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EDITOR:

Jonathan Precce
Jonathan.Preece@atlantic-council.ca

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Reconsidering a Border-free Europe

By: David Hong

In response to an appeal made by Prime Minister Silvio Berlusconi of Italy and President Nicolas Sarkozy of France, the European Commission (EC) ruled on May 4th to tighten border controls in the Schengen zone. Both leaders – who face elections in 2012 – are under heavy pressure from the conservative right on the issue of immigration. The influx of migrants following the Arab Spring has also strained relations between France and Italy. The 1985 Schengen Agreement enables free movement between its member states without border crossing checks. The zone now includes a total of 25 member states with 22 EU and 3 non-EU countries.

Recent debates over Schengen reforms have raised questions about whether Europe can remain border-free with an enormous wave of legal and illegal migrants making their way to Europe. Under the new EC proposals, Schengen members facing extraordinary migrant flows will be able to reimpose checks at their borders. The Commission stressed that such checks should be temporary and, that only a threat to public order is seen as a justification for reinstating these measures. EU interior ministers will discuss changes to the agreement on May 12th. It is unclear how much influence the European Parliament will have over any legislation that changes the Schengen rule. "Secure borders do not mean that we are constructing fortress Europe," stressed EU Home Affairs Commissioner Cecilia Molmstrom. She added, "It must still be possible for people to seek international protection in the European Union and we must also keep it open for the labor migration that we so desperately need."

Crisis in Lampedusa

Since the overthrow of Tunisian President Ben Ali in January, more than 50 thousand migrants have been traveling on makeshift boats to the tiny Italian Island of Lampedusa, some 120 km off the Tunisian coast. The island has a resident population of 6,000, and many locals are angered that Lampedusa has been transformed into the new doorway to Europe. Tunisians are met with banners that read, 'Basta Siamo Pieni!' (Enough, we are full!), as they step foot on shore and nervously make their way to the temporary reception centre. With a capacity of only 850 people, the centre cannot accommodate the present influx.

In response to the unrest in the Middle East North Africa region (MENA), the Italian government has granted six-month temporary resident visas to thousands of Tunisians on humanitarian grounds. This presents a problem for the French government, since most of the young Tunisian men traveling to Europe are en route to France, where they have contacts and relatives.

On April 18th, French police closed the frontier for half a day at Ventimiglia train station between France and Italy. A guard at Menton station admitted, "The order came from the [French] interior ministry." The temporary blockade was initiated after 200 Italians from human rights NGOs, trade unions, social centres, and student groups staged a demonstration aiming to assist migrants traveling to France.

Though the majority of those making the journey have done so in hopes of finding work in Europe, they have arrived at a time of economic insecurity. In Italy, youth unemployment is at 25%. Across the EU, some 24 million are without work and many of the jobs that have been lost are unlikely to return anytime soon. In late April, Eric Ciotti, a prominent member of President Sarkozy's ruling party stated; "The illegal immigrants who have arrived in Italy must be sent back to Tunisia. That is Italy's role. I'm against Italy's decision to give them temporary permits so they can come to France. [Italy] simply wants to export the problem to France.'

A Letter to Brussels

The position of the Italian government since January has been that this issue is a shared European problem and not merely one between Italy and some North African nations. Before this year's uprisings in MENA, the Italian government had deals with both Tunisia and Libya to manage migrant flows and effectively repatriate illegal immigrants. Border control has weakened considerably, however, after the removal of President Ben Ali and the conflict in Libya. As the Tunisian exodus and fighting in Libya continues, there are concerns that many more will try to cross the Mediterranean to Europe.

In late April, President Sarkozy and Prime Minister Berlusconi expressed a common intention to revise the Schengen Agreement, and stated that reforming the agreement would be in step with the times. "In exceptional circumstances we believe there must be changes, so we decided to work together," said Berlusconi. "We want Schengen to live, but in order for Schengen to live, it must be reformed," Sarkozy emphasized.

In a joint letter to Commission President Jose Manuel Barroso and the EU Council President Herman Van Rompuy, France and Italy asked to examine the possibility of temporarily re-establishing border controls in the event of exceptional difficulties in the management of common external borders. The Italians seem to want the review to get other EU nations to share their burden, whereas the French want to keep the migrants out. Though there is no silver bullet solution to the issue, the EC has hinted that the answer may lie in the Schengen Agreement itself.

