

Zonal Report 138 Summary
PROJECT ON BUSINESS AND POLITICS IN THE
MUSLIM WORLD

Weekly Presentation: September 29, 2010

By: Bakare Najimdeen

Period: From Sept 19-25 2010

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

US/Canada

Political Issues

The sluggish American economy has compounded the frustration of many Americans for Obama-led democrat government. Recent AP-GfK Poll suggests that voters are disenchanted by both parties yet republican voters are more enthusiastic than democrat to cast their votes. The frenzy cannot be explained out of the action of the Tea Party movement.

Tax cut and extension is another election potential issue which both parties are yet to get a consensus opinion on. Democrat party hopes to further dig into the issue after the midterm election.

Mayor Michael R. Bloomberg of New York is showcasing himself as a new breed politician having broad horizon of politics and who is more problem solving oriented. His recent interview challenges the Tea party as just a fad, lacking leadership skill to resolve Washington's problem.

Young democrats and independents are believed to be disenchanted with Obama because his message of hope is bearing no reality; many of the campaign promises are fading into political wind and thus meant that the president would have to re-enchanted his base with campaign-style rallies.

Canadian minority government narrowly lost a bid to relax gun registry in the country. The opposition wants to retain the registry as measure to curb crimes, but rejected by the Conservative government as a waste of money bill which penalizes law-abiding hunters and farmers.

Economic Issues

Canadian Prime Minister Stephen Harper is not happy with the less popularity of his government and the state of the economy, which informs the shuffle in his cabinet with more experienced person.

Canadian Department of Finance says fiscal policy is on track as budget deficit falls. The fall was from C\$5.8 billion to C\$473 million, followed by expenses declined and revenues increased.

Social/Humanitarian Issue

Canadian engineering students assert that they have made the Leonardo Da Vinci's dream a reality by making the Snowbird fly. They claim to have flown an engineless aircraft that stays aloft by flapping its wings like a bird. It is left with International aviation officials to certify the success of the claim.

Food, Environment and Energy Issue

Albert has long been debating the environmental implications of oil sands exploration with no specific conclusion but the government is offering a third party independent panel to further probe the issue as to how the exploration contributes to water pollution.

Geostrategic Issues

The increasingly influence of China in the region is a concern for Japan and other neighbours and throwback for Washington. Beijing wants Washington to keep off from Asia but the recent brawl between Washington's ally Japan and China is another opportunity for the United States to exercise its influence as in convincing Japan to release Chinese fishing trawler accused of crossing into disputed water area between Japan and China.

Western Europe

Political Issues

Selection of officers for the European External Action Service (EEAS) had a misgiving reaction from new EU members, thinking old EU members had shared the post among themselves through back room deal. But the statement by EEAS chief Catherine Ashton suggests that applicants from the new member states only concentrated on same jobs therefore reduced their opportunity to getting other portfolios.

The EU has tightened its anti-piracy law with new enforcement and diffuses the concern of civil liberties activists that such moves would undermine fundamental freedoms in the bloc. EU believes online piracy is detrimental to copyright and causes serious economic damage to artists, to creative industries and to all those, whose jobs depend on the use of internet.

Swedish parliamentary election has ended with no decisive winner, the center-right party led by Prime Minister Fredrik Reinfeldt longs for left-wing opposition support instead of far-right Sweden Democrats, not generally favoured for its anti-immigration policies.

After a long battle for the seat departed by ex-PM Gordon Brown, the labour party finally chooses Ed Miliband as its new leader, triumphing over his brother, Ex-foreign secretary David Miliband. But Prime Minister David Cameron challenges labour opposition of lacking alternative policy to bail out the economy from its present woes.

Economic Issues

One of the challenges to the EU has been the fear of losing state sovereignty and the anxiety of being overshadowed by powerful and old EU countries. One of the current most apprehensions was from UK fearing that the new established financial regulatory body of the EU will undermine its sovereignty, although the bloc has approved the financial watchdogs after address concerns. The financial watchdog is expected to reduce the repetition of the financial crisis within the Eurozone.

The European economic project is believed to be achievable if the bloc can re-launch a social market economy alongside its single market. The economic reality in the EU demands alternatives upon which EU citizens could be able to meet their economic needs.

German economy is taking the credit as a model for others; German economy continues to witness growth despite the troubling economic concerns within the EU. Such economy surge might not be true for Ireland which economy is reported of contraction.

The economic reality facing governments across Europe could inform why the British government declined to acknowledge the financial request of the British Queen. For many Britons financially assisting the palace is unworthy, while others believe the monarch has it benefit to British economy.

