan's 1995 commentary on Stephen Carter's book rendered a harsh judgment on how lawmakers question Supreme Court nominees, and that has some senators preparing to interrogate her about it. "I talked to her about that essay," said Sen. Patrick Leahy, D-Vt., chairman of the Senate Judiciary Committee. "She said, 'I think I'm probably going to hear that quoted back to me a few times during the hearing.'" "I said, 'Starting with me.'" It will make for some uncomfortable moments for Kagan during her confirmation hearings, scheduled to begin June 28. When she wrote her article in the University of Chicago Law Review, she had just had an up-close view of the confirmation process as a Judiciary Committee staffer during Justice Ruth Bader Ginsburg's confirmation hearings. Coming only a few years after the acrimonious confirmation hearings of Robert Bork — which led to his rejection by the Senate — Kagan left no doubt what she thought about the Senate's subsequent treatment of Supreme Court nominees.

Kagan wrote:

- "If the recent hearings lacked acrimony, they also lacked seriousness and substance."
- "The practice of substantive inquiry has suffered a precipitous fall since the Bork hearings, so much so that today it hardly deserves the title 'practice' at all."
- "When the Senate ceases to engage nominees in meaningful discussion of legal issues, the confirmation process takes on an air of vacuity and farce, and the Senate becomes incapable of either properly evaluating nominees or appropriately educating the public."
- "Senators today do not insist that any nominee reveal what kind of Justice she would make, by disclosing her views on important legal issues. Senators have not done so since the hearings on the nomination of Judge Bork. They instead engage in a peculiar ritual dance, in which they propound their own views on constitutional law, but neither hope nor expect the nominee to respond in like manner."

Kagan even had mild criticism for the confirmation testimony of three of the justices she now wants to work with: Ginsburg, Stephen Breyer and Clarence Thomas.

Of Ginsburg's and Breyer's testimony before the Judiciary Committee, she wrote, "Most of the testimony disclosed only the insignificant and the obvious — did anyone need to hear on no less than three separate occasions that Justice Ginsburg disagreed with Dred Scott?" Kagan was referring to the case in which the court ruled that slaves were not citizens.

WASHINGTON (AFP) – US Vice President Joe Biden has said Israel has the right to protect its security by boarding ships heading for Gaza, but warned Washington would cajole its ally on the plight of Palestinians. Despite a wave of global outrage over the Israeli commando assault on a Gaza aid flotilla on Monday which killed nine people, the White House has so far refused to explicitly single out the Israeli government for blame. "I think Israel has an absolute right to deal with its security interest," Biden said in an interview with the "Charlie Rose" show broadcast by PBS television late Wednesday. "The truth of the matter is, Israel has a right to know -- they're at war with Hamas... whether or not arms are being smuggled in. "It's legitimate for Israel to say, "I don't know what's on that ship. These guys are dropping eight -- 3,000 rockets on my people." But Biden also said Washington, which has branded the situation in Gaza "untenable," would continue to press Israel to improve living conditions for Palestinians under the Gaza blockade. "The one thing we have to do is not forget the plight of these Palestinians there ... they're in bad shape. "So we have put as much pressure and as much cajoling on Israel as we can to allow them to get building materials in." On Thursday, US Middle East envoy George Mitchell warned the Gaza flotilla tragedy should not be allowed to undermine US efforts to revive the peace process between Israel and the Palestinians.

OTTAWA (Reuters) – Public backing for Canada's governing Conservatives has slipped, leaving the party short of the votes needed to win an election if one were held now, according to a poll released on Thursday. The weekly Ekos survey put support for the Conservatives at 31.7 percent, down from 33.9 percent last week. Support for the Liberals, the biggest opposition party, dropped to 26.2 percent from 27.1 percent. Under Canada's electoral system, a party needs at least 40 percent public support to capture a majority of the 308 seats in the House of Commons, and around 36 percent to win a workable minority. The Conservatives won a strengthened minority in the October 2008 election with just under 38 percent of the vote but have slipped since then, in part because of public unhappiness at what critics call Prime Minister Stephen Harper's domineering style of government. The poll had little good news for the Liberals, who were in power for more than 12 years before losing a January 2006 election to the Conservatives. Since then they have struggled to make an impact. The Ekos automated telephone survey of 2,431 people was conducted between May 26 and June 1 and is considered accurate to within 2.0 percentage points 19 times out of 20.

TORONTO, Ontario (Reuters) – Canada on Thursday unveiled the arsenal it will use against protesters who get out of hand at two global summits later this month, promising riot police armed with guns, shields, Tasers and super-high-volume loudspeakers. Toronto police said their new Long Range Acoustic Device would help them communicate with roaring protesters from as far as 250 meters (820 feet) away. When turned to full volume, the devices can emit enough sound to damage eardrums. "This is not a weapon," said Constable Wendy Drummond, a spokeswoman for the Integrated Security Unit that will provide security for the two summits. "It is a communications tool. It may or may not even be used." Security forces have bought four of the portable loudspeakers, also known as a sonic guns because the volume can be turned up to such levels they can be used as weapons. The devices look harmless enough,

like a large, home stereo speaker that can be strapped to an officer's chest. Protest groups say they should not be allowed because the sound can be turned to as loud as 146 decibels, or the equivalent of a firecracker exploding by your ear.

Canada faces a billion-dollar bill for security at the summit of the Group of Eight industrialized countries and the summit of the Group of 20 rich and developing nations. The events take place at the end of the month in Toronto and in Huntsville, Ontario, a resort town two hours to the north. The agendas will focus on the financial crises that has torn across the globe. As in past summits, the meetings are becoming magnets for environmental and anti-poverty campaigners who see it as a perfect forum for protest.