Under article 2.2 of the treaty, signatories may reinstate border controls for a short period, if this is necessary for 'public policy or national security' reasons. They can do so if immediately necessary, and then inform the other Schengen members afterward. France did this around the 60th anniversary of D-Day in June 2004, and again after the 2005 London bombings. Portugal and Germany have re-imposed border controls for major sporting events, such as the World Cup. The EC views France shutting its borders at Ventimiglia station on April 18th to be legal under Schengen. Further, article 23 also lays out the conditions for expulsion if article 5 criteria for 'short-stay' are not met. The criteria include valid travel documents (passport and visa), and proof of sufficient means of subsistence for the intended period of stay.

Lingering Questions

There will be debate as to whether all of these conditions ought to apply to those granted temporary visas on humanitarian grounds. What constitutes 'exceptional circumstances' to free movement within Europe still remains vague and ill defined. What can Europe do to assist the Tunisian interim government in halting illegal emigration, and how can the EU prepare for a possible Libyan exodus? With the European Commission's decision to rule in favour of temporary border checks, what long-term consequences will this have on a Europe without borders? These are questions that require an urgent response, as parts of Europe face an immigration crisis amidst efforts to rebuild its economy and simultaneously manage joblessness.

Further Reading: <u>EU moves to tighten border controls in Schengen Zone</u>, <u>UNHCR Concerned over Humanitarian Situation in Lampedusa</u>, <u>France and Italy Push for Reform of Schengen Agreement</u>, <u>Q&A Schengen Agreement</u>, <u>French Fears over Influx of Migrants from Mideast Conflicts</u>, <u>Europe and Immigration</u>, <u>Repatriation of Migrants to Tunisia</u>, <u>Paris and Rome Strengthen Schengen Reform</u>, <u>France 'Illegally Detains Uprising Migrants</u>

Pakistan after the Death of Osama bin Laden

By: Kavita Bapat

Following President Obama's announcement of Osama bin Laden's death on May 1st, fingers are now being pointed at the Pakistani security and intelligence force. President Obama's address confirmed that the US acted alone in killing Osama bin Laden and made no mention of any role played by the Pakistani military. Additionally, White House officials made it clear in the background briefing that Pakistan was not even informed of the operation, though Pakistani officials have stated otherwise. It is evident that the Pakistani security establishment's claims of involvement are intended to deflect allegations of its role in hiding bin Laden. In the aftermath of his death, questions have arisen as to how al-Qaeda's top leader had been able to hide out in the fortified Abbottabad compound across from an elite Pakistani military academy "for an extended period of time" without attracting the suspicion of Pakistani authorities.

For its part, Pakistan has yet to release an official statement about bin Laden's demise. However, in a statement to *The Washington Post*, Pakistani President Asif Ali Zardari has tried to reinforce the claim that Pakistan's cooperation and partnership with the US led to the elimination of Osama bin Laden. Despite these attempts however, domestic criticism has risen in Pakistan regarding the perceived violation of Pakistani sovereignty. Across Europe and North American there are now fears of reprisal attacks by those who have promised to avenge the death of al Qaeda's commander-in-chief. In response to this threat, the US has closed its consulates in the eastern city of Lahore and northwestern city of Peshawar until further notice.

Pakistan has deployed many of its troops to Islamabad to safeguard governmental offices and diplomatic institutions while extra barricades and barbed wire have been installed in Lahore and Karachi. Although Pakistan's ambassador to the US, Hussein Haqqani, has promised a "full inquiry" into why Pakistani intelligence operatives failed to locate bin Laden, it is unclear as to how much Pakistan's semiautonomous – and notoriously difficult – Inter-Services Intelligence agency (ISI) will cooperate with such an investigation. US officials have long speculated that the ISI has been harbouring bin Laden and other al-Qaeda associates. American Secretary of State Hillary Clinton recently alluded to a connection between al-Qaeda and the Pakistani government when she accused some government officials of hiding top terrorist leaders Mullah Omar and Osama bin Laden. President Obama's official announcement on bin Laden's death included a pointed reference to President Zardari's cooperation (or lack thereof) but stopped short of mentioning any collusion by Pakistani forces. The sheer fact that the ISI was supposedly unable to find bin Laden in a well populated area just 50 kilometers from Islamabad raises serious questions about the ISI's motivation and allegiances.