Social/Humanitarian Issue

The French government is moving from one public problem to other. The roll started from Roma expulsion, ban of veil, hike in retirement age and now pension reforms. French labour leaders are chanting victory for the huge protest they were able to launch against the reform. It is however hard if Sarkozy's government will succumb to their demand.

Meanwhile, Roma expulsion is making headlines across Europe and debate among EU MEP. Although many have criticised France for its action but that does not suggest France is without supporters like Italy and Spain.

Archbishop of Canterbury Rowan Williams, the leader of the world's Anglicans sees no issue in the appointment of a gay bishop, but the traditionally and historically standards that requires clergy to remain celibate could stop a gay becoming a bishop.

The Vatican will for a long time continue to see the harsh reactions of relatives and victims of sex scandal that rocked the Catholic Church. Protesters across Europe and United States are staging protest before the Vatican to express their grievance.

Normalization of ties could be best for the EU but not on the cost of Human right in terms of Cuba and China. The European Commission resolves to ban goods from China produced in forced labour camps and will want Havana to ensure more human rights protection.

Some in the EU wants a normalization of ties with Havana but such sentiment is unshared by all EU MEP. Spain has been at the forefront of the normalization process, but if the EU accords one of Havana dissidents Human Right prize that could jeopardize the effort.

Food, Environment and Energy Issue

Despite their tough and committed ambition to nail Israel as Nuclear Capability State, the Arab sponsored resolution supported by Iran could not passed through IAEA approval. The resolution was defeated by 51 votes, against 46 votes in its support. Washington has attempted dissuading Arab members of IAEA from such move because of sensitivity to the on-going Middle East Peace talks.

According to an analysis in the World Politics Review, the Nabucco natural gas pipeline remains a project victimize by geo-political and economic interest. All feeders for the pipeline are faced with many options and that is affecting Nabucco. On this backdrop the huge financial commitment of European Investment Bank, the European Bank for Reconstruction and Development, and the International Financial Corporation (a branch of the World Bank Group) to see the Nabucco natural gas pipeline becomes operational by 2015 demand more political gimmick.

Geostrategic Issues

Explicitly or otherwise, Europe is losing its global power as maintained centuries ago and as Turkey's deputy Prime Minister Ali Babacan puts it "The weight of the European economy in the world has shrunk and will continue to shrink and only with enlargement the EU will be able to protect its power and influence." As Turkey continues to make progress, the EU must not fail to recognise its importance.

The new U.S Electronic Travel Authorisation System (Esta) requires EU citizens to pay \$14 entry fee through credit card for which EU citizens' data could be recorded. EU believes the system infringes on transatlantic cooperation and MEPs are thinking of retaliation.

The threat of militant groups in Africa gives France military legitimacy on the continent. Paris has been struggling with militants keeping French citizens as hostages and Paris believes military action can only be used to retract the action.

Southeast Europe

Political Issues

Political tension remains a recounting issue in Albania as ruling and opposition parties are yet to find a solution to the disturbing issue of irregularities in June 2009 elections. The opposition is staging another protest meanwhile failed to participate in deciding the new chairman of the country's Constitutional Court.

Romania parliament formally displayed their resentment against Roma expulsion from France through a parliamentary consensus. Yet that does not hide the divide between the ruling and opposition parties over unpopular pension law.

Serbian political leadership will have to prove their political seriousness that will bridge the gulf between radical and liberal politic. The government has not agreed to the proposal of having an election as demanded by the opposition.

Economic Issues

The economic climate in the Romania has further push labour leader to stage protest against the government, accused of negligence toward the need of workers.

Social/Humanitarian Issue

Albania government has given recognition to minority Serbs in the country by allowing the teaching of Serbian in school to children of Serb origin.

Ratko Mladic and Goran Hadzic, Brammertz are two fugitives denting Serbia before the UN war crimes tribunal. The latter is unhappy with Serbia lackadaisical attitude towards apprehending the two war crime accused.

Food, Environment and Energy Issue

Geostrategic Issues

The trouble between Serbia and Kosovo is not closer to resolution even after the ICJ's ruling. Pristina is rejecting any chances of status talk with Serbia even if they will sit together under the auspices of the UN. Meanwhile the issue of Northern Kosovo continues to divide the two countries.

The expulsion of Roma from France is termed offensive to Bulgaria and Romania, yet both countries have agreed not to allow the issue to dissuade their bid for Schengen membership.

The new Macedonia-Serbia agreement allowing citizens of both countries to move across the borders without passport is another pointer that despite the unsettled political climate in the region there is still room for co-operation.