"We have had a large number of them (protesters) that have communicated with us and talked to us about what their plans are," Drummond said after a police demonstration of ways they plan to keep the peace at the Toronto summit. "We have some that have chosen not to speak with us and work with us. I can't speak to any numbers, all I can say is that we are going to be prepared for any eventuality."

OTTAWA (Reuters) – Canada added 24,700 jobs in May, almost double the expected number, as the economy posted its fifth consecutive monthly increase in employment, Statistics Canada data indicated on Friday. Analysts had predicted an increase of 12,500 jobs after April's record gain of 108,700 positions. The unemployment rate remained at 8.1 percent in May, matching market forecasts. Matthew Strauss, currency strategist at RBC Capital Markets, said the report was strong and could persuade the Bank of Canada to raise rates again next month. The Bank lifted its key rate by 25 basis points on Tuesday but said it would look very carefully at economic conditions before hiking it again. "The (Bank) was saying they are going to pay a lot of attention to incoming data and this would further suggest we could likely see another 25 basis point hike in July," said Strauss. The bank's next interest rate announcement will be on July 20. The Canadian dollar briefly firmed to a session high of C\$1.0352 to the U.S. dollar, or 96.60 U.S. cents, from C\$1.0379 just before the data, but then weakened to a session low of C\$1.0447. Statscan said full-time employment increased by 67,300 in May, offsetting a loss of 42,500 part-time jobs. The private sector added 43,400 positions while the public sector notched a more modest gain of 9,400. Since the labor market began recovering last July, 310,000 workers have been added to payrolls -- still short of the 417,000 jobs lost between October 2008 and July 2009. "Another stronger than expected Canadian jobs report. I guess we shouldn't be too surprised -- it's getting to be the norm," said Sal Guatieri of BMO Capital Markets. "It's kind of surprising that the Canadian dollar weakened on the report. If anything, this report pushes the Bank of Canada another step closer to tightening policy in July." The average hourly wage of permanent employees, watched by the Bank of Canada for inflation pressures, rose 2.7 percent in May from a year earlier, up from the 2.3 percent year-on-year increase recorded in April.

Western Europe

The international crisis resulting from Israel's interdiction yesterday of a humanitarian aid flotilla heading toward the blockaded Gaza Strip could have several consequences, few of them good for the United States, the Middle Eastern peace process, and many other parties. First, the crisis could disrupt the indirect peace talks between

Israelis and Palestinians that only just resumed a few weeks ago, after roughly 17 months of false starts and frustrated expectations. Many observers have noted that the Gaza flotilla confronted the Israeli government with a no-win situation. The same could be said for the choices now facing the Obama White House. If it backs Israeli's forceful response -- even silently, by declining to join in the international condemnation -- the Obama administration will weaken its credibility with Arabs as an acceptable mediator. If it criticizes the Israeli action, it will further alienate Israelis and American supporters of Israel, already distrustful of the sincerity and competence of the administration's Middle East policies. The Memorial Day holiday, the administration's expression of deep regret over the loss of life, and Israeli Prime Minister Netanyahu's decision to cancel a scheduled meeting with Obama in the White House today will only buy a limited amount of time before the administration will be confronted with significant dilemmas, including the potential decision of whether or not to veto a Security Council resolution sanctioning Israel for the incident. The extent of the damage to the proximity talks will become clearer on June 9, when Obama is scheduled to meet with Palestinian President Mahmoud Abbas. Even if the talks continue, the transition to direct negotiations between Israelis and Palestinians looks to be even more distant.

Second, the episode has brought renewed attention to Israel's blockade of the Gaza Strip, currently under the control of Hamas. The movement's foreign sympathizers organized the flotilla precisely to provoke such a confrontation and draw attention to the blockade, which they consider to be an illegal collective punishment of Gaza's inhabitants for living under a Hamas-run government. The blockade -- which does not apply to food and medicine -- enjoys support in Israel and among some foreign governments as a response to Hamas' hostile policies toward Israel, including rocket bombardments and the detention of Israeli soldier Gilad Shalit. But the blockade is seen by many people outside Israel as cruel and illegitimate. Now, accusations that Israeli commandos employed disproportionate force in boarding the ship raise echoes of the equally unpopular 2008-2009 Gaza War, in which Palestinians suffered many more casualties than Israelis. Yesterday's clash will further increase international pressure on Israel to lift or ease the Gaza blockade. The problem is that Israel is unlikely to do so, because its government, along with almost all Israelis, considers Hamas an irreconcilable enemy. Israelis accept the blockade in order to prevent Hamas from importing arms. The blockade is also seen as a way to reduce the group's popularity by constraining Gazans' economic opportunities, and as leverage to gain Shalit's release. Israeli officials believe that Hamas and its foreign sympathizers provoked yesterday's maritime clash to embarrass Israel. Now, having fallen into the trap, they will likely want to avoid giving the impression that they are backing down, thereby confirming that Hamas has indeed won a tactical victory.

Third, Israel's relations with important foreign governments may degrade to the dismal level of early 2009, following the Gaza War. Many of the flotilla passengers came from European countries, leading some European governments to attack the Israeli interdiction and causing Greece to cancel upcoming joint military exercises. The European Union's foreign policy chief, Catherine Ashton, issued a statement on behalf of the EU describing the Gaza blockade as "unacceptable and politically counterproductive," and calling for "an immediate, sustained and unconditional opening of crossings for the flow of humanitarian aid, commercial goods and persons to and from Gaza."