US-Pakistan Dynamic

The current suspicion of Pakistan's involvement in concealing Osama bin Laden and, more generally in supporting al-Qaeda's operations, have deepened the public rift between the intelligence agencies and military of Pakistan and the United States. Strategic differences between the two nations have proven difficult even in the best of times. Pakistani officials are fearful that information gathered by the US intelligence forces will be utilized to weaken Pakistan's regional strength and infiltrate its nuclear weapons system. The US worries that Pakistan's inability to control extremist groups in the region will lead to greater risk of terrorist attacks in the US and Europe, especially in the aftermath of Osama bin Laden's death. These fears have grown stronger as evidence of thwarted terrorist attacks in India by the Pakistani insurgent group Lashkar-e-Taiba has surfaced.

There has also been considerable strategic divergence between the US and Pakistan since the beginning of their relationship even though billions of dollars have been spent by the US on Pakistan's security sector. US-Pakistan relations first collapsed when Pakistan utilized US weapons to wage war with India in 1965. It collapsed once again in 1971 when Pakistan went to war in East Pakistan and it had its most extenuated break down in the 1990s when Pakistan began to develop its nuclear weapons program. Thus, history suggests another breakdown following bin Laden's demise may be on its way.

Though American efforts to foster better relations with Pakistan have been substantial, attempts to forge a positive working relationship between the US and Pakistani armies have not been successful. The US has been unable to convince the Pakistani military that attempting to forge relationships with some terrorist groups while combating others is an ineffective policy that is especially damaging to national, regional, and international security. America has also failed in its efforts to persuade Pakistan to strengthen its relationship with India; though Pakistani civil society groups, political parties, and its industrial sector are now strongly in favour of strengthening ties with its Eastern neighbour. Conversely, Pakistan has not succeeded in persuading the US to alter its strategic and tactical approach in Afghanistan. Pakistan has failed to stop the expansion of the

Afghan war in the south, influence the formation of a new Afghan army, and deter the US from increasing its interaction with India. The predominant opinion in the Pakistan army is, in fact, that American foreign policy has destabilized the region.

India-Pakistan Dynamic

Osama bin Laden's death and, more specifically, Pakistan's role in it will feature prominently in shaping the relationship between India and Pakistan. Though both countries have begun taking steps towards consolidated peace, suspicion surrounding bin-Laden's demise has reinforced India's beliefs that Pakistan is a terrorist sanctuary. This belief has made it difficult in practical and political terms for India to broker deals with Pakistan. Indian Prime Minister Manmohan Singh has reiterated India's commitment to peace with Pakistan as a top priority, but hawks in India have questioned the legitimacy of Pakistani intelligence services in light of Osama bin Laden's death. The fact that bin Laden could remain hidden in one of Pakistan's most highly populated cities in a grandiose mansion has led Indian officials to doubt Pakistan's commitment to tracking down insurgent groups, especially the Lashkar-e-Taiba, which India considers the most threatening militant group in the region. Additionally, the fact that the US lacked enough trust in Pakistan to include it in the operation to assault bin Laden's hideout has made it difficult for India's diplomats and military officials to trust Pakistan at the negotiating table. As far as India is concerned, political developments following Osama bin Laden's death simply highlight the belief that Pakistan serves as a safe haven for terrorists and there is already a growing sentiment within India that the ongoing peace talks with Pakistan should be called off.

India remains fearful of reprisal attacks in Pakistan after the killing of Osama bin Laden. In response, India's Border Security Force (BSF) has been put on red alert along the 553 kilometer international border with Pakistan in Punjab. Indian immigration officials have also taken increased security measures including Pakistani passenger-profiling in an effort to thwart attempts of Pakistani terrorists disguised as tourists or businessmen en route to India. BSF Inspector General Himmat Singh claims that India will remain on strict vigil for an indeterminate period of time, as rocket attacks from Pakistan have already been attempted numerous times since bin Laden's death.

What lies ahead for Pakistan?

