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#### IN THIS ISSUE:

- Rising World Food Prices a premise for Instability
- Political Upheaval and the Future of the Mediterranean Dialogue
- Crackdowns in Libya: The World's Response
- Istanbul Cooperation Initiative: NATO Seeks New Security Partners in the Broader Middle East

#### EDITORS:

Jonathan Preece  
[Jonathan.Preece@atlantic-council.ca](mailto:Jonathan.Preece@atlantic-council.ca)

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#### Rising World Food Prices a premise for Instability

By: Opher Moses

Food economists at the United Nations have predicted that world food prices will likely continue their upward trajectory if the drought plaguing China's wheat-growing region does not come to an end. Anticipating that this drought may be prolonged, Chinese authorities continue to stockpile massive quantities of wheat, corn and rice for domestic consumption. Recent reports by the U.S Department of Agriculture estimate that China currently holds 41% of the world's stockpiled primary grains but consumes just 21% of the global supply. Global food prices have also been impacted by low harvest yields in Russia and Ukraine resulting from exceedingly dry conditions last summer. Wheat production was so low in Russia last year that exports were suspended in August.

These events illustrate how dry weather spells in different parts of the world can impact the global supply of agricultural commodities. "This is, unfortunately, only going to become worse as the impacts of climate change become more evident," said Danielle Nierenberg, a senior researcher with the Worldwatch Institute, a research organization focused on sustainability. However Carl Weinberg, Chief economist at the Valhalla, N.Y. Consultancy, argues that the resource hoarding currently taking place in China would not have caused as much concern if grain production in other parts of the world were normal. Expanding on his point he state that "[t]he Chinese are not causing prices to go up by doing this. The real problem is that it looks as if there will be a shortfall of supply from a number of different regions. That is the biggest factor at work. The hoarding is just an aggravating concern."

Based on Mr. Weinberg's research, China holds one third of the world's wheat stockpiles, but consumes only 17% of total supply. Forecasts from the U.S Department of Agriculture suggest that global stockpiles will last a total of 82 days of consumption by the end of the current crop year, which is below the average of 86 days recorded over the past 50 years. But if we exclude China from the equation there are only enough stockpiled goods to sustain 63 days of consumption which is well below the historical norm. To put this in perspective, in the early 1970s when massive food price hikes triggered a decade of global inflation, stockpiles were in the 56- day range, not much lower than today if we exclude China.

Demonstrating the impact of these trends, rising food prices have contributed to the riots and political unrest recently seen in Tunisia, Egypt and Algeria. Global food prices tend to have the biggest effect in underdeveloped countries where people spend a higher percentage of their yearly income on foodstuffs. In Tunisia, for example, the average person spends roughly one-third of their income on food each year whereas the average American spends just over 6%. French President Nicolas Sarkozy, current Chairman of the G20, argued for food prices to be included on the agenda when world leaders met in Paris earlier this month. A consensus has emerged that this issue must be tackled before price distortions create more chaos.

**Further Reading:** [Hard to Swallow: Soaring Food Prices will soon Hurt US Shoppers](#), [Chinese Hoarding Drives up Food Prices Economists Warn](#), [Policy Makers Target Rising World Food Prices](#), [Looming Food Price Spike must be Addressed now](#), [Food Prices Skyrocket in Libyan Capital](#)

## Political Upheaval and the Future of the Mediterranean Dialogue

By: Cameron Becker

As regimes in Egypt and Tunisia fall to the pressure of pro-democracy movements, demonstrations continue across the Arab world. In Yemen, Bahrain, Libya, Jordan, Algeria, Morocco, and Iran, governments are attempting to quell protesters bent on removing their authoritarian regimes.

In Libya, where authoritarian leader Muammar al-Gaddafi has reined as supreme leader for the past 41 years, anti-government protesters have seized the cities of Benghazi, along with many others in the east of Libya, in spite of intimidation and violent attacks from Gaddafi's security forces.