Above all, Israel's ties with Turkey have suffered since yesterday's operation, in

which several Turkish nationals were killed or wounded. Three of the six ships in the flotilla came from Turkey, including the largest, where the fighting broke out. The clash between Israeli President Shimon Peres and Turkish Prime Minister Tayyip Erdogan at last year's World Economic Forum over Israel's policies in Gaza underscored the intense sympathy many Turks feel for Gaza. In the face of mass protests in Istanbul, the Turkish government has already cancelled military exercises and defense agreements with Israel and recalled its envoy, Oguz Celikkol, from Tel Aviv. It also joined Lebanon in calling for an emergency meeting of the U.N. Security Council, on which Turkey is serving a two-year term. At the session, Turkish Foreign Minister Ahmet Davutoglu called the incident "murder committed by a state" that "has no justification whatsoever." Erdogan made an equally fiery speech this morning before the Turkish parliament. Denouncing what he termed Israel's "bloody massacre," Erdogan warned that, "No one should test Turkey's patience," because, he went on to add, "Turkey's hostility is as strong as its friendship is valuable."

The Israeli assault on the Gaza aid flotilla immediately brought to mind Talleyrand's famous observation: It was worse than a crime; it was a mistake. Now the only way that Israel can move forward from this latest and tragic mistake is to understand its root causes. The strategic rationale that made a naval commando assault on a civilian vessel seem legitimate is the same strategic rationale at the root of all of Israel's current difficulties: a narrowly defined perception of the country's security as the end goal, with a strong deterrence posture that, in the words of David Grossman, depends on the "default . use of massive and exaggerated force" as its preferred means. When the blockade of the Gaza Strip began in the summer of 2007, after Hamas' violent takeover of the Palestinian coastal enclave, it was meant to achieve one of two objectives: to undermine Hamas' power and popularity among the 1.5 million inhabitants of the blighted strip, thereby leading to the group's eventual downfall; or force Hamas to backtrack on its rejectionist stance *vis-À-vis* Israel and the peace process. In other words, the blockade was a *political* instrument meant to bring about *political* goals.

The security benefits of cutting Gaza off from the rest of the world -- with Egypt's complicity, it should be noted -- were secondary. After all, the greatest security risk emanating from Gaza has been, and continues to be, artillery rockets fired at the Israeli civilian populations of southern Israel. These rocket attacks began in 2002, when a full Israeli military occupation of Gaza was still in force. And they were the direct cause of the Gaza war in the winter of 2008-09, when the blockade had been in place for more than a year. In other words, Hamas' military capabilities and political standing have persevered through three years of blockade and a devastating military campaign. Israel could reasonably argue that they are not as strong as they might otherwise have been, but at what price has this objective been achieved? We now know the answer to this question. Israel's own international standing has been eroded significantly over the past several years as a direct result of its policy towards Gaza. The humanitarian toll of the blockade on the Gazan people, the excesses of Operation Cast Lead, and now the bloody interdiction of the aid flotilla are the natural consequences of a worldview that places security -- narrowly conceived -- above all else. This is the same worldview that Amos Oz described as, "What can't be done by force can be done with even greater force." A

flawed and unsustainable sense of security is thus bought at the price of Israel's international legitimacy.

There are those who would argue that this is a price Israel should be willing to pay, in order to protect its people. Yet the political and strategic damage to the country wrought by this latest episode is obvious and massive.

It is clear, too, that Israel's refusal to allow the flotilla to reach Gaza was never really about the aid ships themselves or the putative security risk they posed, but rather the precedent they represented. In previous years, under the government of Ehud Olmert, four aid ships were allowed to reach Gaza, with no security repercussions. For the current Netanyahu government, however, every issue -- no matter how trivial or small -- is viewed as a zero-sum competition for the survival of the state. This, more than any military or legal considerations, was the root cause of the Mavi Marmara fiasco. As many Israeli commentators immediately observed, the Gaza flotilla and Hamas had set a trap, one that Israel was only too willing to sail right into. When a democratic state is engaged in an asymmetric war, as Israel is with the Palestinians, the first principle above all others is that it is fundamentally a political contest. This particular political contest has always been played out on an international stage, in the court of public opinion, from the 1917 Balfour Declaration up to the present day.

The government of Israeli Prime Minister Benjamin Netanyahu finds itself, yet again, in the midst of a major diplomatic crisis. In the wake of the disastrous May 31 raid on the Mavi Marmara -- part of the flotilla that sought to break the blockade of Hamas-run Gaza -- the country has unsurprisingly come under furious diplomatic fire. So far, though, personal criticism of Netanyahu's leadership has not become the primary focus of the attacks, as international charges have targeted the country, rather than its leader.

The diplomatic disaster, however, presents Israeli opposition politicians with an opportunity, and a most delicate challenge. Netanyahu's -- and Israel's -- woes could help strengthen the opposition's standing, or even help it wrest power from Netanyahu's right-wing coalition. But an attempt to gain political advantage at a time of national crisis could easily backfire. This is an intricate dilemma for opposition leaders: how to stand up for the country, hold strong to their principles, and at the same time improve their political position and their chances of returning to power. In short, how do they wound their political rivals without injuring themselves and their country in its hour of peril? The leader of the opposition, Tzipi Livni of the Kadima party, has so far handled the challenge with exquisite skill. The former foreign minister, who has remained a sharp critic of Netanyahu since he came to power, offered her support to the government as soon as the scale of the diplomatic disaster became inescapable. With her experience as the country's top diplomat, she has a keen sense of how to communicate with the public outside Israel. Within hours of the raid, Livni spoke to Turkish television, whose audience was at that moment arguably the least receptive of any to Israeli views. She expressed regret for the loss of life and tried to explain Israel's position -- namely, the need to keep potential weapons and weapons-making materials from Hamas in Gaza, and the government's view that the flotilla was a propaganda effort more than a humanitarian aid mission.

