

EUROPE

August
2020

Diplomatic

magazine



KILLER ROBOTS - WHOSE FINGER ON THE TRIGGER?

The controversy over 'lethal
autonomous weapons'



FEE-FI-FO-FUM!

One woman tackles a
4-headed giant Europe's
competition commissioner
Margrethe Vestager



HERO OR DESPOT

*The ever-changeable rule
of President Aleksandar Vučić*

Fly Royal Jordanian from Copenhagen

3 weekly direct flights!

ROUTE DESTINATIONS:

Aqaba	Dammam	Kuwait
Abu Dhabi	Doha	Medina
Beirut	Dubai	Najaf
Baghdad	Erbil	Riyadh
Bangkok	Sulaimaniyah	Tel Aviv
Basra	Jeddah	
Cairo	Kuala Lumpur	

Fly to and from Copenhagen, the land of historic landmarks, beautiful architecture and the world's first amusement parks!

From Copenhagen to Amman
3:25 PM to 9:00 PM

From Amman to Copenhagen
10:45 AM to 2:30 PM

For more information, please visit rj.com, RJ mobile app, RJ sales offices or your preferred travel agent, call +45 5 373 2333 or email cphgdrj@rj.com.

*Fares start at advertised prices and are subject to availability.

rj.com



ROYAL JORDANIAN

الملكية الأردنية



IN THIS ISSUE



■ Hero or despot

The ever-changeable rule of President Aleksandar Vučićp.5

■ Fee-fi-fo-fum!

One woman tackles a 4-headed giant Europe's competition commissioner Margrethe Vestagerp.11



■ Turkey's latest political battleground

Byzantine basilica becomes a mosquep.18

■ Killer robots whose finger on the trigger?

The controversy over 'lethal autonomous weapons'p.21

■ News in briefp.28



■ Still going strong at 70

The birthday of the European Convention on Human Rightsp.30

■ The United Nations of Europe

Europe likely to recover faster than anywhere else, thanks to the European modelp.37



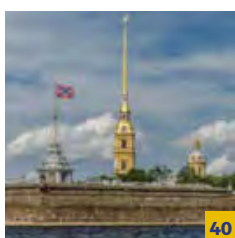
■ Schadenfreude for fun and profit

The surprising fall of Wirecard an emerging German giantp.40

■ Covid-19

European Commission secures EU access to Remdesivir for treatment of covid-19p.48

■ Newly accredited European Ambassadorsp.50



■ A place to visit August 2020 - January 2021p.52

■ Van Gogh museum acquires 1888 letter from Van Gogh and Gauguin to Bernard for 210,600 eurosp.54

■ Books Our selectionp.58

EUROPE
Diplomatic
magazine

international officials or academics, the magazine gives everyone the necessary and useful information about all topics that make up our daily lives. Covering sensitive issues such as nuclear, the rise of Islamism and energy dependence, the magazine opens its pages to recognized specialists who would like to express first order and exclusive information. But Europe Diplomatic Magazine is not only a source of information on recent topics. It is also addressing older facts with deep thought for further analysis. Whether it's news, security, diplomacy, technology, energy, terrorism, European affairs, no subject is treated superficially. Europe Diplomatic Magazine is an independent media, conveying balanced ideas of openness and analysis based on almost 30 years of experience in the journalistic world.

Visit our site and please give us your comments:

<https://europe-diplomatic.eu/>

europediplomaticmagazine@gmail.com



Nikola Hendrickx



© Predsednik

President Vučić visiting the 15th Tank battalion of the ground troops First Brigade

HERO OR DESPOT

The ever-changeable rule of President Aleksandar Vučić

“A riddle wrapped in a mystery inside an enigma.” That was how Britain’s wartime leader, Winston Churchill, described the likely reaction of Stalin’s Russia to the outbreak of the Second World War (In fact, Churchill said it in 1939, shortly before he became prime minister; Neville Chamberlain was still in charge at the time). It would also be, however, a reasonable description of Serbian President Aleksandar Vučić, whose rule in Serbia still commands some support among EU member state leaders whilst appearing to lapse at times into autocracy. Videos of severe police brutality, described by the news website Euractiv as “unmatched anywhere in contemporary Europe”, have gone viral around the world.

“A riddle wrapped in a mystery inside an enigma.” That was how Britain’s wartime leader, Winston Churchill, described the likely reaction of Stalin’s Russia to the outbreak of the Second World War (In fact, Churchill said it in 1939, shortly before he became prime minister; Neville Chamberlain was still in charge at the time). It would also be, however, a reasonable description of Serbian President Aleksandar Vučić, whose rule in Serbia still commands some support among EU member state leaders whilst appearing to lapse at times into autocracy. Videos of severe police brutality, described by the news website Euractiv as “unmatched anywhere in

contemporary Europe”, have gone viral around the world.

The violence was certainly extreme and shocking, with protestors being beaten to the ground with batons and then repeatedly kicked. In one incident, three men simply sitting together on a park bench are targeted by the baton-wielding thugs of Belgrade’s finest and beaten to the ground. These are horrific scenes and demonstrate that something is rotten in the state of Serbia, as Hamlet’s friend Horatio might have said. In this particular instance, though, the cause of the violence was - theoretically - the spread of conspiracy theories about

COVID-19 and resistance to Vučić’s decision to impose a weekend lockdown. We’ve seen similar protests in other countries, especially the United States, where conspiracy theories seem more infectious than the Sars-CoV-2 virus, but the brutality of the Serbian police was extreme. Serbia’s Interior Minister, Nebojsa Stefanović said the police had acted ‘with restraint’ and only in self-defence. The footage now on the internet suggest that Stefanović is suffering from self-delusion over self-defence. Vučić himself blamed ‘far-right radicals’ (having been one once upon a time he ought to know them) and ‘foreign agents’ for the trouble. The country’s ombudsman

insisted that the police had not used excessive force. In that case, I'd hate to be there when they are using excessive force. One reason for the protest is that there have been credible claims that Vučić lied about the number of COVID-19 cases in Serbia in order to calm the public before elections that he wanted to go ahead. These allegations came first from the Balkan Investigative Research Network (BIRN), which wrote in an article that, according to its investigation of the data, the number of deaths from the pandemic up to the 1st June was 632 instead of the reported 233. The sudden clampdown came as a shock, while some were circulating the sort of conspiracy theories created to sow doubt and discord.



BIRN Serbia journalists Jelena Veljkovic and Aleksandar Djordjevic have won this year's Dejan Anastasijevic Investigative Journalism Award in the online media category for a series of articles about the father of the Serbian interior minister's involvement in arms trading

It would be wrong, though, to suggest that all those who protested outside the Serbian parliament were moved to action simply by silly and easily refutable beliefs about the pandemic. We've had them elsewhere, with people blaming China (or the US or Israel or ISIS or aliens) with creating the virus, while others suggest - ludicrously - that it's being spread by the new 5G mobile phone network (did they never study physics or biology at school?) or even, silliest of all, it's so that Bill Gates can include some sort of drug or microchip in a vaccine in order to 'control mankind'. I've met Gates and interviewed him and he's just not like that, as far as I could tell. He was very friendly, and he is actually doing some very useful good work in the developing world, which is more than can be said for the Internet trolls who spread conspiracy theories

and other kinds of poison. You have to have a ruthless autocrat and politician to even want that sort of control, anyway. The problem is that Serbia seems to have one of its very own, in the person of the country's President, Aleksandar Vučić.

Serbia is rated by the US-based non-profit NGO Freedom House as a "transitional or hybrid regime". Corruption is rife and some of his opponents have pointed out Vučić's venality since he took power in 2012 as evidence that the country is a virtual kleptocracy, lining the pockets of Vučić and his cronies (or allies, if you prefer). Freedom House cites another example of political violence that almost marks a turning-point in the country's recent development: "As 2018 drew to an end, one event set the scene for the start of 2019," it says in a report on Serbia. "In November, just before an opposition meeting in the town of Kruševac, one of the leaders of the opposition coalition Alliance for Serbia (SzS), Borko Stefanović was attacked and beaten, leaving him bloodied. In many ways, the attack was the last straw for government critics. Opposition leaders blamed Serbian president and SNS leader Aleksandar Vučić for creating a contentious climate in which violence against political opponents had moved from the verbal to the physical level."



Borko Stefanović

GOING FORWARD WITH THE BRAKES ON

Vučić has stated that he still wants to see Serbia join the European Union and likens his country's long wait to that of Turkey, an outcome that is about as likely with both countries' current leadership. Opposition politicians have appealed to EU leaders to apply leverage

on Vučić to try to rein in his excesses, but the EU, as on previous contentious occasions, prefers to keep its head down and hum to itself to drown out the cries and screams. It's never brave when confronting contentious issues, generally preferring the status quo to continue as long as 'stability' triumphs. That's why so far, their response to the violent repression is, largely, an embarrassed (and embarrassing) silence. Six member states have blocked further negotiations for membership, partly because Vučić still insists that Kosovo, an ethnically Albanian province, should again become part of Serbia; he refuses to recognise its independence. Kosovo broke away in 2008 after a brutal war in which atrocities were committed on both sides. Vučić was Minister of Information during that conflict, and he introduced huge fines for any journalists whose reporting didn't agree precisely with the views of Serbia's leader at that time, Slobodan Milosović. At the peace talks in The Hague, I recall, Milosović was fairly dismissive of the accusations against him and his country, and very friendly with all of us journalists who attended, making jokes and performing surprisingly accurate impersonations of his fellow leaders. He could have made his living entertaining people on the gibanica-and-chips-in-a-basket circuit, if he had wanted (gibanica is an egg and cheese pie in filo pastry and is said to be Serbia's national dish. It sounds delicious). His impersonation of Franjo Tuđman was especially clever but not very kind. Milosović was not a kind man. Neither, according to most reports, is Vučić.

During Milosović's time, Vučić was with the far-right nationalist party. After Milosović was overthrown, he became a leading figure in the opposition of the government that followed. In 2008, the same year as Kosovo began its independent existence, a new, slightly more moderate party was founded in Serbia, the Serbian Progressive Party (SNS), still well to the right of centre but now pro-European Union and populist in nature. Interestingly, at one time Vučić was banned from entering the EU; now he has been photographed with the President of the European Commission, Ursula von der Leyen and with the EU's head of foreign policy, Josep Borrell, not to mention European Council President, Charles Michel. And so the world turns.



Aleksandar Vučić Prime Minister of Serbia presenting the Belgrade-Nish high-speed railway project

Vučić claims to have restored prosperity to Serbia, with large-scale construction projects, such as the restoration of the Resnik-Valjevo railway line, on which an extra 201 kilometres are due to be completed from Valjevo to Vrdnica and Montenegro, with other railway projects under negotiation. The cost will be around €450-million. He also claims that there are now over 61,000 construction projects under way in the country and that he is striving to lift the barriers to a more efficient economy. He wants to clear a way through the red tape that throttles free movement of goods and services. "According to an estimate of the World Bank," he told the latest talks between Serbia and Kosovo, "if we could implement all these principles, we could save more than 3.5-billion (currency not specified but presumably euros). Note that half of that money goes to Serbia, as Serbia holds 45% of the region's GDP and is the largest exporter in the region, and holds 60% on foreign direct investment," Vučić said. The advantages of the EU's famous 'four freedoms' - of movement, capital, goods and services - perhaps explains why he is also on record as saying his aim is to secure EU membership for Serbia by 2026. That looks somewhat ambitious, especially after the scandalous way in which the protests in Belgrade were put down. He has also said he wants peace talks with Kosovo to resume, despite war crimes charges filed against the Kosovan President, Hashim Thaçi.



Hashim Thaçi, President of Kosovo (L)
Avdullah Hoti, Prime Minister of Kosovo

It's been alleged that Thaçi's ethnic Albanian group was responsible for nearly 100 murders during the war and that the victims of their crimes included Kosovo Albanians, Serbs, Roma and members of other ethnic groups. His place in any talks has now been taken by Kosovo Prime Minister Avdullah Hoti, but according to Vučić they are still a long way apart.

Kosovo also wants to join the EU and has its supporters among many (but not all) of the Union's member state leaders, but Serbia does not even recognise its independence. The most recent meeting by video link was not very successful, according to the website European Western Balkans. "The Albanian side," it reported, "came out with demands for preserving the territorial integrity of Kosovo, the Constitution of Kosovo, mutual recognition, membership in the UN, that other EU countries recognize Kosovo, and only then will they deal with the missing." That, the website said, was the view of Vučić. Angelina Eichhorst, Director for Western Balkans and Turkey for the EU's External Action Service (EEAS), has praised Serbia's cooperation with various EEAS missions and points out that the EU is investing in Serbia's development: "the EU provides €80-billion each year in development assistance, covering 69% of global official development assistance and is by far the largest donor in Serbia and the rest of the region - by investing in the fight against climate change, the fight against corruption and organised crime, the development of responsive domestic institutions, and many other lines of effort, we are also investing in our own stability and security."