The Pakistani government is in a tough position at present. If the government claims that they were actively involved in the operation to take down bin Laden, they can certainly expect backlash from extremist groups in Pakistan and Afghanistan. Pakistan is extremely vulnerable to such an attack as it is widely understood that al-Qaeda has a substantial base in Pakistan. Furthermore, al-Qaeda and its related insurgent groups, such as the Lashkar-e-Taiba have been unwavering in their condemnation of bin Laden's death. Pakistan must also be wary that al-Qaeda and its allies will deem this to be the right time to encourage greater divisions between Pakistan and India by initiating another Mumbai style attack on India. Attempting such an attack seems highly likely, as it would divert attention from the hunt for al-Qaeda members in Pakistan. However, if Pakistan makes clear that it was not involved in the operation to take down bin Laden, it will be viewed as a weak state, incapable of maintaining its sovereignty. In either case, terrorist backlash could follow. Pakistan finds itself in a familiar geopolitical position; between a rock and a hard place.

Further Reading: Osama killing leaves India, Pakistan plot thicker, Now to break the al-Qaeda franchise What does Osama bin Laden's death mean for India?, Impact of Osama's death on India-Pakistan ties hinges on the domestic fallout: Experts, Could Bin Laden Killing Poison India-Pakistan Talks?, High alert on Indo-Pak border, Hiding bin Laden: Finger of Suspicion at ISI, Raises 'grave concern' over Pakistan: India, Deepening military rift between the US and Pakistan, 'It has been a risky venture. It was, after all, an intrusion into Pakistani territory', Bin Laden dead, red-faced Pakistan braces for backlash

Impact of the 'Arab Spring' on International Oil Prices

By: Opher Moses

If there is one commodity that can shift the mood of investors across the world simultaneously, it is oil. Few commodities have the ability to affect valuations across various industries and threaten not only to put companies out of business but entire nations as well. On April 28, crude futures neared \$113 a barrel, up more than 40% since November and more than 30% in the last three months. The last time crude futures hit this level was April of 2008 in the midst of the financial crisis.

This spike in crude prices is having a ripple effect on inflation in various countries, contributing to the social unrest that has taken place in the Middle East and North Africa in recent months. To make things worse, the escalating violence in the Arab World threatens to disrupt supply lines which could further increase the price of oil. On this issue the International Monetary Fund (IMF) recently stated that "unfolding events [in the Arab World] make it clear that reforms and even rapid economic growth cannot be sustained unless they create jobs for the rapidly growing labour force and are accompanied by social policies for the most vulnerable." In reflection of recent trends, the IMF also predicts the overall economy in the Middle East, North Africa, Afghanistan and Pakistan will grow by 3.9% this year compared to the world average of 4.4%. The eroding purchasing power in the Middle East and North Africa, which has partly led to recent unrest, will be amplified by the increase in oil prices.

The rise in oil prices also comes at a time when the IMF has indicated that, based on its current projections, global economic growth will require an extra 15 million barrels per day for the next five years. However, Saudi Arabia – the largest producer in the OPEC – has stated that it will not be increasing production anytime soon in spite of requests from the Obama administration. According to the Energy Information Agency (EIA), world oil consumption in 2010 stood at about 86.7 million barrels per day.

Complicating this situation further, the United States' economic recovery is somewhat reliant on the price of oil. Doug Porter, deputy chief economist at BMO Capital Markets, has estimated that every \$10 increase per barrel eventually shaves 20 basis points off American growth. Standard and Poors recently issued a "negative" outlook on the U.S economy based on the fact that the most recent federal budget does not seem to have increased consumer confidence. The U.S dollar fell as a result of this rating, further increasing oil prices due to this commodity's inverse relationship with American currency. Rising oil prices are contracting household budgets and dragging down American GDP growth which fell to 1.80% annualized in the first quarter. Mr Porter added that the single biggest risk to the United States and to the global economic recovery is the looming risk that oil prices could increase even further. There is a point where the price of oil will become a serious threat to U.S recovery and experts have pegged this threshold at \$120-\$130 a barrel.

But the price of oil also takes an emotional toll that cannot be quantified. As Nariman Behravesh, chief economist at HIS Global Insight puts it, "every couple of weeks when they go to fill the gas tank, they see that number creeping upward and it does have a psychological effect. People are freaked out by it."

As conflicts play out across North Africa and the Middle East, the price of oil and the effect that such fluctuations could have on the recovering American economy will be of huge importance. These conflicts remind us of how interconnected the world has become. As the Western World welcomes the wave of democratization that has spread across the Arab world, the economic effects of these social uprisings has yet to be realized. Perhaps the 'Arab Spring' will come at a cost.