Livni kept a hectic schedule. Speaking to CNN, she explained how Gaza's Hamas, not Israel, is the real anti-peace, radical force in the region. "Hamas," she told CNN's international audience, "is a fanatical, religious, terrorist organization that is not prepared to accept the existence of Israel. It uses terror against civilians and is not ready to accept any agreement between Israel and Arabs."

In the midst of an exhausting schedule of interviews with media organizations from France, the U.K., the U.S., Australia, and elsewhere, Livni had a thought for members of Netanyahu's coalition, wondering aloud where all the cabinet members were while she was "running around like a maniac" defending the country. Other top Kadima members also kept to the strategy of standing by the government's actions against the flotilla. But there was little doubt that a reckoning would come. Tzachi Hanegbi, who heads the powerful Foreign Affairs and Defense Committee in the Knesset, Israel's parliament, opened Tuesday's session by zeroing in on the crisis, with a vow of complete support for the military. But after reiterating that, "We must totally back the government's flotilla decision," he presaged political consequences. "There are many questions on the operational and intelligence plans," warned Hangebi, a former minister of intelligence, "and we will insist that inquiries are held, lessons are learned, and answers are provided."

AMSTERDAM – Job Cohen is out to make a point. At a time when male-dominated political parties preach anti-Islam exclusion, the message of the Dutch Labor party leader is inclusiveness and equality. That's why the candidate list of the nation's second-biggest party for the June 9 parliamentary elections goes man-woman-man-woman, alternating gender through the top 60 names. No. 2 is a Turkish-born Muslim woman, and 15 is a Moroccan immigrant who made his name as a political leader of Amsterdam's toughest Muslim neighborhood. Also on the list is an openly gay candidate. Cohen himself, who was Amsterdam's mayor for nearly a decade, is the grandson of Holocaust victims whose roots go deep into Holland's once-numerous Jewish community, though he describes himself as thoroughly secular. Cohen's old-school Dutch values of tolerance are fighting a tide of anti-immigrant, anti-Muslim sentiment sweeping not only the Netherlands but much of Europe. Nationalist parties have been an increasingly powerful political force in western Europe. A referendum in Switzerland forbade building minarets to broadcast the Muslim call to prayer. Belgium's lower house has enacted a ban on the traditional face-covering veil, though it must be ratified by the upper house, and France has begun similar legislation. Even Britain, home to millions of migrants from its former colonies, is questioning its long-cherished multiracial traditions.

Unlike other Europeans who see their national identities fading under an onslaught of migration, Cohen has no fear of a multicultural nation. "We have to maintain a society that includes rather than excludes people, a society where people do not judge each other, but give each other space — within the limits of the law," says the 62-year-old Cohen.

Polls indicate that Labor, under the popular Cohen who assumed the party leadership in March, has an outside shot at winning power.

PARIS – The Turkish Islamic charity behind a flotilla of aid ships that was raided by Israeli forces on its way to Gaza had ties to terrorism networks, including a 1999 al-Qaida plot to bomb Los Angeles International Airport, France's former top anti-terrorism judge said Wednesday. The Istanbul-based Foundation for Human Rights and Freedoms

and Humanitarian Relief, known by its Turkish acronym IHH, had "clear, long-standing ties to terrorism and Jihad," former investigating judge Jean-Louis Bruguiere told The Associated Press in a telephone interview. Bruguiere, who led the French judiciary's counterterrorism unit for nearly two decades before retiring in 2007, didn't indicate whether IHH now has terror ties, but said it did when he investigated it in the late 1990s. "They were basically helping al-Qaida when (Osama) bin Laden started to want to target U.S. soil," he said. Some members of an international terrorism cell known as the Fateh Kamel network then worked at the IHH, he said. Kamel, an Algerian-Canadian dual national, had ties to the nascent al-Qaida, Bruguiere said. Among Kamel's followers was Ahmed Ressay, an Algerian who was arrested in the U.S. state of Washington in December 1999 on his way to bomb Los Angeles International Airport as part of an al-Qaida plot. "IHH had a role in the organization that led to the plot," Bruguiere said, reiterating sworn testimony he made in a U.S. Federal Court during Ressay's trial. Ressay is serving a 22-year prison sentence.

Bruguiere issued an international warrant for Kamel, Ressay's former mentor, who was extradited from Jordan to France in 1999 and sentenced to eight years in prison on terror-related charges.

IHH vehemently denies ties to radical groups. The group is not among some 45 groups listed as terrorists by the U.S. State Department's Office of the Coordinator for Counterterrorism. Nine people on board the IHH flotilla were killed by Israeli forces on Monday.

"We are a legal organization," IHH board member Omer Faruk Korkmaz said late Wednesday in response to Bruguiere's statements. "We have nothing to do with any illegal organization," he said. "We don't know Ahmed Ressay or Fateh Kamel," Korkmaz said. "We don't approve of the actions of any terrorist organization in the world." French investigators found in the 1990s that "several members of Fateh Kamel's network worked at the IHH as a cover," Bruguiere said. "It was too systematic and too widespread for the NGO (non-governmental organization) not to know" their real goal, he said. The former judge, renowned for tracking down convicted terrorist Carlos the Jackal, said he didn't believe the IHH could have been infiltrated by terrorists without its knowledge.

