



News from the Nations

European banks out to win Iraqi business

While the US mulls bombing Iraq, Baghdad is trying to court European banks with the opportunity to compete for billions of dollars of business under the United Nations humanitarian programme. European banks are competing with each other to become one of the few banks that will handle the money Iraq makes from its oil sales and issue letters of credit for companies wishing to do business under the UN's oil-for-food programme. Two banks will be chosen by the UN to handle Iraq's crude oil accounts.

Arab summit

Interior ministers from seventeen Arab countries held a two-day meeting to discuss a common response to crime and terrorism. Delegates called for clearer definitions, condemning what they called Israeli "state terrorism" against the Palestinians.

IRAN'S NUCLEAR PROGRAMME

Ariel Sharon, the Israeli prime minister, has urged President Bush to put pressure on Russia to cut off support for Iran's nuclear programme, Israeli officials said. Mr Sharon has asked Mr Bush to raise the issue with President Putin, with whom he is due to hold a summit in May. The appeal follows an intensive Israeli campaign to highlight the threat Israel says it faces from Iran and its alleged efforts to produce nuclear weapons. The prime minister wants the president to explain to Mr Putin the dangers this nuclear assistance poses to the survival of Israel.

Superpower Europe on the agenda

An historic convention on the future of Europe was launched recently with calls for a "constitutional treaty" and deeper integration to transform the European Union into a global force matching the United States. According to *World News*, the president of the 105-strong gathering, Giscard d'Estaing, left no doubt in his inaugural address that his mission is to draft a blueprint establishing the powers of Brussels once and for all. He said: "The yearlong deliberations should produce a document that would be called a constitutional treaty for Europe". This could put pressure on the fifteen EU states to follow through in the next round of treaty negotiations in 2004. It has a mandate to explore ideas for an EU foreign minister and an elected European Commission president, and will consider giving the European Parliament full legislative powers. It will also examine ways of incorporating the Charter of Fundamental Rights into law. Giscard d'Estaing said the convention must bind Europe into a force that can stand up to the United States.

NATO WOOS RUSSIA

The North Atlantic Treaty Organisation (NATO) has offered Russia a new relationship, giving it a unique status ahead of an enlargement later this year that is expected to include the three Baltic states. The proposals, agreed by NATO's nineteen ambassadors, end a three-month deadlock that followed a US veto of a British initiative. If accepted by Moscow, the new relationship would transform NATO—set up fifty-two years ago—from a defensive military alliance into a security and political organisation embracing all the former Warsaw Pact countries. The intention is for NATO and Russia to formalise the new partnership at this May's Reykjavik summit of NATO foreign ministers, assuming that the Russian president Mr Putin accepts the conditions. Under the terms of the deal, Russia will have equal status with the alliance's nineteen countries, turning the North Atlantic Council, NATO's political decision-making arm, into a forum of twenty.

OPEC seeks Russian backing

A mission from the Organisation of Petroleum Exporting Countries (OPEC) visited Moscow recently for talks aimed at persuading Russia to maintain restraints on its crude oil exports and so help prop up world prices. Russia, the world's second-biggest oil producer, is not an OPEC member, but it agreed in December to cut exports by five per cent for the first quarter of this year, and said it would review policy for the second quarter in the light of market conditions. OPEC Secretary-General Ali Rodriguez said recently that he was "hopeful" of continued Russian cooperation, and that Russia would "coordinate" with the cartel.

EU MIDDLE EAST PEACE PLAN

The European Union, led by France, wants to launch a peace initiative in the Middle East despite Washington's scepticism of its success. Paris believes the only way to break the deadlock and renew peace talks is for Arafat's Palestinian Authority to seek a fresh mandate through elections. France's central argument is that trying to obtain security for Israelis and Palestinians as well as fighting terrorism cannot succeed if the Palestinians have no political perspective. Once elections were held, and judged free and fair, the Palestinian State would be immediately recognised by Israel and admitted into the United Nations. To give new Palestinian institutions impetus, Israel should carry out a pullback from the West Bank supposed to have taken place more than two years ago. Diplomats said the plan's success, apart from backing from Washington, would require Israel allowing the Palestinians to campaign freely. That would mean lifting the closures.

Russia and Afghanistan

America and Britain have been lobbying hard to stave off attempts by General Fahim, Afghan defence minister, to enlist Russian help in building a new army. In the latest move in Afghanistan's new "great game", General Fahim cancelled a visit to London in favour of Moscow, angering not only the Western powers but Hamid Karzai, chairman of the interim government in Kabul. He toured Russian army and air force bases and met President Putin and Defence Ministry officials. Last month a US delegation went to Kabul offering to help reconstruct a national army. The mission was headed by Major General Campbell, who Afghan sources said was sent in a hurry by the US to forestall a greater Russian military presence.

HATRED OF JEWS INCREASES

The Chief Rabbi of Great Britain, Professor Jonathan Sacks, warned recently that anti-Semitism was increasing in Britain and the rest of Europe. "I regard anti-Semitism not as a single attitude, but as a virus that mutates and can get past our immune systems, and we are going through a major mutation", he said. He distinguished between criticism of Israel that was legitimate and healthy for democracy, and "criticism that goes far beyond this". Of all members of the United Nations, only Israel faced attacks on its right to exist. Citing the rise in violent attacks on Jews in France, where there was one incident in 1998, nine in 1999 but 116 in 2000, he feared similar attacks in Britain. Jewish students in Britain were already "reporting great fear and an increased level of Islamist extremism".

Vatican opens files on Nazi links

The Vatican is to open archives covering its prewar relationship with Germany. The move, ordered by the pope and hailed as "exceptional" by Church officials, follows criticism by Catholic and Jewish scholars of the Vatican's "failure to cooperate" with an investigation into Pius XII's alleged anti-Semitism and his failure to offer strong condemnation of Hitler's persecution of the Jews.

Saudi plans for Middle East win support

Support is growing for a Saudi Arabian plan that offers Israel full relations with the Arab world in return for its withdrawal from the West Bank and Gaza Strip. An Israeli foreign ministry spokesman said it was potentially a big breakthrough in the Middle East crisis, while President Katsav said he was prepared to accompany other Israeli officials to Saudi Arabia to discuss the initiative. Gideon Meir, Israeli foreign ministry spokesman, said the Israeli Government, including Ariel Sharon, welcomed a peace initiative coming from such an important Arab state, even if it might disagree on the details. The Saudi initiative has also gained cautious support in the US, where officials described Prince Abdullah's proposal as "significant", coming as it did from such a strong supporter of the Palestinians. Kofi Annan, United Nations Secretary General, described the Saudi plan as "an important one".

IRAN'S THREAT TO ISRAEL

Iran wants to destroy Israel, and has a nuclear programme and terrorist proxies to help it get its way. The strategic questions for Israel are ominous. Israeli intelligence officials identify a concerted effort by Iran to build up a circle of terror organisations around Israel. To the north in Lebanon there is the Shi'ite Hizbullah, which draws support from Shi'ite Iran. To the east in Jordan there is the new Palestinian Hizbullah group, also an Iranian creation. And, completing the arc of terror, in both the West Bank and Gaza there are Palestinian groups with new ties to Teheran. All are capable of firing missiles at Israeli cities. Iranian-backed Hizbullah fighters aim Katyusha rockets at Israeli targets on the Lebanese border.