Oceania

Political Issues

Managing a fragile coalition is the big challenge confronting the Australian government. The Green party, one of coalition partners is demanding tax increase for mining, an expensive policy for Labour, and the Opposition Liberal party is threatening to break down the delicate government. The question is whether Australians are ready for another political trouble of going to the polls.

Economic Issues

Social/Humanitarian Issue

The increasing trouble caused by asylum seekers in Australia is becoming an issue for Australian immigration policy of mandatory detention for asylum-seekers while their claims are processed. Detecting genuine and fake asylum seeker is what the policy has not been able to achieve.

The late nun Mary MacKillop who soon will become Australia's first Catholic saint was briefly excommunicated by the church in part because she exposed a paedophile priest, a new documentary claims. This points to the degree of conspiracy surrounding the scandal within the Catholic Church.

Food, Environment and Energy Issue

New Zealand was gripped by another low intensity earthquake, which according to report has no caused no damage or injuries.

Geostrategic Issues

Latin America

Political Issues

Few South American leaders will be part of world leaders whose attendance at the UNGA session will be missing. These leaders are reported to be deeply concerned about domestic issues holding them back from the UN session.

Brazilians are closer to cast their votes for the next president of the country, yet poll remains same that Ms. Rousseff is leading with a large difference and hopeful willing the presidential election in the first round.

President Hugo Chavez is wooing voters for votes with the promise of nationalization and socialism, meanwhile the Catholic Church wants opposition's votes to be respected and wants Venezuela to trail the part of Brazil in transferring power easily even to a woman.

Economic Issues

Argentina is pushing hard for a concerted trade partnership between the European Union Mercosur. The hope is that with strong bilateral agreements and free trade both blocs can trade better

NAFTA was a platform created to facilitate trade, but the tension between U.S and Mexico has become one of the shadows disturbing NAFTA. U.S meat industry wants the government to re-allow Mexican truckers into the U.S as a block on Mexican trucks has affected the meat industry.

Venezuela's finance ministry reported that Venezuela's steel production fell by 31 percent in 2009 and aluminum output decreased by 6 percent and alumina dropped 14 percent.

Social/Humanitarian Issue

Thousands of Argentines students took to the street protested before national congress and presidential palace in Buenos Aires demanding quality education in their colleges and universities.

As part of its social welfare package, Brazil's labour minister said that the government has created 1.95 million new jobs to wither the strength of joblessness.

It is a sign of diplomatic normalization as Colombian and Venezuelan officers are working together in combating drug traffickers and rebel groups.

Meanwhile, a newspaper in Mexico questions the authority of the government; believe to be a lame government that cannot protect its citizens from the harsh threats and killings by drug lords.

Food, Environment and Energy Issue

The government of Argentina said that in 2009/10 wheat production has increased as compare to the previous years and harvest should be between 10 million and 11.2 million tons.

Due to its emerging economy and demand for energy, the Brazilian government plans to set up 10 hydroelectric power plants this year with an aim to generate 4,000 MW of electricity.

Rescue operation continues in Chile for the 33 miners trapped under 2,300 feet beneath the earth. Chilean President Pinera is doing all best that the miners are rescued by November.

Geostrategic Issues

New York presented an avenue for the foreign ministers of BRIC to deliberate on matter of greater interest to them. The ministers discussed cooperation among emerging market countries, the reform of the international financial architecture and global economic governance as well as international development cooperation

It has become a perennial tension between the two countries; Argentine forces are seen gearing up for the Falkland Island to show their sovereignty, a situation not welcoming to the British government.

Venezuela-U.S diplomatic tension remains on the broad, Caracas is rejecting Palmer as U.S ambassador to Venezuela on the premise that he has been meddling in Venezuelan domestic affairs.

Russia and its Neighbours

Political Issues

Even as the White House praised Russia for declining to sell anti-aircraft missiles to Iran in violation of U.N. sanctions, Russian diplomats were quietly recruiting other countries this week to undercut tougher penalties imposed on the Islamic Republic of Iran.

Poland and Russia have been at loggerhead but a new understanding over gas pipeline and supply might reduce the tension between the two countries. Meanwhile, Poland continues to flex muscle within the EU by urging the bloc to speed up reforms conducive to the new and less powerful member countries.

Poland is supporting the UN Millennium Development Goals project, as Poland itself has been a recipient of humanitarian aid, hence Poland is ready to share experience of receiving and extending aid to underdeveloped countries.

The Slovak Centre-Right coalition government is still battling with how to resolve budget deficit and cut public spending for the next fiscal year. The cut is expected to affect Slovak's defence ministry and its foreign military operations.