It would seem, though, that as long as Kosovo is regarded - and regards itself - as independent while Serbia doesn't, then progress is unlikely. Kosovo is recognised as an independent country by about a hundred countries, including the United States, and by all but five of the EU member states. The EU is also active in Kosovo through its Special Representative (EUSR), and the European Security and Defence Policy (ESDP) as well as its mission in the rule of law area (EULEX). The EU is also present through member countries' Embassies and Liaison offices. The European Union Rule of Law Mission in Kosovo (EULEX) is the largest civilian mission ever launched under the European Security and Defence Policy.

The aim is to assist Kosovo's authorities in the area of rule of law, specifically in the police, judiciary and customs. Speaking at a meeting in late July in the dialogue between Belgrade and the Kosovan capital, Priština, Vučić said "We are not interested in what is in compliance with the Kosovo Constitution and what is not. We want serious, specific talks, but if someone thinks that we should recognise Kosovo and get nothing, that is the wrong path that will not take us anywhere." He dismissed the views of German Chancellor Angela Merkel and French President Emmanuel Macron, effectively saying they are biased in favour of Kosovo.



The President of the Republic of Serbia, Aleksandar Vučić, and the Prime Minister of the Republic of Serbia, Ana Brnabić attending the commemoration of the Day of Remembrance of all Serb victims during the Bosnian war

LIGHT OR MORE DARKNESS?

Freedom House is far from satisfied with Serbia's progress towards being a fully functioning democracy. "The state of democratic governance at the national level in Serbia," its report on the country reads, "remains at a historic albeit stable low. Power is heavily centralized in the hands of President Aleksandar Vučić, who, despite the very limited prerogatives invested in his office, maintains a tight grip over politics and the government through his control of the ruling SNS." The report is mildly pleased that events during 2019 were not overshadowed by elections and the inevitable campaigning, although it seems to believe that Serbia's politicians haven't quite grasped the realities of modern life. "Public discourse continued to deteriorate during the year driven by the ruling party's efforts to discredit political debate. As an example, on April 11, Minister of Defence Aleksandar Vulin and Belgrade Deputy

Mayor Goran Vesić announced that they, along with other SNS officials, would begin a hunger strike in protest at the supposed violence of anti-government demonstrators. The threat was quickly withdrawn, but not before being ridiculed across much of the country. And in a number of other countries, too. It was, perhaps, one of the daftest and most feeble threats to emerge from any ruling party in Europe.



Serbian Defence Minister Aleksandar Vulin

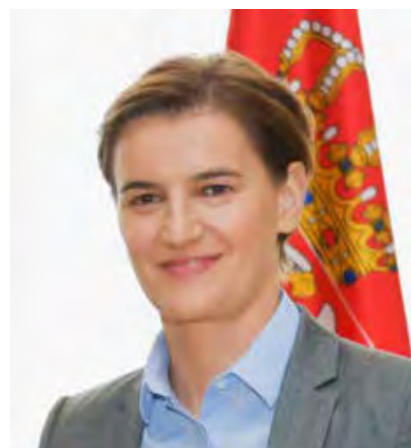
But what of the man himself? He's not the first politician to have sidled very slightly leftwards from a far-right party in order to win credibility and - more importantly - power. His record is mixed but he has proved himself a clever operator. When he took over at the Ministry of Defence, he quickly discovered that the financial positions of both it and the military were in dire straits, so he went looking for overseas customers. He found them, too, returning with orders from Russia and the United Arab Emirates worth hundreds of millions of dollars. He helped to organise an air show, "Batajnica 2012" to mark the centenary of aviation in the country, and it was there that a new Serbian-designed and -built pilot training aircraft was unveiled. It has been moderately successful; Vučić is a good organiser and a good salesman.



Serbian investigative journalist Milan Jovanović in front of his burned home in Vrčin. In December 2018 unknown individuals set fire to his home and garage and shot at his front door. Jovanović and his wife were able to escape through the back window.

Media freedom, though, is not all it should be. Back in the days when Vučić imposed fines on journalists who failed to support Milosović, leading the closure of some newspapers, he was clearly no believer in the freedom of the press. Now he has more power as president, his views seem not to have changed. On January 25, he said that Dragoljub Simonović, then the SNS-appointed head of Grocka municipality, had been arrested for allegedly ordering an arson attack in 2018 on the home of Milan Jovanović, an investigative journalist. "Simonović was eventually indicted for incitement to arson," says Freedom House, "although some experts questioned whether he should have been indicted for incitement to murder.

In March, Simonović was released from detention, and while being ousted as municipal president, he was allowed to remain an SNS member. In parallel with his lawsuit, the politician also filed more than 15 libel suits against Jovanović and journalist and Zig Info owner Željko Matorčević. Judicial issues also give cause for concern. In October 2019, judge Danijela Milojević asked to be removed from a case in which the local mayor, Radoljub Vidić, was suing the sports journalist Miloško Pantić for defamation. Milojević claimed that in the previous month Vidić, who is also President of the municipality of Kursumlija, had endangered her family and caused her husband to lose his job, causing what she called 'disturbance and insecurity' for her and her family. It all fits together with the general corruption of the country: in 2019 Serbia was rated 91st on a corruption table in which zero represents no corruption and one hundred is very corrupt. Serbia's score was an unimpressive 42.



Ana Brnabić Prime Minister of Serbia

During the summer, BIRN also published revelations about a network of Hungarian and Serbian companies with connections to the inner circles around Hungarian Prime Minister Viktor Orbán, Vučić, and Serbian Prime Minister Ana Brnabić, which were winning the bulk of public lighting contracts in Serbia. "Shine a light in the dark spaces where corruption hides," wrote Cathleen Falsani, an American journalist, who often writes on spiritual matters, but I'm pretty sure that's not what she meant.

HERO OR DESPOT

Meanwhile, protests continue and stability seems as elusive as ever. According to media reports, eggs were recently thrown at MPs as they left the parliament building for a short break. The protests were allegedly headed by a defrocked monk, Antonije Davidovic, who stood on the steps of the National Assembly with a megaphone in his hand. At one point, he took a few eggs and, apparently within the sight of the police, started throwing them towards the building. Security forces then closed the main entrance and police officers were reported to have led one of the protesters away. But this was child's play, compared with the protests of early July. They were described across much of the media, not only in Serbia but elsewhere, as well, as 'anti-lockdown riots', which we've seen in other countries. Not true, says Dr. Marija Pantelic, Lecturer in Public Health at Brighton and Sussex Medical School, University of Sussex, writing for the broadcaster Al Jazeera. "The immediate trigger of the protests was public anger over Vučić's decision to lift the initial lockdown in May and to portray himself as having successfully tackled the outbreak ahead of the June 21 elections, thereby making political gains but also allowing a new spike in coronavirus cases and deaths." Hundreds of doctors in Serbia have since then rung the alarm bells over a spike in COVID-19 cases, labelling the situation a "health disaster". The group of 350 doctors have sent an open letter calling for the government to sack its coronavirus management unit and investigate the decisions they believe prompted the fresh outbreak.

Certainly, then, something to stir public anger, but this was a different order of protest and those taking part (many of them injured in the police brutality) were middle class, not the average rebel: lecturers, university students, shop-



© Predsednik

Aleksandar Vučić, President of the Republic of Serbia

keepers, people with white collar jobs. So the COVID-19 stunt was, if you like, the straw that broke the camel's back, "But the roots of the mass civil disobedience lie in years of political dissent among Serbians of all walks of life, fed up with the rife corruption, media suppression, neoliberal policies and creeping authoritarianism of the Vucic rule," writes Dr. Pantelic. Vučić had suddenly switched from a very strict lockdown - one of Europe's strictest - to permitting what Dr. Pantelic calls "super-spread events, including a Serbian Football Cup semi-final match with 20,000 spectators." On 21 June, Vučić's SNS won a landslide election victory when less than 50% of the electorate turned out, partly because the main opposition boycotted what they could see would be a rigged election but also by "disillusionment fuelled by a widespread belief that the vote would be undemocratic." Brnabic later denied

manipulating the infection figures to get a good electoral turn-out but she admitted there had been mistakes. Pantelic claims that once the polls closed, videos were shown of victory celebrations that were not coronavirus-safe and featuring both Vučić and Brnabic. They clearly feel safe enough for the time being, from the pandemic but also from political repercussions, although surely Vučić remembers what happened to Milosević? Perhaps he should.

Serbia's finance ministry has recently launched an investigation into alleged money laundering and the financing of terrorism, but its targets have been dozens of pro-rights groups, independent journalists and opposition politicians; in fact anyone who has dared to criticize government corruption and anti-democratic policies. According to Euronews, the investigation is seeking to access private bank account data from several groups and individuals. The ministry denies that it is a targeted attack on critics, saying they are quite normal proceedings. "These are regular activities aimed at assessing the risk of terrorism financing," Zeljko Radovanovic, acting director of the state authority against money laundering, is reported as saying. The civic groups have demanded that the Serbian government immediately ceases what they say is an abuse of the mechanism against money laundering and financing terrorism to intimidate organizations which act as checks and balances for the executive. It's unlikely to cause Vučić many sleepless nights.

What about the man himself? Aleksandar Vučić was born in Belgrade in 1970. He joined the Serbian Radical Party in 1993 and in the same year was

elected to the National Assembly. The following year he became Secretary-General of the party, a position he held until 2008. He became director of a previously run-down business and sports centre called Pinki in 1996. The business was in Zemun, coincidentally where he had been to High School at the Zemun Gymnasium, and he made a success of it, greatly boosting the employees' earnings. In 1998 he became Minister of Information in Milosovic's Government of National Unity.



© Ninoski

Former President of Serbia, Tomislav Nikolić

In 2008, he co-founded the Serbian Progressive Party, together with Tomislav Nikolić, and at the Founding Convention in October 2008, he was elected the Party's Deputy President. In 2012, Nikolić resigned as president and Vučić was unanimously elected to take over the job. The following year, as First Deputy Prime Minister, his job (his opponents might say ironically) was fighting crime and corruption. Following the party's victory in the 2014 elections, he became Prime Minister, a post he continued to hold after his party won the election two years later. He instituted various reforms to save Serbia from bankruptcy, although many of the measures were deeply unpopular, such as cutting pensions and public sector salaries. Following the elections of 2017, he became President of Serbia. As a point of interest, he has also won a number of 'man of the year' awards. (He was also involved in the award for "lie of the Year" in 2018, which was won by the statement of MP Aleksandar Markovic that President "Vucic never lied in his political career". However, in the records of Istinomer, a news website, there are a large number of untruths of the President of Serbia). His awards (not that one, of course) may allow him to look down on other leaders, as may his height: he is a towering 1.99 metres tall, which makes him easy to spot in group photos.



© Tass

Russia's President Vladimir Putin (L) welcomes his Serbian counterpart Aleksandar Vucic

NO END IN SIGHT

In June, 2020, Vučić met with the President of the European Council, Charles Michel, and according to the Council's own report, "underlined the EU's unequivocal support for the European perspective of the Western Balkans as reaffirmed by the 6 May Zagreb Summit, its commitment to enlargement and support for Serbia's future merit-based EU membership."

Just the sort of message the Serbian leader wants to hear. It's not unconditional, though, said the Council report: "President Michel noted that the pace of Serbia's accession negotiations continues to depend on progress in the areas of rule of law and fundamental rights, as well as in the normalisation of Belgrade's relations with Priština. President Michel congratulated President Vučić on his party's victory in last Sunday's elections." Opposition parties say those elections were clearly rigged and that they had boycotted them, so their supporters didn't bother to vote. It's something to which the EU chooses to turn its habitual blind eye. Vučić and Michel discussed the pandemic (but not the issues that later led to street violence) and the €100-million the EU has provided to Serbia for tackling it. Michel's comment has about it a hint of irony, given what later happened in the streets of Belgrade: "I am confident that Serbian citizens are reassured and proactively informed that support from the European Union is unwavering, and will continue in good times and in crisis times, such as those we have all just experienced due to Covid-19." Of course, Brussels wants the Belgrade- Priština talks to continue. So does Vučić, but only on his terms.