In Bahrain, anti-government protests have been met with a similar – though less violent – police response. The small island country, which lies off the coast of Qatar, has reportedly seen five protesters killed by security forces protecting the resolute and hereditary monarchy led by King Hamad bin Isa Al Khalifa.

In light of these developments, NATO member states are keeping an apprehensive eye on the region. Many Arab countries currently experiencing unrest are significant regional powers and/or members of NATO's Mediterranean Dialogue.

The Mediterranean Dialogue was initiated in 1994 as a forum for dialogue between NATO member states and countries in the Middle East and North Africa. Through cooperation and mutual understanding, the primary aim of the Mediterranean Dialogue is to contribute to regional security. A relatively young program, the Mediterranean Dialogue's relevance within NATO is quickly changing due to recent developments in the area.

Participating countries include: Israel, Jordan, Morocco, Mauritania, Algeria, Egypt and Tunisia. Many are now asking if the unrest that has spread across this region is going to adversely affect the Mediterranean Dialogue. While it may be too early to predict, NATO chief Anders Rasmussen has stated that NATO "supports the efforts of the Egyptian and the Tunisian peoples for the establishment of a free society and a democratically elected government."

This rhetoric seems to suggest that NATO is welcoming the early stages of democratic transformation being witnessed in the Arab World. Speaking with a degree of caution, Rasmussen has stated that "we [NATO] monitor the situation very closely – Egypt and Tunisia are valued members of the Mediterranean Dialogue, I have urged all parties to engage without delay in an open dialogue, to ensure a peaceful, democratic and speedy transition with full respect of human rights."

These developments come on the heels of the 2010 NATO Lisbon Summit, in which NATO Leaders adopted a new Strategic Concept to guide the next phase of NATO's continued evolution.

Speaking to the new Strategic Concept in an interview with a reporter from the Israeli daily Haaretz, Rasmussen described how NATO's new Strategic Concept is going effect the Mediterranean Dialogue. Rasmussen explained that within a security framework NATO has a clear role in taking on challenges in the Middle East and North Africa including defending against the proliferation of missiles and nuclear weapons, fighting terrorism, building defenses against cyber attacks and contributing to the energy security. Rasmussen went on to explain that this new direction for NATO has enhanced the importance of its relations with Mediterranean Dialogue states both politically and militarily.

While the impact of these democratic movements on the future of the Mediterranean Dialogue is nearly impossible to predict, it is clear that NATO is watching these developments closely. While it appears that NATO is in support of these movements, a response from the new governments in Egypt and Tunisia has yet to be heard. Moreover, continued protests across the Arab world means that the situation remains dynamic and NATO is going to need to act prudently if it hopes to retain its budding role in the region. The last thing that NATO wants is to be left behind in the dust of democratic reform.

**Further Reading:** [Libya Crackdown Escalates with thousands Feared Dead](#), [Five Dead in Bahrain after Bloody Riot, Police Attack](#), [NATO Chief sees Group's Future Involvement in Israeli Arab Peace Process](#), [NATO's Mediterranean Dialogue: Linking Regions Together, Region in Turmoil](#).

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## Crackdowns in Libya: The World's Response

By: Chelsea Plante

### The Situation to Date:

After popular movements overturned the rulers of Tunisia and Egypt, its immediate neighbours to the west and east, Libya experienced a full-scale revolt at the end of last week. By February 20, the revolt had spread to the capital city Tripoli.

In the early hours of February 21, Saif al-Islam Muammar Al-Gadhafi, the oldest son of Muammar al-Gadhafi, spoke on Libyan television of his fears that the country would fragment and be replaced by "15 Islamic fundamentalist emirates," if the uprising swallowed up the entire state. He admitted mistakes had been made in suppressing recent protests, but warned that the country's economic wealth and recent prosperity was at risk. He announced that a constitutional convention would begin on February 23, with the aim of reforming and democratizing the constitution.

Shortly after this speech, the Libyan Ambassadors to India and Bangladesh announced they had resigned in protest at the "massacre" of protesters. The regime has also been hit by a string of defections by the army in some oil-producing regions, and its UN delegation.