PARIS (Reuters) – France's official Muslim council has warned the government not to expect it to impose a planned ban on full face veils for women that legal experts argue will be unconstitutional and police predict will be unenforceable. Mohammed Moussaoui, head of the French Council of the Muslim Faith (CFCM), said his group opposed the full veil and would try to convince the tiny minority of veiled women that it was not a religious obligation and was out of place in France. But Muslim leaders could not act as agents of the state during a six-month "mediation period" during which veiled women will be stopped and informed about the law but not fined. The draft law, due to be passed this autumn, bans wearing full veils in public. After the mediation period, veiled women must pay a 150 euro (\$182.8) fine or take "citizenship lessons" while anyone found forcing them to veil risks a 15,000 euro fine. "It will be very hard to apply," Moussaoui told journalists Thursday. "The CFCM has said it's ready to work for this, but not as someone mandated by the state. It's the duty of society to shoulder its responsibility for the mediation." Justice Minister Michele Alliot-Marie has said she

would depend on the police, the CFCM and local civic associations to convince covered women their veils violated French values. Police unions have warned that stopping veiled women in the street could lead to chaotic scenes and protests.

"There will be lots of refusals, it will degenerate into insult and outrage, they'll be detained and families will gather outside the police station," Yannick Danio of the Unite SGP-Police union told the newspaper Le Monde. Other critics of the ban have said radical Muslims might provoke such confrontations to extend their influence.

AGAINST VEIL AND BAN, France's Council of State, a top legal advisory body, has twice warned that a ban would probably violate the French constitution and the European Convention on Human Rights, but President Nicolas Sarkozy has decided to push ahead with it. "Some politicians see in the veil a provocation to the authority of the state," Moussaoui said. "But if the Council of State, the Constitutional Court or the European Court of Human Rights censure any law that is passed, the state's authority will also be weakened."

LUXEMBOURG (AFP) – Europe and the United States on Thursday agreed a common strategy in the fight against terror, presented as a message to Islamabad on the eve of an EU-Pakistan summit. "This declaration is a message to the Muslim world," said Spanish Interior Minister Alfredo Rubalcaba, whose country chairs the European Union until the end of the month, after outlining a joint statement of intent. "We will be firm in the defence of our values, but we will show our tolerance vis-a-vis other cultures," Rubalcaba said after the transatlantic position was endorsed by fellow EU home ministers meeting in Luxembourg. "It's a message for those who want violence to prevail," he added, saying the text "contains all the elements of a common policy against terrorism. We have the same strategy against terrorism." The State Department in Washington simultaneously issued a statement reaffirming its commitment to respecting international law and human rights in the fight against terror. The declaration "will help" President Barack Obama as he moves to repair the image of the US in the Muslim world after the Bush years by abandoning the "war on terror", said the EU's anti-terrorism coordinator Gilles de Kerchove. "Pakistan is one of the most problematic states in the world," de Kerchove added, warning that the subject would prove to be "one of the toughest topics at the summit" in Brussels starting Friday. In a report given to ministers in Luxembourg, de Kerchove said that "terror inspired by Al-Qaeda remains the greatest threat" to the EU given the capabilities of organised groups to mount large-scale deadly attacks. He pinpointed "a not insignificant number of radicalised EU nationals and residents travelling to conflict areas or attending terror training camps and returning to Europe." This should be of "serious concern" to EU member states, he underlined. US Attorney General Eric Holder said separately the declaration "is a crucial step forward in our mutual fight against terrorism".

GENEVA – Governments must come clean on their methods for killing suspected terrorists and insurgents — especially when using unmanned drones — because they may be committing war crimes, a U.N. human rights expert said Wednesday. Philip Alston, the independent U.N. investigator on extrajudicial killings, called on countries to lay out the rules and safeguards they use when carrying out so-called targeted killings, publish figures on civilian casualties and prove they have attempted to capture or incapacitate

suspects without killing them. His 29-page report to the U.N. Human Rights Council will put unwanted scrutiny on intelligence operations of the United States, Israel and Russia, who Alston says are all credibly reported to have used drones to kill alleged terrorists and insurgents. Alston, a New York University law professor, said the use of unmanned aerial vehicles by intelligence agencies such as the CIA to carry out targeted killings in Afghanistan, Pakistan and elsewhere is particularly fraught because of the secrecy surrounding such operations. "In a situation in which there is no disclosure of who has been killed, for what reason, and whether innocent civilians have died, the legal principle of international accountability is, by definition, comprehensively violated," Alston said. Although not illegal as such, CIA drone strikes are also more likely to breach the rules of war than similar operations carried out by armed forces, who are more familiar with international law and can resort to non-lethal means because they have troops on the ground, Alston said. "Unlike a state's armed forces, its intelligence agents do not generally operate within a framework which places appropriate emphasis upon ensuring compliance with international humanitarian law, rendering violations more likely and causing a higher risk of prosecution both for war crimes and for violations of the laws of the state in which any killing occurs," he wrote. In a March speech, U.S. State Department legal adviser Harold Koh said the administration's procedures for identifying lawful targets were "extremely robust, and advanced technologies have helped to make our targeting even more precise."