Belarusian President Alexander Lukashenko, has been in power since 1994 and will still be running for same office in the upcoming December 19 presidential elections.

Belarus would not be happy being the cause of Kyrgyzstan economic problem. The role of Belarus in Kyrgyzstan recent past trouble has been recounted as the former gave asylum to the former Kyrgyz president; therefore Kyrgyzstan refuses to join the trilateral union of Kazakhstan, Russia and Belarus.

The Latvia's Prime Minister Valdis Dombrovskis will be happy for receiving the support of leaders of neighbouring countries. The prime ministers of neighbouring Estonia and Lithuania weighed in their support for Dombrovskis amid the Latvia's forthcoming general election.

Economic Issues

Vladimir Putin, Russia's prime minister, trumpeted the prospect of strong economic growth and defended his accomplishments and hopes cutting Russia's budget deficit. Meanwhile, Russia does not expect to join the WTO by 2011 as expected.

As Indonesia's exports to Russia in the first half of this year reached US\$242 million, while the value of imports was \$540.3 million both see more prospective in their economic ties upon the agreement to be soon signed between leaders from both countries.

The centre-right Czech government has finally adopted a belt-tightening budget for next year limiting the public finance deficit to 4.6 percent of Gross Domestic Product (GDP) set by the European Union for the country.

Meanwhile, the Polish government is facing its own share of protest over pay freezes proposed by the government in the 2011 budget.

Hungary and Germany are on the verge of strengthening their ties through co-operating on car production as Hungarian leader meets with German top car producer.

The seminar titled 'Focus CIS Region' paved the way for diplomats from CIS countries to throw open opportunities for Indian exporters and business houses for export of various products and setting up joint venture in the region.

The Estonian Consumer Protection Board issued a warning on Sept. 17 that when consumers begin to make travel plans, they should take into account the problems encountered by some with the activities of the aviation firm Air Baltic

Klaipeda Free Economy Zone has signed an agreement with a new investor Heidelberg Klaipeda for allocation of more than ten million LITAS in development of logistics terminal.

Social/Humanitarian Issue

Exiled Chechen separatist leader Akhmed Zakayev has returned to London after Poland declined a request from Russia to extradite him on charges of murder, kidnapping and terrorism.

The Czech President Václav Klaus believes in quality education for all and he demonstrated that by opening the new academic year at the Economics and Public Administration Faculty of Prague's University of Economics.

The Czech Republic has refused to grant Google permission to expand its "Street View" because the mapping feature invades peoples' privacy.

Poland's Equality Minister is facing accusations of homophobia and there have been calls for her to quit after she said Catholic schools had the right to fire gay and lesbian teachers.

The issue of Roma remains in the headlines as Hungarian state television has rejected a political ad from a far-right party that talks about 'Gypsy criminals.'

Could this be another extension of Chinese Influence? Li Changchun, a senior official of the Communist Party of China (CPC), opened the first Confucius Institute in Estonia and first of its kind in the Baltic region.

Food, Environment and Energy Issue

The role of Russia in global food production cannot be veiled. The recent ban on grains by Russia as a result of its natural disaster is having ramification on global grains market and that explains why Russia will part of experts to deliberate on global worries on high food prices.

Russia's Deputy Prime Minister Igor Sechin said after a meeting with Chinese officials that Chinese officials have not sought to revise an earlier agreement over the cost of oil delivered to China via a recently launched 67-km spur from the Eastern Siberia-Pacific Ocean (ESPO) pipeline

The Hungarian EU Presidency, to be held in the first half of 2011, wants to conclude EU legislation on regulating the disposal of nuclear waste and spent fuel.

Ukraine's coal industry ministry and China's state development bank reached an agreement on cooperation in the coal industry, a further boost to Ukraine's energy benefit. Ukraine will also be joining the European Energy Community on 24 September, ahead of the Group's Eighth Ministerial Meeting in Skopje.

Geostrategic Issues

Israeli leaders have sharply criticized Bill Clinton over comments the former U.S. president made this week calling Russian immigrants in Israel an obstacle to peace.

Israeli and Polish diplomats met at a conference in Jerusalem marking the 20th anniversary of the renewal of bilateral relations after breaking off ties in 1967. Israel attention in the region will not forget Czech Republic as Israeli Foreign Minister Avigdor Lieberman visits Prague.

Belarusian President Alexander Lukashenko hails Venezuela for saving his country from an economic crisis by sending oil to Minsk after Russia stopped subsidizing shipments of crude oil to Belarus.