Charles Michel, President of the European Council, and Aleksandar Vučić, President of the Republic of Serbia



President of the Republic of Serbia, Aleksandar Vučić and European Commission President Ursula von der Leyen

Not all of Serbia's intellectuals, though, are critical of Vučić. Take the academician Dragoslav Mihailović, for instance, as reported on the Serb news site, Alo.rs. He spent two years in the former Yugoslavia's notorious Goli Otok prison camp under the old regime. He thinks the current president is doing OK. "Vučić is doing an excellent job, taking into account the interests of Serbia and our people," he is on record as saying. "Now he did best in the elections and all that speaks of the mood of the people. The Serbian people should live independently and nurture good relations with the surrounding and, by God, those peoples who are a little further from us. We have to take care of ourselves, of what other nations think of us and to take a serious state. I like what Vučić is doing. Maybe I'm wrong, and maybe I'm not wrong." Mihailović has little time for those Serbs who hanker after a united Balkans once more. "I honestly don't think that would be good for Serbia," he has said. "At the time when Titoism ruled with all its might, I also thought so about Yugoslavia. It would be good if the Slavic peoples united, but not to start mutual quarrels, but to listen to each other. But as history has shown, the Balkans cannot unite and implement it without a collision. I think that what Vučić is doing, who has never pulled that Yugoslav option, is good." Certainly, Josip Broz Tito is not forgotten. In a memorable and most enjoyable flight over Slovenia in a microlight aircraft, piloted by Slovenian MEP and former Prime Minister, Alosz Peterle, we flew over a small field in which an old-time Communist farmer, loyal to his country's former leader, had made a planting that spelled the name 'Tito' in huge letters. Peterle was, I think, slightly embarrassed and annoyed by it, but he was too polite

to get angry. Incidentally, and completely irrelevantly, Peterle also plays a mean harmonica and always carries one with him.

But I digress. As mentioned previously, Vučić is a clever negotiator and he now seems to be drawing Belgrade closer to Beijing. Serbia has agreed to buy China's latest type of radar-guided surface-to-air missiles, the FK3, imported through the state-run arms company, Yugoimport, which claims to have made 163 import deals with 31 countries, according to Reuters, with a value of \$620.3-million (€525.78-million) in 2019. The deal includes drone systems. It seems that Vučić now sees China as more important than Russia, or even the EU. Certainly, China provided aid and expertise to deal with the COVID-19 pandemic, albeit less than the EU did, but Vučić seems to see Xi Jinping as rather more important to Serbia's future than either Vladimir Putin or Ursula von der Leyen, President of the European Commission. In terms of outright strength, he's undoubtedly right. The difference really comes in what is asked for in return. The EU wants stability, democracy and the rule of law, while China may be expecting a more generous return on investment. But in a battle of influences, Russia holds a trump card, according to the Carnegie Moscow Center: it can veto Kosovan membership of the UN. If Kosovo becomes part of Serbia, it loses that leverage. Vučić has to decide who offers the best options. He's a good negotiator but choosing between the devil and the deep blue sea is never easy. Only the EU offers a lifeboat, albeit a leaky one, but the ever-ambitious Vučić may want more.

Tobias Bowman-Grant



© Wikipedia and White House

Margrethe Vestager and Donald Trump

FEE-FI-FO-FUM!

One woman tackles a 4-headed giant Europe's competition commissioner Margrethe Vestager

There are a number of commonly-used acronyms that suggest things that are worrying and possibly dangerous: AIDS, of course, stands for acquired immune deficiency syndrome. It's used to describe a number of potentially life-threatening infections and illnesses that happen when your immune system has been severely damaged by the HIV virus. Then there's AWOL: absent without official leave, normally used for a member of the military who has deserted his or her duties and taken an unofficial break. Some American politicians, especially Democrats, might be wary of the acronym POTUS, which stands for President of the United States. But if you really want to annoy Margrethe Vestager, Executive Vice President of the European Commission with the ungainly title of "Commissioner for a Europe Fit for the Digital Age" (who thinks up these ludicrous titles?), as well as Competition Commissioner (much more sensible)

just try mentioning GAFA. It's an acronym that first appeared in the French media, standing for four of the US-based tech giants, Google, Apple, Facebook, and Amazon. Where, one may well ask, is Microsoft in that list? The media has cast Vestager as the nursery tale character, Jack the Giant Killer. In the English folk story, Jack encounters giants with one head, two heads and even three heads, defeating them all. Vestager has taken on one with four heads and, so far, has not emerged the winner. One giant, you may recall, in the separate but related story of Jack and the Beanstalk, finds Jack in his house and announces his intention to defeat his attempts to relieve him of his wealth with the words:

"Fe, Fi, Fo, Fum.

I smell the blood of an Englishman"

In this case, for the tech giants, it's not an Englishman but a Danish woman,

but the sentiment is similar.

Back in 2016, the European Commission had ordered that Ireland's favourable treatment of Apple Sales International and Apple Operations Europe had amounted to state aid, and, as such, illegal under EU law.



© Court of Justice of the European Union

General Court of the European Union

The court at that time ordered Apple to pay back €13-billion in back taxes to the Irish government. Both Apple and Dublin appealed against the judgement and now the General Court of the European Union (GCEU) has overturned the original decision. It's a big set-back for Vestager, who had become the hate figure of US tech corporations and who had been described by President Donald Trump as "the tax lady". Apple's chief executive had also derided the original verdict. The EU's argument was that by allowing Apple to round up its earnings from Europe, Africa, India and the Middle East into the earnings of one Ireland-based entity, it had allowed the company to avoid taxation on a massive scale. The EU contested that by bundling its earnings into a low-tax state with special taxation agreements, it had successfully avoided paying Irish taxes to the tune of almost €13-billion between 2003 and 2014.



© Court of Justice of the European Union

Steve Jobs visits Apple's new facility in Cork, October 1980

Apple, which manufactures iPhones in Ireland, had argued that the earnings should not have been taxed in Ireland anyway because they were all destined to be transferred to the United States. The Irish government has also welcomed the GCEU's decision, claiming that Dublin had imposed the appropriate tax level and that Apple had not been given special treatment. Oddly, the company was paying tax in Ireland at the astonishing rate of less than 1% for two decades, averaging 0.005% in one year. Vestager may appeal against the decision at the European Court of Justice, but that has to be done within two months of the judgement. Most experts think she will not. If she does, the move will probably be welcomed with open palms by the several

lawyers involved. She may need more than the legendary Jack's magic sword, cap of knowledge, cloak of invisibility and shoes of swiftness to defeat the giant GAFA, who has the staunch support of the POTUS, to re-use an earlier acronym.

The issue of corporate tax avoidance was supposed to have been settled with the entry into force of binding new anti-abuse measures on 1 January, 2019.



© Wikipedia

Pierre Moscovici, the French politician and former Minister of Finance for France, who served as European Commissioner for Economic and Financial Affairs, Taxation and Customs from 2014 to 2019

Pierre Muscovici, the French politician and former Minister of Finance for France, who served as European Commissioner for Economic and Financial Affairs, Taxation and Customs from 2014 to 2019, clearly hoped it would put an end to tax dodges by big multinationals. At the time, he said "The battle is not yet won, but this marks a very important step in our fight against those who try to take advantage of loopholes in the tax systems of our member states to avoid billions of euros in tax." Well, it looked promising at the time, but big corporations can afford very clever tax lawyers and they would rather pay them lots than pay even more in taxes. The rules introduced then were based on standards developed by the OECD in 2015. Under them, member states were obliged to tax profits moved to low-tax countries where the company does not have any genuine economic activity. The rules also discouraged companies from using excessive interest payments to minimise taxes, with member states being compelled to limit the amount of net interest expenses that any company could deduct from its taxable income. Member states were also empowered to tackle tax avoidance schemes in cases where other anti-avoidance measures could not be applied.

SPECIAL OFFERS

Of course, to defeat the crafty tax-avoidance methods employed by the tech giants and other multinational corporations, what the world needs is a global tax system. The OECD was holding talks with that aim in mind, but the United States has opposed the idea and it has been shelved, at least for now. Even some European capitals are against forcing the tech giants to pay their taxes where they actually earn their profits. Ireland's defence of the Apple deal may be connected with the fact that Ireland has a corporate tax rate of just 12.5%, which makes the country very appealing to large American corporations looking for an EU base. In any case, with the UK out of the EU, Ireland is now the only English language member.



© Ffriegael.ie

Seán Kelly, member of the European Parliament for Ireland South since 2009

An Irish MEP, Seán Kelly, once told me he would strongly oppose any moves to force Ireland to increase the rate. Ireland's distance from mainland Europe means it has to take fairly drastic measures to attract inward investment, and the fact that it now has no land border with another EU member state makes that more important than ever. Its tax rate is rather like the "buy-one-get-one-free" offers made by supermarkets to lure in shoppers.

As it is, large corporations with a presence in several tax jurisdictions often try to turn a profit wherever the tax will be lowest. This is hardly surprising, of course; who wouldn't? What the latest rules seek to do is to clamp down on what are called BEPS. This is yet another acronym, this one referring to Base Erosion and Profit Shifting. In fact, it

refers to tax avoidance strategies that exploit 'loopholes' in tax regulations by artificially moving profits to jurisdictions where there is a more favourable tax environment. More than a hundred countries and jurisdictions are currently collaborating as part of a co-ordinated approach, led by the OECD, to tackle tax avoidance by tackling BEPS. As large corporations have spread and become more complicated and sophisticated, so their tax experts, accountants and lawyers have developed equally sophisticated and often extremely opaque methods of tax planning. Why not pay tax where the tax rate is lowest? Indeed, why pay taxes at all if you can get away with not doing it? Of course, though, the losers in this battle are inevitably us, the citizens, deprived of the revenue our governments could do with to provide the services we expect. It's been estimated that BEPS abuse costs the world's tax gatherers between \$100-billion and \$240-billion (€86-billion and €206-billion) a year.



Margrethe Vestager

One of the abuses the latest EU rules are designed to tackle is what are called 'hybrid mismatches', which the OECD defines as follows: "Hybrid mismatch arrangements are used in aggressive tax planning to exploit differences in the tax treatment of an entity or instrument under the laws of two or more tax jurisdictions to achieve double non-taxation, including long-term taxation deferral." In other words, claim the same expenditure (perhaps described differently) in more than one tax jurisdiction. The rules were introduced in the wake of the 2008 financial crash, when tolerance of financial shadiness

plummeted. The problem arises in keeping up with the multinationals, which can move around and adjust to whatever new rules are brought in, to try to get them to pay their share. The OECD again: "Halfway through 2020, the world is now facing the prospect of an even more severe economic downturn as the economic impact from the COVID-19 crisis continues to unfold. As a result, the public's tolerance for tax avoidance is expected to reach historic lows. Fiscal measures, many of which are ultimately funded by public revenues, are a critical tool in the fight to mitigate the negative impact from this economic shock, and tax administrations are oftentimes on the front lines of providing relief to taxpayers."

WITH SWORD, SHIELD AND CALCULATOR

In June 2016, the OECD/G20 Inclusive Framework came to fruition as its 82 members attended its inaugural meeting in Kyoto, Japan and the implementation of BEPS began in earnest. Its membership has since swollen to 135 countries. The work continues, of course, as the OECD report states: "In January 2020, the OECD/G20 Inclusive Framework at its plenary meeting reaffirmed its commitment to reach a consensus-based long-term solution by approving the 'Statement by the OECD/G20 Inclusive Framework on BEPS on the Two Pillar Approach to Address the Tax Challenges Arising from the Digitalisation of the Economy'. Building on the Unified Approach released by the OECD Secretariat in October 2019, the Statement included an 'Outline of the Architecture of a Unified Approach on Pillar One', as well as an updated Programme of Work, which identified 11 building blocks where further work was required to develop the solution. A progress note on Pillar 2 was also agreed." The problem is that, ingenious as those fighting tax avoidance may be, the accountants and lawyers employed by the corporations are even more so, and almost certainly better-rewarded for their efforts.

The accountancy firm, BDO, has warned firms based in the UK and the EU to be aware of what the new rules - essentially the "The International Tax Enforcement (Disclosable Arrangements) Regulations 2020" - mean.



The accountancy firm, BDO

"The Directive provides for the mandatory automatic exchange of information between member states about certain cross-border arrangements. It is part of the European Commission's ongoing work on promoting tax transparency and preventing international tax avoidance." And in case you live in the UK and think that being based in a post-EU jurisdiction exempts you from any new regulations Brussels may introduce, think again. "The UK Government has committed to participating fully, notwithstanding withdrawal from the European Union," warns BDO. "The regulations come into force, and the first reports will be made, on 1 January 2021. However, the Directive requires that relevant arrangements entered into from 25 June 2018 must be reported. Organisations and individuals affected by these rules will, therefore, need to interrogate their records for the last two years to identify arrangements that are now subject to a requirement to report. Going forward, reporting will be required within 30 days of certain trigger events (broadly, initiating a relevant reportable arrangement)." BDO further warns that most of the arrangements deemed to be 'reportable' will have a tax advantage of some sort, but that the rules go further and cover arrangements without an obvious tax advantage. "In particular, they include transfers that are 'base erosive' simply in virtue (sic) of transferring certain assets or businesses from one jurisdiction to another. They also cover arrangements that may be designed to frustrate EU or OECD rules on transparency (e.g. circumventing the Common Reporting Standard or obscuring beneficial ownership of certain assets). While the OECD's 2018 model disclosure rules on tax transparency do not have the force of law, they will be used

as a source of interpretation of the EU rules.” BDO, in case you were wondering, stands for Binder Dijker Otte, a firm with 80,000 partners that operates in 162 countries, so is clearly experienced in cross-jurisdiction tax affairs.