VIENNA – A senior Iranian envoy accused the International Atomic Energy Agency on Wednesday of false reporting in saying that agency inspectors probing a laboratory for suspected undeclared nuclear experiments found some equipment removed. Ali Ashgar Soltanieh declined a direct answer when asked if he was blaming the agency for a mistake or if he was suggesting another reason for the alleged false finding. But Soltanieh, Iran's chief IAEA delegate, said his country would be asking for a formal correction in a letter to agency chief Yukiya Amano within the next week. Soltanieh was referring to a finding published in the IAEA's quarterly report on Iran's nuclear activities that touched on experiments in pyroprocessing, a procedure that can be used to purify uranium metal used in nuclear warheads. In January, Iran told the agency that it had carried out pyroprocessing experiments, prompting a request from the nuclear agency for more information — but then backtracked in March and denied conducting such activities. IAEA experts last month revisited the site — the Jabr Ibn Jayan Multipurpose Research Laboratory in Tehran — only to establish "that the electrochemical cell had been removed" from the unit used in the experiments, according to the report. While Iran often criticizes agency reporting on its activities, it rarely directly challenges its findings and says they are wrong. Soltanieh's focus on the topic — dealt with in only one paragraph in the nine-page IAEA report — thus appeared to reflect his country's sensitivity over the issue. "Paragraph 28 is wrong," Soltanieh told reporters. "Nothing has been removed. Whatever is in this paragraph is not correct ... and we insist that the director general should correct it." The IAEA declined to issue a formal comment. But an agency official familiar with the Iran report said the agency stood by its findings. The official asked for anonymity, citing the IAEA's decision not to formally react to the Iranian assertion.

GENEVA – The chief U.S. negotiator of the new U.S.-Russia nuclear arms treaty wants similar progress from global disarmament talks. Rose Gottemoeller says she hopes the "New START" signed by Presidents Dmitry Medvedev and Barack Obama in April will spur the 65-nation Conference on Disarmament to begin talks this summer on banning the production of plutonium and highly enriched uranium needed for atomic bombs. Pakistan opposes the negotiations unless rival India makes other concessions. Gottemoeller says she will brief the Geneva-based body Thursday. It hasn't scored a success since the 1996 deal to ban nuclear weapons tests. Gottemoeller says U.S. Senate approval for START could lead to the long-awaited U.S. ratification of the test ban treaty.

Southeast Europe

TIRANA, Albania -- The European Parliament (EP) refused to vote for a resolution on Albania's EU integration on Tuesday (June 1st), thus jeopardising Tirana's visa liberalisation process. The country's ongoing political stalemate drove the decision, the EP explained on its website. Adoption of the document has been postponed until the end of June. EP member Jelko Kacin urged the two main political parties to restart dialogue and prove they are capable of resolving the crisis. The opposition Socialist Party (SP) and ruling Democratic Party have been wrangling for months over the June 2009 general elections, which the SP says were manipulated.

TIRANA, Albania -- EU Enlargement Commissioner Stefan Fuele said on Wednesday (June 2nd) he would like to see a solution to the political crisis in Albania before the European Parliament (EP) discusses lifting the visa regime. "I would not like to answer on behalf of other institutions, however the EP respects EC decisions," Fuele said during the EU-Western Balkans conference in Sarajevo. Spanish Foreign Minister Miguel Angel Moratinos said he expects a positive decision regarding visas for Albania, saying Albanians will be able to benefit from the decision soon. Foreign Minister Ilir Meta, who also attended the conference, expressed concern about the consequences, should the political crisis drag on. "It will be an undeserved punishment for Albanians and a disappointment for the European structures that want to help Albania," Meta said.

TIRANA, Albania -- Soon, Albanian citizens will need only an electronic ID card to travel to neighbouring Kosovo, according to an agreement effective on Tuesday (June 1st), for the tourist season and possibly beyond. A reciprocal summer agreement for Kosovo citizens has been in effect in Albania for years. In other news, the European Commission's (EC) recommendation to proceed with the process of visa liberalisation for Albania has prompted a wave of applications for biometric passports. The interior ministry said on Sunday that authorities received an unusually high number of applications late last week. The EC had just decided to recommend lifting visas requirements for Albania and Bosnia and Herzegovina if three conditions are met.

BRUSSELS, Belgium -- The European Parliament's (EP) Foreign Affairs Committee adopted a resolution Tuesday (June 1st) that calls for easing ethnic tensions

and urges Bosnia and Herzegovina (BiH) leaders to be more responsible regarding the country's EU future. Though members backed a proposal to lift visa requirements for BiH citizens, they also voiced disappointment over the limited progress the country has made in its EU integration process and called for the strengthening of central authority and an end to nationalism. "The use of inflammatory language and the nationalistic and secessionist rhetoric, which undermine relations among the Serb, Muslim and Croat communities and the functioning of the central state must stop," the document stated. Doris Pack, a member of the EP delegation for Southeast Europe, said there is no alternative to constitutional reforms in BiH.

SARAJEVO, Bosnia and Herzegovina (BiH) -- US Deputy Secretary of State James Steinberg reaffirmed on Wednesday (June 2nd) US support for BiH on its road to EU membership. While addressing students at the American University in Sarajevo, he stressed that the country's future is in the hands of the young people. Steinberg was in the capital attending the EU-Western Balkans conference.

ZAGREB, Croatia -- UN war crimes tribunal chief prosecutor Serge Brammertz met on Friday (May 28th) with Prime Minister Jadranka Kosor to discuss Croatia's level of co-operation with The Hague. He urged the country to do more to boost the tribunal's investigations, reiterating that Croatia's co-operation is an essential part of the political criteria for EU accession. General issues of co-operation aren't a problem, Brammertz indicated, but supplying requested documents is. "We still think there are a number of investigation avenues that can be pursued and that more results can be achieved," he told reporters after the meeting. Brammertz will present his assessment, crucial to Zagreb's EU bid, to the UN Security Council on June 14th.