In response, Mr. Gadhafi's security forces have unleashed the bloodiest crackdown of any Arab country against the wave of protests extending across the region, killing upwards of 1000 people. Gadhafi vowed to fight on to his "last drop of blood" and commanded his supporters to take to the streets against protesters demanding his ouster, shaking his fist in a furious speech Tuesday after two nights of bloody crackdowns.

### The World's Response:

NATO Secretary General Anders Fogh Rasmussen called on the Libyan authorities to stop the repressions of unarmed civilians. "The people of Libya, like many others in the wider Middle East, have expressed a strong desire for democratic change. Their legitimate aspirations must be addressed. Freedom of expression and assembly are fundamental rights which cannot be denied," he said. "As the Secretary General of an alliance of democracies, I strongly believe that democracy is the only solid basis for long-lasting stability. In the long run, no society can ignore the will of the people, because the desire for freedom resides in every human being."

The UN Security Council voted unanimously on Saturday to impose an arms embargo on Libya and urged UN member countries to freeze the assets of Mr. Gadhafi, four of his sons, and a daughter. The Council also backed a travel ban on the Gadhafi family and close associates, including leaders of the revolutionary committees accused of much of the violence against regime opponents.

As far as the Canadian response is concerned, Prime Minister Harper says that Canada will go beyond the UNSC Resolution. "Our government will impose an asset freeze on, and a prohibition of financial transactions with the government of Libya, its institutions and agencies, including the Libyan central Bank... These actions will help restrict the movement of, and access to money and weapons for those responsible for the violence against the Libyan people." The 192-member UN General Assembly will also be meeting on Tuesday March 1, to vote on a UN Human Rights Council recommendation to suspend Libya from the world organization's top human rights body.

### Moving Forward:

As the circle of political and military support around him dwindles, and protesters take control of a growing swath of Libya, speculation is circling over who might succeed Gadhafi as leader of Libya. His eldest son, Seif al-Islam, has long been viewed as his heir because of his occasional critiques of his father's regime and his strong support of human rights. Today, however, protesters are demanding the removal of the entire Gadhafi family.

While the military in Egypt and Tunisia played essential roles after their long-time rulers ceded power, the situation in Libya is different. "The military is weak. It's not the central guardian of the state that it was in both Tunisia and in Egypt. Gadhafi purposefully kept the military down because he didn't want to be deposed by military coup – which was how he came to power," said senior fellow for Middle East at the Council on Foreign Relations Robert Danin.

"Pulling together the country in a post-Gadhafi world," he added, "is going to be a real challenge."

**Further Reading:** [Gadhafi Loyalist Clamp Down on Libyan Capital as Protests Spread](#), [Gadhafi Vows to Stay In Power Until the End Of Time](#), [Ottawa Condemns Gadhafi: Plans Evacuations](#), [Key Libyan Diplomats Disown Gadhafi's Regime](#), [Statement by Minister Cannon on the Situation in Libya](#), [Statement by NATO Secretary General On the Events In Libya](#), [Canada Imposes Range of Sanctions Against Libya](#), [UN Security Council Imposes Travel Bans on Libyan Leaders](#), [Libyan Leaders in Waiting](#)

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## **Istanbul Cooperation Initiative: NATO Seeks New Security Partners in the Broader Middle East**

By: Chelsea Plante

Launched in 2004 at the Alliance's Summit in the Turkish City, NATO's Istanbul Cooperation Initiative aims to contribute to long-term regional and global security by offering countries of the broader Middle East region practical bilateral security cooperation with NATO. The Initiative focuses on practical cooperation areas, specifically the security field, where NATO can add value. Six countries of the Gulf Cooperation Council were originally invited to participate, and to date, four of those countries – Bahrain, Qatar, Kuwait and the United Arab Emirates – have joined. Oman and Saudi Arabia have also shown interest in recent years.