Further Reading: IMF: Mideast faces challenges with Jobs and Graft, More Volitility in Oil Prices Likely for the Foreseeable Future, Soaring Crude Prices putting Squeeze on U.S. GDP, S and P goes Negative on US Outlook for First Time, Increased Visibility for Higher Oil Prices

Developments in Turkey-NATO Relations

By: Richard Mabley

References made in Turkey's 2010 Red Book on national security to the "regional instability caused by Israel" has gained media attention in recent weeks. Security analysts have drawn attention to the fact that Turkey's Red Book does not identify Iran or Syria as an immediate threat but instead focuses on Israel's role in the regional conflict. Events such as Israel's Cast Lead operation in Gaza and, more recently, Israel's seizure of the Mavi Marmara in international waters which resulted in the death of nine Turkish citizens, have shaded contemporary Turkish-Israeli relations. While the Red Book recommends that Turkey maintain positive relations with its neighboring states, some observers are concerned that Israel is the exception to this seemingly balanced diplomatic position.

Over the past few years, Turkish-Israeli relations have declined as Israeli's foreign policy has generated negative public opinion in Turkey. Most notably, Israel's coercive action in the Gaza Strip in 2006 garnered a great deal of anger and mistrust amongst the Turkish population. Present difficulties in Turkish-Israeli relations also flow from the empathy that most Turks have demonstrated for the Palestinian cause and the perceived reluctance of Israel to actively engage in the peace process.

For years Turkey has enjoyed a cooperative military relationship with Israel, importing a huge amount of arms and other military equipment from its southern neighbour. More recently however, Ankara's armament requests have been systematically rejected by Israel. Tayyip Erdogan has asked for the delivery of Israeli missile systems, Barak-8 missiles, Spike antitank rockets and Namer transport vehicles. However, Israel has stated that it will only honor Turkey's previous order for a number of unmanned aerial drones. The Israeli government has justified this position by stating that it fears that high-tech military equipment might fall into the hands of Syria or Lebanese-based Hezbollah. In the immediate term this has caused Turkey to reassess its military supply chain; however, some observers have noted that this could be indicative of a more general decline in Turkish-Israeli relations.

As mentioned above, in a clear departure from previous years, Turkey's 2010 Red Book does not identify Syria or Iran as being an immediate threat to Turkish security. In fact, recent events seem to indicate that Turkey is committed to improving its relations with these neighboring states. This position is motivated in large part by the sizable economic benefits that Turkey would obtain from establishing more open relations with Iran and Syria. On October 2010, the Turkish cabinet paid an official visit to Syria. The two countries agreed to establish a joint Strategic Cooperation Council, which approved several joint Syria-Turkish projects, such as a railway from Gaziantep to Aleppo, construction of a Dam on the Asi River which will benefit both countries, energy cooperation, student exchange programs, police training programs, and the establishment of a customs union. However this position is at odds with that of many NATO members who consider Syria and Iran to be a source of regional instability and future conflict.

In NATO, Turkey is strained between its commitments to Western allies and its interests in the Middle East. One can see this in the recent debate in NATO over the no-fly zone over Libya, with Germany and Turkey supporting a position diametrically opposed to that of the British and French. The ongoing issue of missile defence systems also reflects a new Turkish position in NATO. While the United States has stated that it wants to see an anti-ballistic missile defence system installed on Turkish territory, Ankara has emphasized that any such system must fall under Turkish authority. In this way, the Turkish government is attempting to avoid housing an armament system that is directly targeted at Syria and Iran. Installing a missile defence system in Turkey is seen as an important step towards resolving Russia's opposition to improved North Atlantic missile defence. However the Turkish government feels that agreeing to this plan would strain its relations in the Middle East. Within the Alliance, Turkey has traditionally been seen as a bridge between East and West. Indeed, to say that Turkey's geopolitical position has a significant impact on its foreign policy would be a huge understatement.

Balancing its East-West relations has, however, become more difficult for Turkey. Domestic pressures to uphold a more independent foreign policy and foster positive relations with countries such as Syria and Iran could conflict with the interests of the United States and other Western states. Further, Turkey's position on the Middle East will undoubtedly have in impact on its role in the Alliance moving forward. While a great deal remains to be seen, the implementation of Turkey's new defence strategy and its relations with Israel are significant issues for the North Atlantic Treaty Organization.

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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