SARAJEVO, Bosnia and Herzegovina (BiH) -- Croatian President Ivo Josipovic has made the first ever visit by to a Croatian head of state to Republika Srpska (RS). On Sunday (May 30th), he visited three sites of mass killings of Serbs, Croats and Bosniaks during the 1992-1995 Bosnian conflict, paying tribute to innocent victims in Sijekovac, Brisevo and Kozarac, and opening a new chapter of reconciliation and regional co-operation. Accompanying Josipovic were RS President Rajko Kuzmanovic, Prime Minister Milorad Dodik and Party of Democratic Action leader Sulejman Tihic. "We are here to pay respects ... and it is important that representatives of all three ethnic groups are here to do so," Josipovic told reporters in Sijekovac. Dodik stressed the need for co-existence, and called on Croats expelled from their homes to return. On behalf of the RS government, he expressed condolences to families of victims, regardless of their nationality, and voiced confidence that perpetrators of crimes will face justice. Tihic rejected the notion of collective guilt and insisted those responsible for crimes must face trial.

ZAGREB, Croatia -- Labour unions will attempt to collect the 450,000 signatures required to call a referendum on proposed amendments to the labour law, Ozren Matijasevic, chairman of the trade unions association, announced on Tuesday (June 1st). The proposal would set a six-month deadline for agreeing on a new collective agreement after the existing one expires. After that, workers' rights would be subject to separate

agreements with individual employers. By law, any group has 14 days to collect the signatures required to hold a referendum. No attempt has been successful since Croatia declared independence in 1991.

PRISTINA, Kosovo -- Serbs in northern Kosovo headed to the polls Sunday (May 30th) in local elections organised by Serbia. Albanians in the southern part of Mitrovica vowed to protest voting in the northern half of their city and in Novo Brdo. Reportedly, Serbs displaced in Belgrade, Novi Sad, Kraljevo, Kragujevac and Nis are also eligible to vote. Assembly Speaker Jakup Krasniqi conceded on Friday that Kosovo institutions lack the power to stop the unauthorised elections. Local media are reporting that the EULEX mission advised its personnel to avoid Mitrovica on Sunday. On Saturday, International Civilian Representative and EU Special Representative Pieter Feith told VOA that the EU will not recognise the results of these elections.

PRISTINA, Kosovo -- Integrations Minister Besim Beqaj is optimistic that Kosovo will be offered a roadmap leading to eventual visa-free travel with the EU. "I have received confirmation that an official dialogue will start soon and we will get the questionnaire," Beqaj was quoted by media as saying on Sunday (May 30th). In addition to technical requirements, Kosovo faces a distinct difficulty other applicants don't, as five EU countries have not recognised its statehood.

PRISTINA, Kosovo -- The EU-Western Balkans meeting in Sarajevo on Wednesday (June 2nd) reaffirmed that countries in the region have EU membership prospects, and afterwards, Kosovo Foreign Minister Skender Hyseni noted "All participants ... asked for acceleration of the integration process." He added that the meeting underscored a commitment to expand visa liberalisation to all Western Balkans countries. Spanish Foreign Minister Miguel Angel Moratinos described the conference as a "historic day" in which the EU and the Western Balkans arrived at a "new agreement" for hope, the future and full integration with EU institutions.

For the first time since Pristina declared independence in 2008, Kosovo and Serbian foreign ministers sat on the same table. UNMIK chief Lamberto Zannier also attended the meeting, which Serbian Foreign Minister Vuk Jeremic said demonstrated that Kosovo was represented by UNMIK.

VIENNA, Austria -- European Parliament (EP) Rapporteur for Kosovo Ulrike Lunacek believes that Kosovo needs a clear membership perspective, rather than promises regarding its EU future. Lunacek presented a document in Vienna on Tuesday (June 1st) containing eight recommendations, drafted with experts and representatives of Kosovo's civil society. "I am working on a report which should be discussed in the EP in July," she said, adding it will be delivered to officials in Brussels as well. The document urges the EU to set concrete tasks for Kosovo, such as a "visa roadmap". Lunacek also reiterated her position that EU member states must make clear to Serbia that it won't be able to join the EU without recognising Kosovo

PRISTINA, Kosovo -- The European Commission (EC) believes that issuing biometric passports at the moment is dangerous for Kosovo. The EC liaison office in Pristina has sent a letter signed by EU Justice and Home Affairs Commissioner Cecilia Malmstrom, advising the government not to issue biometric passports before regulating

the civil registry and civil status issue properly, local media reported on Friday (June 4th). According to media reports, if Pristina authorities ignore the recommendation, the visa liberalisation process will be further delayed.

PRISTINA, Kosovo -- Prime Minister Hashim Thaci says Kosovo institutions -- not EULEX -- should take the lead in fighting high level corruption. He praised steps already under way in that direction. "The determination and statements of the chief prosecutor that sensitive cases are among the 111 cases that are to be reviewed, is encouraging," Thaci said on Monday (May 31st) after meeting with chief prosecutor Ismet Kabashi, acting Police Director Behar Selimi and Interior Minister Bajram Rexhepi. "I have emphasised that Kosovo institutions will lead the fight against corruption, organised crime and all other negative phenomena," Thaci said, adding that the international authorities, such as EULEX, should facilitate, support and monitor the process.

PRISTINA, Kosovo -- Some political leaders have assets totalling nearly 1m euros, according to a report by the Kosovo's Anti-Corruption Agency (KAA), based on wealth statements that politicians on the state payroll are obligated to file. According to the report published on Tuesday (June 1st), Prime Minister Hashim Thaci disclosed assets of close to 1m euros, while Parliament Speaker Jakup Krasniqi's property is valued at around 900,000 euros. President Fatmir Sejdiu declared a house he shares with his brothers and less than 100,000 euros he holds in a bank. A total of 70 out of 1,560 officials failed to file the document at all. KAA Director Hasan Preteni said they will be brought to court.