Apple New Central World in the heart of Ratchaprasong, Bangkok

It would be a mistake to imagine tax money being siphoned off to some palm-fringed tax haven, lapped by waves and filled with largely empty offices with just brass plates to show the theoretical presence of some bank, financial institution or firm of accountants. The accountancy outfit NO MORE TAX (the capitals seem to be part of the title) offers clients ways to minimise their tax payments legitimately and in a way that is all above board. They issued this warning: “In the first part of 2019, the European Parliament issued a report which argues that seven EU countries, namely, Belgium, Cyprus, Hungary, Ireland, Luxembourg, Malta, and the Netherlands, display traits of tax havens and facilitate aggressive tax planning.” In those countries, according to the European Parliament, the business of aggressive tax avoidance is conducted fairly openly. “The operations allowed large companies, such as Allergan, Apple, Disney, GlaxoSmithKline, IKEA, Koch Industries, Nike, and Skype, to create tax optimization opportunities that served little or no commercial purposes,” says NO MORE TAX. “The seven countries identified by the report include some of the smallest nations of Europe and together account for less than 9% of the total population of the European Union.” BDO itself has offices in Belgium, the Netherlands and Bulgaria.

HUMBLE PIE

Multinationals will, of course, continue to look for ways to minimise their tax commitments; it's their legal duty to their shareholders. It's Vestager's duty to try to

stop them wriggling out of too many. Her defeat in the case of Ireland and Apple is a huge blow. It was viewed in Europe as a matter of prime importance; losing the case puts her on the back foot. Some have argued before that state aid legislation is the wrong way to tackle tax avoidance issues, rather like trying to punish a bank robber by charging them instead with trespass on bank property or not having the appropriate licence for the gun being used. Vestager has come in for a lot of personal criticism, especially from politicians in Paris and Berlin. As the Politico website reports, “Both the French and Germans are ramping up pressure on her to push the competition rule book in a more geopolitical direction, hoping to forge EU champions in the face of US and Chinese rivals, but the Apple case is fast turning into a textbook study of how hard it is to marry strategic ambitions with highly technical legal investigations.” It seems the multi-headed giant was just too feisty for Jack on this occasion.



Tim Cook and Leo Eric Varadkar, former Taiseiseach (head of the Government of the Republic of Ireland)

Even so, she remains combative, despite her department's run of defeats over tax. She explained that of some €16-billion of Apple's reported profit from its Irish subsidiary in 2011, Ireland only considered €50-million to be subject to Irish tax. The Commission will continue to look into aggressive tax planning measures, but Vestager conceded that what was really needed was “a change in corporate philosophies and the right legislation to address loopholes and ensure transparency.” With the United States blocking further work on the idea by the OECD, progress in that area looks unlikely for the time being.

For Vestager, her policy of using the rules on state aid to attack suspicious tax arrangements have met with only limited success.



Starbucks Virtual Backgrounds 2 Palma de Mallorca

Without a doubt, the ruling on Apple is the biggest blow so far, but in September of 2019 she lost a similar case against Starbucks, although she won one against the car-maker, Fiat. The court ruled that in the case of Starbucks, the Netherlands was entitled to grant its favourable tax arrangement to the coffee roaster and that the sum of €25.7-million could not be clawed back as Vestager had demanded. The way the system works was explained in the periodical, Accountancy Daily: “The case centred around use of the arms' length principle with two prongs to the Commission's argument. It disputed the level of royalties paid to a Starbucks subsidiary, Alki, which was UK based, for coffee roasting expertise, as well as arguing that Starbucks Manufacturing paid inflated prices for green coffee beans from another subsidiary in Switzerland, further reducing its tax liability.” But the court said no offence had been committed and Starbucks Manufacturing BV, or SMBV, can keep the money. The ruling of the GCEU said “As regards the amount of the royalty paid by SMBV to Alki, according to an analysis of SMBV's functions in relation to the royalty and an analysis of comparable roasting agreements considered by the Commission in the contested decision, the Court finds that the Commission failed to demonstrate that the level of the royalty should have been zero or that it resulted in an advantage within the meaning of the Treaty.” Fiat Chrysler Finance Europe was not so lucky. The court agreed with the Commission that its financing entity should be treated like a bank and all of its capital taken into account, which is why it has been obliged to repay €20-30-million to Luxembourg. Other cases are pending that involve other multinational companies. Vestager had more success in the past, when she successfully imposed huge fines on Amazon, Google, Qualcomm and other large multinationals for violating anti-trust laws.



Googleplex Campus



The headquarters of Qualcomm in the La Jolla area of San Diego, California

Vestager's rôle at the Commission was seen as being at risk following elections in Denmark last year which saw a change of government. The Prime Minister, Mette Frederiksen, elected in 2019, is a Social Democrat, Vestager is a Liberal, but Frederiksen told the Danish media at the time that her compatriot had done a good job in Brussels and would be nominated for a second stint at the Commission. She was, returning as part of the team headed by President Ursula von der Leyen.

Vestager remains as keen as ever to rein in the more avaricious of the big corporations. She told Ravi Agrawal, the managing editor of the publication *Foreign Policy* in its summer 2020 edition, that she wants to protect the more honest companies that abide by the law. "This is my sixth year as a law enforcer, and I see so many businesses that really make an effort to do things by the book and that struggle to innovate and to present the best possible service to their customers. And then I see a few companies—some that are returning customers where we keep receiving complaints—and we keep finding issues that give us reason to hand out big fines."



Denmark Prime Minister Mette Frederiksen

CROSSING BORDERS, SAVING MONEY

In point of fact, finding a good way to tax corporations with a presence in several countries is not easy. In fact, one might say, it's very taxing. As Professor Thomas Piketty wrote in his highly-acclaimed 2014 book, *Capital in the Twenty-First Century*, some common activities may be viewed as borderline criminal by tax authorities but as legitimate ways to minimise their tax liabilities by the companies concerned. "The problem with the current system," Piketty writes, "is that multinational corporations often end up paying ridiculously small amounts because they can assign all their profits artificially to a subsidiary located in a place where taxes are very low; such a practice is not illegal, and in the minds of many corporate managers it is not even unethical." Referring to the eurozone in particular, Piketty urges switching to a system under which corporations would make a single declaration of their profits at the European level, and then tax that profit in a way "that is less subject to manipulation than is the current system of taxing the profits of each subsidiary individually." Piketty believes that EU member states should adopt a different method of collecting corporate taxes. "It makes more sense," he argues, "to give up the idea that profits can be pinned down to a particular state or territory; instead, one can apportion the revenues of the corporate tax on the basis of sales or wages paid within each country."

Now here's a statement that looks to be self-evident (but isn't really): "The most obvious benefit of being tax avoidant is the cash savings from the taxes

avoided." So wrote Hairul Azlan Annuar, Associate Professor at the International Islamic University of Malaysia, Ibrahim Aramide Salihu, PhD, and Siti Normala Sheikh Obid, also from the International Islamic University of Malaysia, in a paper on corporate ownership, governance and tax avoidance. The self-evident statement clearly has some subtle points. Their report was produced for a 2014 international conference in Kuala Lumpur and published in Science Direct. "The cash savings lead to increased cash flow to the firm which offers it the opportunities for further investments and in turn increases the firm's value," it argues. "The shareholders' wealth is also enhanced in terms of more dividends, and increased shares value. The managers are also not left out of these benefits given the compensations for effective tax management. In fact, the managers' compensations are determinants of tax avoidance practices in most cases."

The reasons for corporations to avoid tax if they can are very obvious (and tax avoidance is, of course, very different from tax evasion. It's legal, for a start). So, too, are the reasons for trying to make it as difficult as possible. Cash-strapped governments do not like to see wealthy businesspeople buying third homes in a sun-drenched tax haven and a yacht to use while they're there, when essential services within the country are running out of cash. It's not just in Europe that tax reform is needed, either, but equally on the other side of the Atlantic. The American economist Joseph Stiglitz in his book *The Great Divide*, highlights the way in which tax policies there encourage multinational corporations to seek ways to avoid paying them which also, incidentally, impact in Europe. "Taxing multinational firms on their global income would close

what might be called the Apple-Google loophole,” he suggests. “Globalization has given these companies new opportunities to dodge taxes by claiming that their immense profits originate not from the ingenuity of their American researchers or the seemingly limitless demand from American consumers for their products but from a few employees scattered across low-tax jurisdictions, such as Ireland. By taxing all corporations on the basis of production and sales here, we can raise significant revenues to create jobs and spur growth.”



The Central Bank of Ireland

It's the job of tax authorities to seek out the subtle little tricks employed by some large corporations to retain as much as possible of their profits free of tax. The General Anti-Abuse Rule (GAAR) of the EU's Anti-Tax Avoidance Directive (ATAD), which came into force on 1 January 2019, provides a way in. “In computing corporate tax liability,” it reads, “the tax authority of a Member State may ignore an arrangement or series of arrangements which are not genuine under the relevant facts and circumstances if it determines that the main purpose or one of the main purposes of the arrangement is to obtain a tax advantage that defeats the purpose of the applicable tax law. A non-genuine arrangement is an arrangement that was not put into place ‘for valid business reasons which reflect economic reality.’ The GAAR supplements specific anti-abuse rules under national legislation and in that sense is intended to cover gaps in those specific rules.”

The EU has made a proposal that would have forced multinational companies to reveal how much profit they make in each EU member state and also how little tax they pay in each. It may sound like

a sensible and measured proposal but twelve countries voted against the idea, Ireland being one of them. It had been estimated that such a rule would have cost the GAFA group some €500-billion a year in tax, which they currently avoid by shifting their profits from high tax countries, such as Germany, France and the UK, to those with low tax regimes, such as Ireland but also Luxembourg and Malta. As an illustration, Ireland's corporate tax rate can be as low as 6.25%, compared with 15% in Germany, 31% in France (reduced to 28% if the turnover doesn't exceed €250-million for this year only), and 19% in the UK. The Irish Fiscal Advisory Council (IFAC) has warned that accepting the EU proposal would have done enormous damage to the Irish economy, where the corporate taxes paid to Dublin by the big multinationals, despite the low tax rate, account for half of all the corporate taxes paid there, despite coming from just ten companies. The other countries that voted against the plan included Austria, Cyprus, Croatia, Czech Republic, Estonia, Hungary, Latvia and Slovenia. Sweden voted against for unrelated reasons and Germany abstained. The big

name and shame the 17 jurisdictions it includes. Despite the potential it has to encourage listed jurisdictions to adopt transparency reforms in their national legal frameworks, the list currently does not envisage sanctions, neither for the jurisdictions themselves nor for European companies making use of them.” One deterrent could be Public Country-by-Country Reporting (CBCR), but although this has been under discussion in the EU since 2016, it still remains in limbo, despite the fact that it would almost certainly curb some of the excesses. “Even though this is well-known, why is the EU not acting upon it?” asks Transparency International. “The European Commission published its proposal already in April 2016 and the European Parliament adopted its position in July 2017. Ever since, progress on the file has been stalled and the EU has struggled finding an agreement. At the end of 2017 the EU Council has yet to adopt its position before entering into trilogue negotiations with the other two EU institutions.” In other words don't hold your breath.

I still recall the angry but oddly prophetic



Margrethe Vestager and Ursula Gertrud von der Leyen President of the European Commission

tech companies must really love the EU member state governments, even if they often annoy Vestager.

So where does the money go while it's hiding from the tax authorities? According to the German NGO Transparency International, it sometimes goes to tax havens where it cannot be touched. “On 5 December 2017, the EU adopted its first blacklist of tax havens, which, however, did not do much to fill the current legislative gaps,” reports the organisation. “The tax havens list, as of now, remains mostly a tool to

words of the late Alex Falconer, a Scottish Labour MEP, on the day the World Trade Organisation with its various tools and mechanisms was agreed. “You mark my words,” he said, poking me in the chest with his finger, “from now on all the big decisions won't be taken by elected politicians. They'll be taken behind closed doors by members of corporate boards!” This was long before the tech giants and even before the Internet and electronic communications came along, but I rather think he may have had a point.