The Initiative is based on the principle of inclusiveness, and remains open to all interested countries of the wider Middle East who agree to its concepts and aims, particularly the fight against terrorism and the non-proliferation of weapons of mass destruction. Being a cooperative initiative, it is also based on joint commitment to the mutual interests of NATO and the other countries of the region, taking into account their diversity and individual needs. In practice, the Initiative offers 6 areas of bilateral activities that countries can choose from, including advice on defence reform and civil-military relations, military to military cooperation, intelligence sharing, cooperation in the Alliance's work on the proliferation of weapons of mass destruction, cooperation with border security, and civil emergency planning including disaster assistance.

To infuse a fresh momentum into the activities of the ICI, incorporating the views and interests of the member countries and the NATO partners, NATO Secretary General Anders Fogh Rasmussen visited the capital of Qatar, Doha, for a bilateral visit with leaders of the state last week on February 16, 2011. He met with the Crown Prince H.E. Sheikh Tammim Bin-Hamad Bin-Khalifah Al-Thani, the Prime Minister and Foreign Minister, H.E. Sheikh Hamad Bin Jassim bin Jabr Al-Thani and the Chief of Staff of the Qatar Armed Forces, H.E. Hamad Bin Ali Al-Attiyah.

Mr. Rasmussen also attended the fourth Ambassadorial Conference of NATO's Istanbul Cooperation Initiative that was co-organized by the State of Qatar and NATO, on deepening the Initiative, along with NATO Deputy Secretary General Claudio Bisogniero, Permanent Representatives of the North Atlantic Council and senior government officials from the partner countries in the ICI.

At the Conference, the Secretary General stated "We see scope for more cooperation in the future. At the NATO Summit we decided to further develop our partnerships. We are enhancing security policy consultations on all issues that might be of interest to partners. We are also offering greater practical cooperation, by fully opening our tool-box of cooperation projects to all our partners, including the Gulf States."

Ambassador Bisogniero proposed to reinvigorate the partnership along the lines of the "New Strategic Concept" agreed to at the Lisbon Summit. "The Concept gives partners greater opportunities for consultation on security issues of common concern with NATO, as well as an expanded range of practical cooperation activities," he said. The scope and desire for political dialogue and practical cooperation among member countries are now much stronger than ever before and there is easy access to intelligence sharing and information, revealed the NATO official.

"The members should capitalize on the growing levels of cooperation among themselves in order to understand the requirements of each member country better," recalling the efforts being carried out in Afghanistan. He added that NATO takes from its current experience in Afghanistan a deep conviction that stability requires a long-term commitment, and hopes that the Gulf countries would be an integral partner in the development of the country, as a safer and stronger Afghanistan is crucial to the interests of the whole region.

H.E. Hamad Bin Ali Al-Attiyah said "Qatar is an active and committed member of the ICI, and will continue to support the security requirements of its member countries and has demonstrated its interest in the organization's activities since its formation seven years ago." The discussions held in Doha as part of the ICI stand as testimony to the increasing interest of ICI members on issues concerning their own security and that of the Middle East region as a whole.

These trends could have significant implications on defence spending in Europe and North American as governments embrace policies of fiscal austerity. For example, in the American context, these indicators will weigh heavily on the U.S Defence Department's request for \$113 billion in the fiscal year starting Oct 1, 2011. The budget will include 32 Lockheed Martin F-35 jets for the Air force and Navy; 2 Nuclear submarines and 4 combat ships. The most significant concern being the continuing delays in the F-35 program that are increasing costs for both U.S and Canada.

**Further Reading:** [NATO-Istanbul Cooperation Initiative: Reaching out to the Broader Middle East](#), [NATO Seeks Gulf Security Partners](#), [Secretary General Stresses Further Need for Cooperation with Qatar](#), [Looking at Security in a Whole New Way With Partners](#), [Deputy Secretary General Meets Parliamentarians from Qatar](#), [Secretary General underlines NATO's strategic interest in the security of all ICI partner countries](#)

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**The Atlantic Council of Canada** + 165 University Ave., Suite 701, Toronto, ON M5H 3B8  
Ph.: 416-979-1875 + F.: 416-979-0825 + Email: [info@atlantic-council.ca](mailto:info@atlantic-council.ca)