SKOPJE, Macedonia -- The process of Euro-Atlantic integration should be intensified and include all countries in the region, according to participants attending a regional conference on NATO integration that began on Monday (May 31st) in Bitola. Some of the ministers said that unless Macedonia and Kosovo are admitted to NATO and unless remaining issues are resolved, the Balkans will remain a bastion of potential tension. The two-day conference brought together defence ministers and other top defence officials from Albania, Croatia, Slovenia, Turkey, Bosnia and Herzegovina, Serbia and Montenegro. No one representing Greece, Romania or Bulgaria is at the event.

BANGKOK, Thailand -- Authorities have asked Montenegro to arrest former Thai Prime Minister Thaksin Shinawatra, who holds a Montenegrin passport, Balkan media reported on Monday (May 31st). Foreign Minister Kasit Piromya said that Bangkok is ready to provide Podgorica with evidence against Shinawatra. Piromya added that if Montenegro wishes to become part of the EU, it should comply with the bloc's strict rules concerning the rule of law and transparency. Montenegrin Prime Minister Milo Djukanovic said recently that the country had received no Interpol arrest warrant for Shinawatra and noted that the Montenegrin Constitution bars the extradition of its citizens. Shinawatra is suspected of involvement in recent anti-government street protests in Bangkok that left more than 80 people dead.

PODGORICA, Montenegro -- Foreign Minister Milan Rocen said on Tuesday (June 1st) that Montenegro has not received an extradition request from Bangkok regarding former Thai Prime Minister Thaksin Shinawatra. Nor, Rocen said, have Thai

authorities sent any documents or evidence regarding the case. He was responding to media reports suggesting Bangkok has asked Podgorica to arrest Shinawatra. He holds a Montenegrin passport and is suspected of involvement in recent anti-government street protests in Bangkok that left more than 80 people dead.

PODGORICA, Montenegro -- Representatives of the Social Democratic Party (SDP) and the Democratic Party of Socialists (DPS) launched talks Wednesday (June 2nd) on forming a coalition in Podgorica. The DPS-led coalition won 28 seats in recent city council elections, the united opposition got 24, while the SDP got five mandates. None of the parties or coalitions was able to secure a clear majority. The DPS and SDP, partners at the state-level, discussed their programmes and principles on Wednesday and expect to continue negotiating

BUCHAREST, Romania -- Hundreds of thousands of state employees are on strike Monday (May 31st) against government austerity measures that would result in painful salary cuts. According to labour union leaders, an estimated 700,000 medical staff, teachers and other public servants are participating. Staff in schools and public institutions will strike indefinitely, while employees in the healthcare sector, transportation and the prison system are joining for one day as a sign of solidarity. Despite the protests, the government is determined to implement the measures, which would cut wages in the public sector by 25% and pensions by 15%, effective Tuesday

BUCHAREST, Romania -- A strike in the public sector fizzled as unions decided on Wednesday (June 2nd) to suspend the action only three days after it began. Protests continue in the education sector, but participation is lower than desired, as teachers decided not to suspend graduation exams. Furthermore, the government announced that wages in the CFR, the state railway company, would not be affected by planned austerity cuts. Next week, the government will face a vote of confidence that it initiated itself, seeking support for its measures. Most are taking effect now, including a 25% cut in salaries of public sector employees and a 15% cut in pensions and unemployment benefits.

BELGRADE, Serbia -- The government decided on Friday (May 28th) to allow EU citizens, as well as those of Switzerland, Norway and Iceland, to enter Serbia and travel around the country without a passport this summer, relying instead on an identity card. The announcement, made at a joint press conference in Belgrade by Prime Minister Mirko Cvetkovic and Interior Minister Ivica Dacic, signals Serbia's determination to integrate with Europe. Last month, Serbia, a main transit point between Western Europe, Greece and Turkey, allowed EU citizens to proceed with only an ID card when the Icelandic ash cloud halted air traffic throughout Europe.

THE HAGUE, The Netherlands -- Serbian Interior Minister Ivica Dacic and Europol Director Rob Wainwright signed a Memo of Understanding on Friday (May 28th) at The Hague, calling for establishment of a safe communications line between the two institutions. Another agreement was signed on interconnecting computer networks. Dacic said after the meeting that the two accords are part of a road map for Serbia's co-operation with Europol and that full membership is a strategic goal of Serbia's police

BRUSSELS, Belgium -- European Parliament (EP) Rapporteur for Serbia Jelko Kacin said on Wednesday (June 2nd) he believes that sending fugitive Ratko Mladic's diaries to The Hague war crimes tribunal will result in a very positive report by the tribunal, and will allow EU member states to begin ratifying the Stabilisation and Association Agreement (SAA). Kacin met with Serbian Defence Minister Dragan Sutanovac and members of the EP in Brussels to discuss defence sector reforms and Serbia's participation in peacekeeping missions.

Belgrade currently has peacekeepers with UN missions in the Ivory Coast, Liberia, Congo and Chad but plans to send missions to Lebanon and Cyprus, possibly this year. Sutanovac assured officials that the Serbian government remains committed to catching Mladic and said that if he is hiding in Serbia, he does not have the support or protection of any state institution. A positive report by Hague chief prosecutor Serge Brammertz is a condition for unblocking the ratification of the pre-membership agreement between Serbia and the EU.