Anthony James



SAVVIVA

Concierge Services

EFFICIENT PERSONAL SUPPORT IN BUSY TIMES

- Personal assistance
- Private concierge
- Property management



WE ARE AT YOUR SERVICE, 24/7
CALL NOW

Experience Belgium's leading
concierge service

SAVVIVA

www.savviva.be | +32 2 669 07 29 | concierge@savviva.be



Hagia Sophia in Istanbul

TURKEY'S LATEST POLITICAL BATTLEGROUND

The Byzantine basilica becomes a mosque

Empires have fallen, religions have been replaced, the city itself has changed names. But the dome of the Hagia Sophia (Divine Wisdom) has withstood it all. Commissioned by the Emperor Justinian in the early 6th century as an expression of might and piety, the Byzantine basilica was the greatest architectural achievement of the early Christian church.

Almost a millenium later, when the Ottomans conquered Constantinople in 1453, instead of demolishing Hagia Sophia, Sultan Mehmed II immediately converted the cathedral into a mosque, adding four minarets around the building's grand central dome as well as a 'mihrab' which is a niche in the wall where the Imam would lead prayer in the direction of Mecca.

But there was no escaping the fact that this conversion was superficial. Islamic elements had merely been bolted onto a church. Somehow, Christianity was always showing through. So, all the mosaics along the walls depicting Christian religious scenes were covered with plaster.

Deesis mosaic (13th-century) in Hagia Sophia (Istanbul, Turkey)

In 1931, the founder of the Byzantine Institute of America, Thomas Whittemore traveled to Istanbul and obtained the permission of Mustafa Kemal Atatürk, the first president of the Republic of Turkey to oversee the removal of plaster covering the Byzantine mosaics in Hagia Sophia

In 1935, Atatürk utilised the edifice for another act with great symbolic significance ; he officially turned it into a museum, a symbol of the new secular state, inclusive of all religions.

Since then, it has been a meeting point of many faiths, but held by none ; a place where popes, heads of state as well as millions of ordinary citizens and tourists have come from across the world to pay their respects and marvel at the architecture.

As it happened, the AKP lost out to its long-time rival, the Republican People's Party (CHP).

Informed sources have suggested that President Erdoğan's controversial decision was motivated by a desire to inflict some sort of punishment to the inhabitants of Istanbul, who voted decisively against him. The move also appears to be designed to appeal to his ruling Justice and Development party's conservative voter base as the government struggles to shore up popular support amid a growing economic crisis due in part to the Coronavirus crisis.

There are also a number of new political parties that appear to appeal to the religious voters and seem to be challenging Erdoğan's ruling AK Party.

conversion to a mosque could be in violation to the World Cultural Heritage Convention and regretted that it had not been notified ahead of time.

It has also said it will be reviewing Hagia Sophia's status as a world heritage site.



Pope Francis

During Sunday's Angelus on July 26, Pope Francis, speaking from the window of his studio above St Peter's Square referred to the Hagia Sophia : *"The sea is taking my thoughts far away to Istanbul. I am thinking of Santa Sofia (Hagia Sophia) and I am deeply pained"*.

As far as Russia is concerned, Hagia Sophia has always been at the core of Eastern Christianity and holds a particular place in the hearts of the Russian Orthodox community.

Kirill, the Patriarch of Moscow spoke about this in very strong terms, saying that converting it to a mosque would be an attack on all of Christian civilisation and would cause deep pain to the Russian people.

As a matter of fact, the decision by Turkey came just one week after Russians voted in a plebiscite for a new constitution which specifically states that Russia is a Christian nation. This article had never figured in any previous constitution and in a way cements the return to power of the Russian Orthodox church after years out in the cold during the Soviet era.

However, under President Putin in the last two decades, there has been an increasingly close, almost symbiotic relationship with the Kremlin.

So, for the Russian church and indeed the Russian state, this was a big shock.



Cross section of Hagia Sophia in 1908

It can be argued that Istanbul already has over 2,945 active mosques, including many representative ones. So, the city doesn't really need another mosque.

But of course, this is about something altogether different. The Hagia Sophia is the ultimate symbol of the Muslim Ottoman conquest of Christian Constantinople and President Recep Tayyip Erdoğan knows this only too well.

He has consistently used religion as a tool and in his 17 years at the helm, and has steadily worked to bring Islam into the mainstream of Turkish politics.

He has overseen prayers in the museum and raised its status at local election rallies.

And during the municipal elections of 2019, he warned his supporters that if his Justice and Development Party (AKP) were to lose Istanbul, then they stood to lose Turkey.

It has been suggested by a number of political analysts that the move is also part of a plan to consolidate the president's position by stirring sectarian animosity between his religious followers and those attached to secular traditions.

In any event, the net result has been that Islamist groups have fought to pray at the Hagia Sophia, angering neighbouring Greece which says the building is part of its Orthodox Christian history and prompting its culture ministry to describe the Turkish court decision as an 'open provocation' to the civilised world.

Greek Prime Minister Kyriakos Mitsotakis said : *"What is happening in Istanbul is not a show of force, but proof of weakness. For Orthodox Christians like us, Hagia Sophia today is in our hearts more than ever. It is where our heart beats"*.

UNESCO has warned Turkey its



President Erdoğan visits Hagia Sophia Mosque

This decision which seems to have been taken to shore up President Erdoğan's position will most probably put stress and strain on diplomatic relations between Russia and Turkey, resulting in some kind of response.

The US State Department issued a statement saying: *"We are disappointed by the decision by the government of Turkey to change the status of the Hagia Sophia,"* Secretary of State, Mike Pompeo who is an evangelical Christian and who frequently speaks about religious freedom called the museum status an "exemplar" of Turkey's "commitment to respect the faith traditions and diverse history" of the country and said a change risked "diminishing the legacy of this remarkable building."

The European Union foreign policy chief, Josep Borrell described as 'regrettable,' the ruling by the Turkish

Council of State to overturn Atatürk's landmark decision of 1935 and approve President Erdoğan's decision to place the monument under the management of the Religious Affairs Department.

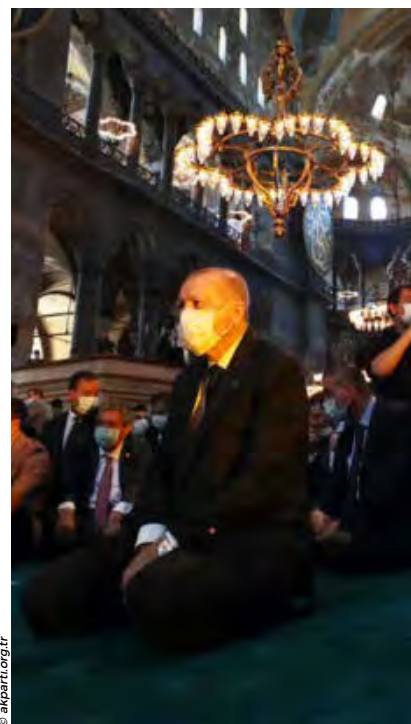
In a scathing article published on July 15 by the Washington Post, Judith Herrin, emeritus professor at King's College, London even went so far as to describe the Turkish decision as 'an act of cultural cleansing'.

The Turkish president however remained totally unperturbed: *"The issue of deciding the purpose of Hagia Sophia is about the sovereign rights of Turkey. Opening Hagia Sophia to prayers with a new regulation is just about Turkey exercising its sovereign rights"*, he defiantly declared during a press conference.

And in mid-July 2020, he had signed a decree declaring Hagia Sophia will be reopened for Muslim worship.

His declaration about his country's most popular tourist destination came after Turkey's highest administrative court, the Council of State revoked its status as a museum - clearing the way for it to be turned back into a mosque.

President Erdoğan promptly declared: *"This is Hagia Sophia breaking away from its chains of captivity. It was the greatest dream of our youth. It was the yearning of our people and it has been accomplished."*



President Erdoğan performs Friday prayer at Hagia Sophia Grand Mosque

On Friday, July 24 2020, President Erdoğan arrived by helicopter to attend the first prayers at Hagia Sophia in 85 years. He began the service with a recital from the Quran before the head of Turkey's religious authority.

He was accompanied by senior ministers and other officials who knelt on new, turquoise carpets while large curtains covered the original Byzantine-era mosaics of Jesus and the Virgin Mary.

Outside, an estimated 300,000 people joined in the prayers in Sultan Ahmet Square.

Recep Tayyip Erdoğan has put religion firmly back at the heart of Turkish national life, chipping away at decades of secular dominance.

The mosque conversion certainly appeals to his voters, many of whom argue that it better reflects the country's identity which is overwhelmingly Muslim.

And for the Turkish president, the outrage and dismay that his move has triggered internationally seems to represent only unwarranted attacks on Turkey's own sovereignty and troublesome meddling in its internal affairs.

Hossein Sadre



Bestepe People's Mosque, Ankara, part of Erdoğan's 'grand mosque programme



© Precedent

President Vučić visiting the 15th tank battalion of the ground troops First Brigade

KILLER ROBOTS WHOSE FINGER ON THE TRIGGER?

The controversy over 'lethal autonomous weapons'

When I was a child, my parents used to buy me the Eagle comic which I loved. It was full of information, as well as exciting stories. One of its major cartoon strip heroes was the space traveller, Dan Dare, with his sidekick, Digby. Their (and planet Earth's) most deadly foe was the Mekon, a small green figure with an enormous head who travelled about on a floating platform and who led his people, the green-skinned Treens, to wage war against humankind. Looking back, the Treens were an odd lot.

Aggressive, of course - they were the dreaded enemy after all - but they seemed to be all male, in which case it's odd that they successfully reproduced, assuming they did. Heartless and unfeeling they certainly were, but they were not machines. The Mekon was a terrifying little figure with an uncomfortable resemblance (apart from his green colour) to the British Prime Minister's current advisor, Dominic Cummings. Both tend to bark orders at people and refuse to listen to anyone else's point of view, with an unshakeable belief in their right to be in charge. The Mekon's

aim is always to conquer and take over the universe, an ambition that some in government have said Cummings shares. In one story (there were many), the Mekon had created an army of killer robots that he called Electrobots, described in the text as 'mechanical monsters', that only obeyed his voice (surely the dream of many of today's more autocratic leaders). They were defeated when a young cadet impersonated the Mekon's voice and instructed them to destroy themselves. Perhaps it's a technique we should bear in mind, because what are called 'lethal autonomous weapons' that take

their own decisions about whom to kill are becoming a reality.

You may recall the Arnold Schwarzenegger films about The Terminator, a cyborg killer sent back in time to kill the mother of the human leading the future resistance to robots that have taken over the world. The story revolves around an entity called Skynet, an artificial intelligence that grows to see humans (not unreasonably) as unreliable and remarkably messy, so it instigates a nuclear war to wipe out people and allow it to take total control of the planet Earth. Back in 1984, when

Terminator was made, such ideas were purely science fiction. Hopefully, they still are in the main, but each country tries to keep secret its work on artificial intelligence and there is no doubt that research is being carried on into weapons that can take their own decisions on whether or not to kill. Some already exist. In 2017, President Vladimir Putin told students in Moscow of his belief in Artificial Intelligence. "It comes with colossal opportunities, but also threats that are difficult to predict. Whoever becomes the leader in this sphere will become the ruler of the world." China has the same belief and has set itself the goal of achieving that dominant rôle by 2030, although nobody knows how far along that road it has progressed. I've never understood why anyone thinks they should run the world when most of those who do have already made such a confounded mess of their own countries.

NATO's Assistant Secretary-General for Emerging Security Challenges, Dr. Antonio Missiroli, writing in a personal capacity, reminded his readers that Putin had already announced the successful testing of Russia's new 'hypersonic glide' vehicle, capable of flying at 27 times the speed of sound and the fastest missile in the world by far, while In September 2019, Houthi rebels from Yemen used a massive coordinated drone attack on two oil production facilities in Saudi Arabia, having successfully evaded Saudi air defence systems.



Russian Tsirkon hypersonic missile

AI is also thought to have been involved in deliberate cyber-attacks on medical care facilities during the COVID-19 crisis. In our interconnected world, the use of AI in attacks targeted against supposed enemies is known as 'net-centric warfare', and we're going to have to get used to it. "The 21st century has in fact seen a unique acceleration of technological development," writes Dr. Missiroli, "thanks essentially to

the commercial sector and especially in the digital domain – creating an increasingly dense network of almost real-time connectivity in all areas of social activity that is unprecedented in scale and pace. As a result, new technologies that are readily available, cleverly employed and combined together offer both state and non-state actors a large spectrum of new tools to inflict damage and disruption above and beyond what was imaginable a few decades ago, not only on traditionally superior military forces on the battlefield, but also on civilian populations and critical infrastructure." Where is Arnold Schwarzenegger when you need him?



Secretary-General of the United Nations
António Guterres

The Secretary-General of the United Nations, António Guterres has expressed concern, not so much about AI itself but about the direction in which the research seems to be going. In a message to the Group of Governmental Experts in March 2019, the UN chief said that "machines with the power and discretion to take lives without human involvement are politically unacceptable, morally repugnant and should be prohibited by international law". He insisted that no country is actually in favour of 'fully autonomous' weapons that can take human life.

To be perfectly honest, that seems like wishful thinking; some undoubtedly are. He is certainly keen for progress to be made on the control of 'lethal autonomous weapons systems', or LAWS. There is an existing agreement, the lengthily-titled Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively

Injurious or to Have Indiscriminate Effects, whose acronym would be the CPRUCCWWMBDBEIHIE. If you haven't heard of it, that title may be the reason why; it's not even pronounceable. In any case, it dates from 1980 and entered into force in December 1983, before AI was as advanced as it has since become. Even so, it has been signed by 125 state parties, so the various would-be developers of killer robots (or LAWS, if you'd rather) presumably adhere to it, or at least say they do. The acronym LAWS sounds a little euphemistic for what it represents, I think.

OUT-SMARTING A COMPUTER

It was in 1950 that Alan Turing, the English mathematical genius whose pioneering work on cryptanalytics helped break the Nazi naval ciphers, suggested a test for AI. Known as the Turing Test, it involves somebody holding a 3-way conversation with a human and a computer, without being told which is which. The conversation would be in text only, such as through a computer keyboard. If it's not possible to tell which reply comes from a human being and which from the computer, then that computer has passed the test. It was called 'the imitation game' and was designed to answer his question: 'can machines think?' Incidentally, Turing also developed a general-purpose computer he called the bombe, which can still be seen at Bletchley Park in England, where Turing and the other code-breakers were based. It greatly speeded up the analysis of messages encoded on the Nazi Enigma machine. More recently, Google announced its new Assistant, developed with its Duplex technology. Its voice sounds decisively human and it can even make restaurant or hairdresser appointments, for instance, without the person at the other end ever realising they're talking to a machine. It does that partly by including the 'ums' and 'ers' of normal speech - the little errors we all make - just as Turing said it should, all those years ago. But this is a tech giant trying to take over the market, not a government trying to take over the world. It may book you a meal, but it won't come around and shoot you or blow up your home. Sadly, there are people working on designing AI that can and will do both.



The 9A52-4 Russia's Killer Robot Rocket Launcher

Writing on the Theatrum Belli website in August 2019, Dylan Rieutord casts doubt, intentionally or otherwise, on a rôle for the human dimension in combat decisions. "If the decision-making loop will still be a reality by 2030, that is to say that Man remains in the loop and at the center of the decision, some such as the United States, Russia, or Israel demonstrate claims to total autonomy for their robot armies." It's a terrifying thought: people are inventing the machinery to march (or roll or fly) into your country and kill you without inventing Arnold Schwarzenegger first. Those countries that fear they may get left behind, writes Rieutord, are also playing catch-up. "Ukraine, Estonia, China, Turkey, Iran, Iraq are robotized, trivializing and encouraging this new race to armament plagued by difficulties due to the terrestrial environment for a military application of robotics." It's a funny thing, I've been on documentary shoots in which a cameraman has used a sophisticated professional drone that can return to its launch point faultlessly in the event of problems.

They're handy for aerial shots and arguably get over-used in a lot of modern TV drama. But neither I nor the cameraman had any intention of killing people, merely filming them, and with their cooperation. The fact that it's so easy to do that suggests that replacing the camera with a rocket launcher would be feasible and quite simple. But he or I would have still retained control; the race is now on for weapons without a human input. You wouldn't want something like that to short-circuit or to misunderstand instructions. Are you sure you want to give verbal instructions to Siri or Alexa? What if they turn against you? I recall an excellent example, quoted

in a book called Autocorrect Fail, of a conversation by text, one end of which was being dictated through one of those computer voice assistants, such as Siri or Alexis. 1st speaker: "Are you ready?" Reply: "Just lemon Parkinsons". 1st speaker again, puzzled: "Hello?" Reply: "Lemon pork knee pie". 1st speaker, getting frustrated: "Dude, you gotta give up on Siri". Reply: "Lucky ship. I donut a swan with this phone." Now, if that had been instructions to an autonomous weapons system, it could have been disastrous. Imagine if the instruction "proceed at measured pace" was understood as "protester: spray with Mace". Or if an overheard comment such as "I'm afraid I'm going to puke" turned into "Raid the place, then nuke".

It's a development that worries the European Council on Foreign Relations. It points out that it's very hard to define exactly what LAWS are, but basically, says the ECFR, they're weapons that can be airborne unmanned drones, underwater robots or missile defence systems or even cyber weapons.



A Royal Air Force drone armed with a missile, working autonomously without any human control

Their decisions are governed by AI. The future looks worrying. "Intelligent, fully autonomous, lethal Terminator-

type systems do not exist yet," says the ECFR, "but there are hundreds of research programmes around the world aimed at developing at least partly autonomous weapons. Already in use are military robotics systems with automated parts of their decision cycle." There are bodies determined to stop the development of autonomous weapons, such as the International Committee for Robot Arms Control (ICRAC) and the Campaign to Stop Killer Robots (CSKR). There are some tentative signs of progress, according to the ECFR, but they're very tentative, as this commentary from September 2018 makes clear: "Last week's meeting, the sixth, ended without the breakthrough that activists had hoped for, namely, the move to formal negotiations about a ban. The document issued at the end of the meeting recommended only for non-binding talks to continue." I suppose we should be glad they're talking at all, although it's hard to take much comfort from a lot of top politicians saying "we'll think about it" while holding guns behind their backs.

TO BAN OR NOT TO BAN?

Russia, China and the United States are opposed to any total ban on LAWS. After all, they're thought to be busy developing them. The issue remains a problem for Germany, which sees itself as not really a military power and whose public is uncomfortable with the topic, whilst also wanting to be at the forefront of AI research, and as the ECFR reports "Some of the countries that are reluctant to support a ban on LAWS are worried that such a move could impact on their ability to research and develop other types of AI, as well as some military AI uses they may be interested in further down the line." AI, after all, could be invaluable in bomb disposal and mine clearance. Even the European Union is not in favour of regulations that might restrict research into robotics, when AI has a great many peaceful civilian uses, quite apart from helping an armed robot to decide whether or not to kill someone.

France is opposed to a ban on lethal autonomous weapons and Germany seems keen to try and please everyone by supporting France in wanting a political declaration about them, rather than a full ban. It has drawn criticism,

however. They want a compromise based on regulation, while activists believe Europe should be “leading the charge” for a ban, according to the news site, Politico. The Campaign to Stop Killer Robots group, comprised of 65 non-governmental organizations in 28 countries, was furious: “We are disappointed that Germany has decided to work so closely with France to promote measures less than a ban, and less than a legally binding instrument or a legally binding treaty,” said Mary Wareham, the group’s global coordinator. Stopping research into LAWS though is probably impossible: as in the old book of Arab folk tales, One Thousand and One Nights makes clear, once the genie gets out of the bottle it’s virtually impossible to get him to go back in.



The Stop Killer Robots Global Campaign Coordinator Mary Wareham

The Campaign to Stop Killer Robots is, as you might expect, unequivocal in its opposition to LAWS. “Fully autonomous weapons would decide who lives and dies, without further human intervention,” says its website, “which crosses a moral threshold. As machines, they would lack the inherently human characteristics such as compassion that are necessary to make complex ethical choices.” Some of the harsh responses to recent protests and demos suggest that not all humans are prepared always to show compassion. In the death of George Floyd, the Minneapolis police showed very little compassion, for instance. But without human intervention, the NGO fears, things will be worse. “The US, China, Israel, South Korea, Russia, and the UK are developing weapons systems with significant autonomy in the critical

functions of selecting and attacking targets. If left unchecked the world could enter a destabilizing robotic arms race. Replacing troops with machines could make the decision to go to war easier and shift the burden of conflict even further on to civilians. Fully autonomous weapons would make tragic mistakes with unanticipated consequences that could inflame tensions.” Another NGO, simply called Ban Lethal Autonomous Weapons, has on its website a terrifying short video called Slaughterbots about tiny killer drones that can be released in swarms to kill anyone chosen by those who unleash them. I recommend you to seek it out. In the case illustrated, they attack and kill a group of pacifist students for talking about pacifism. It might class as science fiction, but only just. At the end of the video is a statement from Stuart Russell, Professor of Computer Science at the University of California, Berkeley, who has been working on AI for more than 35 years. “Its potential to benefit humanity is enormous, even in defence. But allowing machines to choose to kill humans will be devastating to our security and freedom,” he said.



Killer robot Rmt Fellaga

Killer robots have to rely on facial recognition software, widely used by law enforcement agencies in some countries, especially in China but to a lesser extent in the US and UK. Accuracy rates have improved dramatically in recent years, even reaching 99.97% in some tests conducted under ideal conditions. But if a killer drone is flying around, you wouldn’t want to be the 0.03% it mistakenly believes to be its target. It’s pretty impressive, though, as the Center for International and Strategic Studies reports. “However, this

degree of accuracy is only possible in ideal conditions,” it admits, “where there is consistency in lighting and positioning, and where the facial features of the subjects are clear and unobscured. In real world deployments, especially, perhaps, in the chaos of a conflict zone, accuracy rates tend to be far lower. For example, the FRVT found that the error rate for one leading algorithm climbed from 0.1% when matching against high-quality mugshots to 9.3% when matching instead to pictures of individuals captured ‘in the wild,’ where the subject may not be looking directly at the camera or may be obscured by objects or shadows.”

Tests have also shown that the technology can be less reliable with some groups of people. This is especially worrying where driverless vehicles are concerned. They rely on AI and various sensors to drive safely but they still need good weather and calm streets to be safe. The American Civil Liberties Union (ACLU) tested face recognition software on all the members of the US Congress, matching them against a set of mugshots from a database. Twenty-eight of the Congressmen and women were misidentified as being from the database. And that, of course, is using clear and properly-taken photographs. The Project on Government Oversight, POGO, warns that “Numerous studies - including those by MIT, an FBI technology expert and the ACLU - have also found that facial recognition is significantly less accurate when identifying people of color and women. So long as these higher misidentification rates continue, facial-recognition surveillance will constitute not just a threat to the liberty and life of innocent people, but also a serious civil rights concern because it could create de-facto algorithm-based racial profiling.” You may well wonder if this sort of system that should be helping to pick targets for an autonomous weapon. Of course, Google, Apple, Facebook, Amazon and Microsoft are all working on facial recognition software, but Google has dropped out of working on it as part of defence technology because of errors and problems with identifying women and people of colour.



An MQ-1B Predator, left, and an MQ-9 Reaper



A Squadron ground control station maintainer, powers a ground data terminal used to transmit signals needed to fly both the MQ-1B Predator and MQ-9 Reaper

Google employees reacted strongly to the company's involvement in Project Maven, a US Department of Defence project to use AI-controlled drones for surveillance. As a result, the company decided not to renew its contract when it expired in March 2019. Many employees are against weapons research and Google has since dropped out of the Joint Enterprise Defence Infrastructure (ironically, the acronym is JEDI. George Lucas has a lot to answer for) with the Pentagon, which is worth \$10-billion (€8.5-billion) over ten years. The other tech giants are said to be still in the running.

"Sources of errors in automated face recognition algorithms are generally attributed to the well-studied variations in pose, illumination, and expression, collectively known as PIE. Other factors such as image quality (e.g., resolution, compression, blur), time lapse (facial aging), and occlusion also contribute to face recognition errors. Previous studies have also shown within a specific demographic group (e.g., race/ethnicity, gender, age) that certain cohorts are more susceptible to errors in the face matching process." If it's done in aid of crowd control, finding a missing person or arresting a criminal then errors can be checked and corrected. If the mistakes are made by a killer drone (or other autonomous weapon) that option doesn't exist. It's no good apologising to a corpse.

BRAVELY GOING

In March 2020, the National Science Foundation issued an invitation for proposals for investigation and research into robotics. The NSF gives a rather nifty definition of what they're after: "For the purposes of this program, a robot is defined as intelligence embodied in an engineered construct, with the ability to process information, sense, and move within or substantially alter its working environment." It goes on to explain what it's hoping to achieve, more or less: "The goal of the Robotics program is to erase artificial disciplinary boundaries and provide a single home for foundational research in robotics. Robotics is a deeply interdisciplinary field, and proposals are encouraged across the full range of fundamental engineering and computer science research challenges arising in robotics. All proposals should convincingly explain how a successful

outcome will enable transformative new robot functionality or substantially enhance existing robot functionality."



Stuart Russel Professor of Computer Science at the University of California, Berkeley

Of course, autonomous and semi-autonomous robots have a range of invaluable uses. Take, for example, the Curiosity Rover, still creeping over the surface of Mars at 30 metres an hour - long after it was expected to have stopped working - and carrying out varieties of tests. Messages from Earth take between 4 and 24 minutes to arrive, depending on the planets' relative positions, so Curiosity has to be able to make some of its own decisions about the route, as it has done since 2011 when it joined Opportunity and Spirit. Soon it will be joined by the most advanced robot explorer yet, Perseverance, which, among its other tasks, will be drilling core samples which it will leave on the surface for a planned future mission to collect and bring back to earth. Robots are far better designed to explore alien worlds than we fragile humans will ever be. Also, they can take months-long journeys to other planets without the need for water, food, sleep or sanitary provisions. That makes for much lighter spaceships with more capacity for carrying fuel and equipment; water is heavy, and robots don't need to go to the toilet.



MRK-27 BT with RShG-2 and RPO Shmel is a vehicle intended for bomb disposal equipped with a 7.62mm machine gun, RShG-2 rocket-propelled assault grenades and the thermobaric weapon RPO-A SHMEL

A scholarly report by the Institute of Electrical and Electronic Engineers (IEEE) reports on the issues:



Russian Platform-M combat robot

The danger comes when AI is left to its own devices with total autonomy in which it applies blind logic. Professor Russell cites the example of what's called the 'King Midas problem'. Midas wanted everything he touched to turn to gold, according to legend, and that's what happened to his food, his drink, his family and so on. He died of starvation. Russell suggests as an example of the dangers that you ask AI to find a cure for cancer 'as quickly as possible'. The AI chooses the shortest route, by infecting every human on earth with cancer and then trying out a wide range of treatments until it finds one that works. That's not what you asked for but it's how unfeeling AI may interpret your instructions.



Sea Hunter Autonomous Vessel

All these concerns, of course, do little to deter those countries determined to follow the route to autonomous weapons which can engage the enemy without putting your own soldiers at risk. So what is out there at present? Well, the US has the Anti-Submarine Warfare Continuous Trail Unmanned



China's new killer robot ship JARI, is designed for remote-control or autonomous operation

Vehicle (ACTUV), Sea Hunter, a catamaran designed to hunt and destroy submarines. Some have said it looks a little like a Klingon Bird of Prey, except without the Klingons, of course. It is unmanned, or 'un-Klingoned, if you prefer. The US Air Force also has the autonomous X47-b aircraft, which needs no pilot.

The Arms Control Association also says that "The (US) Army is testing an unarmed robotic ground vehicle, the Squad Multipurpose Equipment Transport (SMET) and has undertaken development of a Robotic Combat Vehicle (RCV). These systems, once fielded, would accompany ground troops and crewed vehicles in combat, trying to reduce U.S. soldiers' exposure to enemy fire." Needless to say, Russia, China and a number of other countries are doing much the same. The Arms Control Association (ACA) is concerned that dehumanising the battlefield risks breaching the international conventions on warfare and needlessly killing civilians while also causing escalation. "For example, would the Army's proposed RCV be able to distinguish between enemy

combatants and civilian bystanders in a crowded urban battle space, as required by international law? Might a wolfpack of sub hunters, hot on the trail of an enemy submarine carrying nuclear-armed ballistic missiles, provoke the captain of that vessel to launch its weapons to avoid losing them to a presumptive U.S. pre-emptive strike?" If the AI we have in everyday use was as fool-proof as its manufacturers claim, everyone would be able to operate the TV remote, not just the teenagers in the house.

DON'T MENTION THE WAR-MONGERING

When the UN tried to establish a mandate for debating the Convention on Certain Conventional Weapons, it was blocked by the US, Israel, Russia and Australia, much to the concern of UN secretary-general, António Guterres. "The prospect of weapons that can select and attack a target on their own raises multiple alarms – and could trigger new arms races," he warned. "Diminished oversight of weapons has implications for our efforts to contain threats, to prevent escalation and to adhere to international humanitarian and human rights law. Let's call it as it is. The prospect of machines with the discretion and power to take human life is morally repugnant." A proposal for two weeks of discussion on the issue was vetoed by Russia. "They insisted that one week was more than enough," reports the Arms Control Association. "Their case was that 'our delegation cannot agree with the alarmist assessments predicting that fully autonomous weapons systems will inevitably emerge in the coming years.' And they have repeatedly said the whole discussion is a waste of time and money because no one is actually developing these weapons."



The Russian stealth robot 'suicide' tank Nerekhta

Which makes one wonder why they were showing them off at an arms fare near Moscow, and why President Vladimir Putin and his people have been boasting that autonomous weapons will dominate the battlefields of tomorrow, with Russia (naturally) leading the way. According to the Forbes website: "Sputnik News reported that the Russian weapons maker, Degtyarev, has developed a stealth robot 'suicide' tank, the Nerekhta. Once launched it can navigate autonomously to a target in silent mode and then explode with a powerful force to destroy other tanks or entire buildings." Russia Today quoted President Vladimir Putin: "Whoever becomes the leader in this sphere will become the ruler of the world." Similar comments have been made by deputy prime minister Dmitry Rogozin and Defense Minister Sergei Shoygu, says Forbes. Viktor Bondarev, chairman of the Federation Council's Defense and Security Committee, stated that Russia is pursuing "swarm" technology, which would allow a network of drones to operate as a single unit. "Flying robots will be able to act in a formation rather

than separately," he boasted. Whoopee! That's good news for the rest of us, isn't it?



President Vladimir Putin and Commander-in-Chief of the Aerospace Forces Colonel General Viktor Bondarev watching demonstration flights by the Russian Air Force

And just in case you were wondering, the 6th International Military-Technical Forum ARMY-2020, being held by the Russian Ministry of Defence, is going ahead as planned. As the on-line advertising says, "The International Military-Technical Forum ARMY-2020, which is to be held in August 2020, is going to encompass an exhibition, scientific and business

and demonstration programs. Representatives of the Nuclear, Biological and Chemical Protection Troops are going to take part in all planned events." Meanwhile China has come up with a tiny but deadly warship that is entirely robotic to counter US advances in naval strength, as reported in The National Interest. "The JARI unmanned surface vessel is equipped with a phased array radar, vertical-launched missiles and torpedoes despite its small size of 15 meters [49.2 feet] and low displacement of 20 tons," said China's state-owned Global Times, which cited an earlier Chinese state television report. "These weapons are usually only seen on frigates and destroyers with displacement of thousands of tons, and their use on a ship as small as the JARI makes the vessel the most integrated naval drone in the world." And so it goes on: smaller and smaller, deadlier and deadlier. And less and less inclined to discuss it. It will take more than a cadet who's good at voice impersonations to save the world.

T. Kingsley Brooks

NEWS IN BRIEF

CRIMINALS DON'T TAKE BREAKS. EVEN AS EVERYTHING AROUND US IS BEING PUT ON HOLD, THEY ARE LOOKING FOR NEW WAYS TO GENERATE PROFITS

The international organization Interpol, the world's largest police organization that facilitates worldwide police cooperation and crime control has issued a warning about the threat of criminality during the present sanitary crisis.



Interpol's warnings:

As the COVID-19 virus spreads around the world, anxiety is high. Citizens everywhere are looking for ways to keep themselves and their families safe and healthy. Unfortunately, criminals are preying on this vulnerability through a wide range of crimes and scams which exploit the fear and uncertainty surrounding the virus.

There are a number of steps you can take to protect yourself. Be on the alert for counterfeit medical products, fraud and cybercrime.

Criminals are taking advantage of the pandemic to make money. We are seeing an increase in fake or counterfeit medical items available on the market, including disposable surgical masks, hand sanitizers, antiviral and antimalarial medication, vaccines and COVID-19 test kits.



Take care when buying medicines, especially online.

There has been a marked increase in cybercrime incidents being tailored around aspects of the coronavirus to target organizations and unsuspecting victims. Malicious domains, malware and ransomware are among the different types of cyberattack being reported

Telephone fraud and phishing are on the rise, with criminals tailoring their techniques to the current situation.

Scams linked to the virus include:

- Telephone fraud – criminals call victims pretending to be clinic or hospital officials, who claim that a relative of the victim has fallen sick with the virus and request payments for medical treatment;
- Phishing – emails claiming to be from national or global health authorities, with the aim of tricking victims to provide personal credentials or payment details, or to open an attachment containing malware.

Source Interpol

OLAF AIDS UKRAINIAN CUSTOMS IN SEIZURE OF MORE THAN 34M CONTRABAND CIGARETTES

The European Anti-Fraud Office (OLAF) has played an important role in a recent operation by the State Fiscal Service of Ukraine aimed at stopping the smuggling of cigarettes into the European Union. The operation led to the seizure of a shipment of more than 1.7 million packets of cigarettes destined for the Transnistria region of Moldova, from where it was expected to be smuggled into the EU. The estimated loss to public revenues of these cigarettes reaching the EU market would have been around €7 million.

Ukrainian customs authorities identified a shipment of three containers carrying more than 34 million cigarettes of the Business Club brand leaving the United Arab Emirates and destined for the Ukrainian port of Chornomors'kiy Rybnyi with Transnistria as the declared final destination. The

Ukrainians informed OLAF of the shipment, which they suspected was ultimately destined for the EU market. The smuggling is thought to be run by a criminal organisation based in the Transnistrian capital, Tiraspol, according to available information.

Previous seizures of the Business Club brand of cigarettes had already taken place on EU territory, and OLAF's analysis of the information provided by Ukraine confirmed the likelihood of this shipment also being smuggled into the EU. As a result, OLAF asked the Ukrainian customs authorities to take any action necessary to ensure that the cigarettes did not illegally enter the EU.



© Europol

An Illegal tobacco factory producing 2000 cigarettes a minute

In mid-May Ukrainian customs carried out two separate searches at the Black Sea fishing port, resulting in the seizure of 1,727,500 packs of Business Club cigarettes (totalling 34,550,000 cigarettes). The packets had no excise labels from Ukraine, Moldova or any other country, nor were they marked 'For Duty Free Only'. The text and pictures of the health warning required to be carried on all cigarette packets destined for legal sale were also missing. The estimated cost to public coffers if these cigarettes had reached the EU is around €7 million.

Each year, significant quantities of cigarettes are moved into the Transnistria region, to which the Moldovan authorities have no access and therefore no possibility to check the final destination.

SUBSEA SHUTTLE: THE WORLD'S FIRST DRONE TO TRANSPORT CO₂

The huge 135-metre shuttle concept was developed by a multidisciplinary team in Equinor and can be adapted for a variety of uses, including transporting CO₂ back to oil reservoirs.

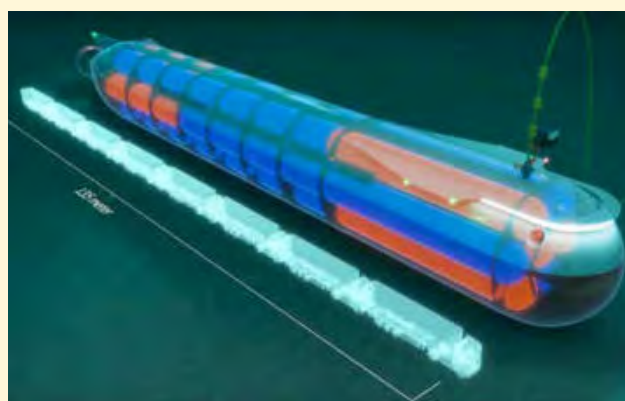
We usually think of underwater drones as neat little robots with cameras. But what if we combined this with existing submarine technology to create a behemoth of the deep that could transport large volumes undisturbed under the sea?



© Xvision

Just for fun, Equinor created an image of it moored in Stavanger harbour, just to show how big it really is

The Equinor Subsea Shuttle is a concept for an autonomous 135-metre drone that could transport CO₂ back to the reservoirs, supplementing the pipeline carrying CO₂ from Kollsnes outside Bergen to the reservoir, in a safe, cost-effective way, without emissions. With a range of 300 km, it could also be used to transport CO₂ to reservoirs where it is not financially viable to build a pipeline. The Equinor Subsea Shuttle could also be used to transport oil from offshore fields and to land or to the nearest oil pipeline, enabling even quite small fields some distance away from established infrastructure to be developed in the future.



Equinor at a glance

Equinor is a broad international energy company headquartered in Norway and with operations in more than 30 countries around the world.

The company is the world's largest offshore operator, the second-largest gas exporter to Europe, and a growing force in renewables. The company is also world leader in carbon capture storage and carbon efficiency in oil and gas production.



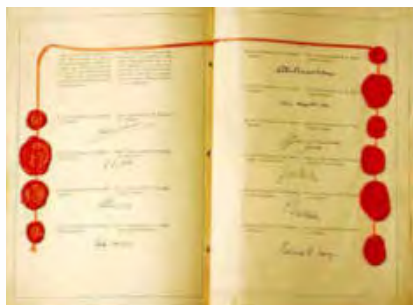
© Council of Europe

Signing of the European Convention on Human Rights (4 November 1950)

STILL GOING STRONG AT 70

The birthday of the European Convention on Human Rights

“In the centre of our movement stands the idea of a Charter of Human Rights, guarded by freedom and sustained by law.” Those words were spoken in 1948 by Winston Churchill, Britain’s wartime leader but by then no longer prime minister.



Pope Francis Signatories to the European Convention on Human Rights

The occasion was a gathering of more than 750 delegates from civil society

organisations, business, academia, religious groups, trades unions and leading politicians from all over Europe. They met in the Hall of Knights at the Europa Congress in The Hague in May 1948. There had been discussions about a legal commitment to protect people’s rights since the early years of the Second World War, when it was clear that a great many people’s rights were being trampled on. The idea throughout had been to prevent governments from dehumanising people and abusing their rights. The situation that led to the war must never be allowed to arise again. Apart from Churchill, the event was also attended by, among others, the young François Mitterrand and the German Chancellor, Konrad Adenauer.

It was at that gathering that a list of the rights to be protected was drawn up, including some articles taken from

the United Nations’ own Universal Declaration of Human Rights. Throughout the summer of 1949 more than a hundred parliamentarians came together to draft the charter. Britain was the first country to ratify it in March 1951. That makes it somewhat ironic that the UK’s present Conservative government has been talking about withdrawing from it. Michael Gove, the UK government’s Minister for the Cabinet Office, has said he favours a national bill of rights instead, in a concern over sovereignty. The idea was first raised in 2016 by former prime minister Theresa May when she was Home Secretary. Well, I suppose 1951 is a long time ago - before most members of today’s parliament were born - and memories can fade. Still, the idea that an international treaty can be ‘too international’ seems somewhat bizarre, especially when your country helped draft it in the first place.



© Wikipedia

Konrad Adenauer



© Imperial War Museum

Winston Churchill in Downing Street

It's a clear fact that rights, if they're to be protected, need to be established in law. The 18th to 19th century English philosopher and jurist Jeremy Bentham wrote that "right is a child of law". He had no time for the idea of natural rights that stem from us simply being human. "From real laws come real rights," he wrote. "But from imaginary laws, from laws of nature, fancied and invented by poets, rhetoricians and dealers in moral and intellectual poisons, come imaginary rights, a bastard brood of monsters." It was something of a hobby-horse with Bentham. "Natural rights is simple nonsense," he also wrote, "Natural and imprescriptible rights, rhetorical nonsense - nonsense upon stilts." The trick for those politicians meeting in 1949 was to encode the rights that mattered within an enforceable legal framework. They succeeded, and the European Convention on Human Rights (ECHR) came into effect on the 3rd September 1953.

"It was intended to be a simple, flexible roundup of universal rights, whose meaning could grow and adapt to society's changing needs over time," says Amnesty International, a campaign organisation for human rights. "Not only were ordinary people to be protected from abuse by the state, but duties were to be placed on those states to protect individuals. It has been hugely important in raising standards and increasing awareness of human rights across CoE (Council of Europe) member states, and beyond." But if you want to have legal judgements on rights issues, you need not only the necessary laws but also a court in which to enforce them and judges to adjudicate. That came in 1959 when the European Court of

Human Rights (ECtHR) was set up in Strasbourg. The court is there not only to safeguard the ECHR but to create the required case law and also to allow people who believe their rights have been denied to have their cases heard in a neutral setting. Judgements made by the court are legally binding and countries against which successful cases have been brought are legally obliged to abide by them.



© Council of Europe

The European Court of Human Rights is an international court established in 1959 by the Council of Europe

MANY ACHIEVEMENTS

So what has the ECHR achieved? It has led to the decriminalisation of male homosexual acts, for one thing. Jeff Dudgeon, a shipping clerk in Northern Ireland who was gay, was arrested and questioned for several hours by the Royal Ulster Constabulary in 1975 for an act that was legal in England and Wales (and soon would be in Scotland) but not in Northern Ireland at that time. The case was admitted for a hearing at the Strasbourg court in 1981 and Dudgeon won. It led to a change in the law in Northern Ireland in 1982 and the verdict was cited as an example in a similar case brought by

David Norris against the government of the Republic of Ireland in 1988. Again, the law was changed. Dudgeon's case against the United Kingdom was also used by Justice Anthony Kennedy in a case brought in 2003 in the United States: *Lawrence v. Texas*. The US Supreme Court decision found that anti-sodomy laws in the remaining 14 states were unconstitutional, while Alexandros Modinos successfully brought a case against the government of Cyprus, again citing the Dudgeon case. And all because one mistreated gay man had the courage to enlist the help of the European Court to uphold his rights.



© Queerarchive.net

Jeff Dudgeon

According to the blog of the European Journal of International Law, the European Court of Human Rights (ECtHR) has had an influence for good far outside Europe's borders. "The innovative doctrines and principles pioneered by judges in Strasbourg are alive and well in other human rights systems. Interpretive tools such as the evolutionary nature of human rights, the presumption that rights must be practical and effective, the creative

and strategic approach to remedies, and cross-fertilization of legal norms are commonplace in the case law of all regional and sub-regional courts. For example, Inter-American judges have applied these doctrines in several types of cases, including the obligation to investigate, prosecute and punish the perpetrators of past human rights violations, the prohibition of amnesty for such violations, the rights of LGBT persons, and affirmative measures to combat violence against women.” So writes Laurence R. Helfer, a Professor of Law and Co-director of the Center for International and Comparative Law at Duke University. Professor Helfer admits though that while most western and developed world jurisdictions follow ECtHR judgements fairly closely, safe in the knowledge that the Convention has widespread popular support, courts in Africa and other developing countries are sometimes more circumspect to reflect widely-held moral and religious beliefs in the country concerned. It’s also worth noting that notwithstanding the protection afforded to women by the Istanbul Convention, Poland is on the verge of withdrawing from it, so, ironically, is Turkey, having never fully implemented it.

This follows the after the brutal murder of 27 year old Pinar Gültekin, which has prompted protests across Turkey, demanding better protection for women. Slovakian parliamentarians refused to ratify the Convention, stating that “It’s in conflict with the constitutional definition of marriage, which is worded as a union between a man and a woman.” It sounds as if they believe a man has a right to beat his wife. I have seen the dreadful effect gender violence has and interviewed several of its many, many victims. One woman I spoke to tried to leave her violent husband several times, but he dragged her back, on one occasion by her hair, saying she belonged to him; she was his possession. Eventually, the police intervened, and he was sent to prison, apparently still not understanding why he wasn’t allowed to beat her. “Lots of women are frightened that they’ll not be believed, and lots of women who come through our door feel it’s their fault,” I was told by Julie Robinson, who runs the Options Programme for victims of domestic violence on Tyneside, in the North East of England. Why do men do it? “Power and control,” she explained. “He was a perfect gentleman when I met him,”

one victim told me. But then after she had put up with him controlling her and his regular bouts of violence, one day he punched her in the head very hard. “Then he punched me from the kitchen, from the dining room, and all the way back, in front of his friend, and I was unrecognisable.” There is no moral case whatsoever, however dressed up, that excuses withdrawal from the Istanbul Convention, nor a refusal to sign up to it, unless you believe that men have a right to beat up their female partners. Sadly, some men do, and it seems some politicians agree with them.

How does the Convention work? First of all, the applicant has to have exhausted all the channels provided by their own country’s legal system. When the case reaches the ECtHR, the court first contacts the government concerned and tries to arrange a ‘friendly’ settlement. If that fails, the government concerned is given twelve weeks to respond to the allegation. The applicant is then given time to respond to whatever the government says. The admissibility of the case is then decided by a single judge, a committee of three judges or a chamber of seven judges before it’s deemed ready to go to a Grand Chamber of seventeen judges.

Not all cases get that far, and many are settled earlier and more quickly. But if the small committee, the chamber or the Grand Chamber agree that there is a case to answer, their verdict is referred to the Committee of Ministers (CoM). The CoM is made up of representatives of the governments of the 47 Member States, assisted by the Department for the Execution of Judgments of the Court. It’s their job to carry out the judgement. It’s not always easy: some governments occasionally



© milliyet.com

Pinar Gültekin



© echrcoe.int

The ECHR Grand Chamber of seventeen judges

insist that they are right, and the Court is wrong. However, the states have a legal obligation to remedy the violations found but enjoy a 'margin of appreciation' as regards the means to be used. The measures to be taken are, in principle, identified by the state concerned, under the supervision of the Committee of Ministers. The Court can assist the execution process, in particular through the pilot-judgment procedure (used in case of major structural problems). Examples of the general measures that have been agreed include the introduction of effective remedies against excessive length of court proceedings; the removal of discrimination against children born out of wedlock (such as in inheritance matters); the adoption of legislation to prevent arbitrary recourse to telephone-tapping; and the lifting of undue restrictions on journalists' freedom of expression.

STILL WORKING AFTER 70 YEARS

The Convention is still regularly raised at the meetings of the Council of Europe's Parliamentary Assembly (PACE). The Assembly is made up of elected parliamentarians from all of the Council's 47 member states. Nobody has a veto and any relevant topic can be raised. These meetings are normally held four times a year, but the COVID-19 pandemic has thrown that schedule into disarray. For instance, at the last session before the coronavirus made travel all but impossible, in January 2020, a resolution was adopted to try to oblige countries whose citizens had gone to fight for ISIS to allow the children of those people to travel home, while retaining their citizenship.



© Wikimedia

Stefan Schennach

The report, by Austrian Socialist, was passed overwhelmingly, based on Article 8 of the ECHR, which states that "Everyone Stefan Schennach has the right to respect for his private and family life, his home and his correspondence". Schennach told the Assembly that "most of these children have European parents. Young girls, who went there the age of 15 or 16, have ended up there. We don't know why. We don't know what was happening in the social lives, how modern it was, and not all were Islamic, by the way. And then they got babies, sometimes from different men." The assembly agreed and it's possible that the issue could end up at the ECtHR, if one of the young women or their children brings a case. Ironically, ISIS - or Daesh to use its other name - had no respect at all for human rights or even human lives, but that doesn't alter the protection provided by the ECHR to its fighters' offspring. Babies and children have no control over where they were born or their parents' beliefs.

PACE also debated the secret transfers and illegal detentions involved in what were called 'extraordinary renditions'. As explained by the Open Society Justice Initiative, Extraordinary rendition is the transfer - without legal process - of a detainee to the custody of a foreign government for purposes of detention and interrogation. People - many of them totally innocent and seized by mistake - were snatched from the street and taken off to secret detention camps in Poland, Estonia and Romania, among other places, where they were subjected to what the Americans called 'enhanced interrogation' - that's torture, to you and me. The initiative was begun after the 9-11 attacks on the United States, but a lot of mistakes of identification were made, with people totally unconnected from terrorism caught up because they looked similar or shared a common name.

That's why a resolution was drawn up by Swiss Liberal Senator Dick Marty, under Article 5 of the Convention, the Right to Liberty and Security, in June 2007. "To begin with," Senator Marty told me, "it's worth noting that an enormous majority of the Parliamentary Assembly of the Council of Europe adopted the resolution. We should also recall that the resolution was based on a number



© Arminale coe

Swiss Senator Dick Marty

of judgements by the European Court of Human Rights, which had passed judgements condemning quite a few member states of the Council of Europe for violations of the European Convention on Human Rights." Those the CIA judged to have been involved in terrorism were eventually transferred to Guantanamo Bay. Five of those accused of involvement in the 9-11 attacks have been put on trial in the prison camp, although their lawyers can only contact them by video link and hardly at all during the COVID-19 pandemic. Dutch member René van der Linden, a member of the centre-right EPP/CD group, who was President of the Assembly at the time, told me "I believe the Marty Report is one of the most important we have had in the last 20 or 25 years because it was paying attention to all the countries of Parliamentary Assembly and also in the United States it got a lot of publicity." Not always favorable publicity in that case, but it opened people's eyes. In the Assembly itself, some countries' delegates opposed it, but Marty was not surprised by that. "They were against it (the report) because they wanted to cover up their activities that were against the law and were therefore criminal activities." He also thinks that extraordinary renditions may still take place. "It's hard to be definitive, but I think the secret detentions continue, but that the detained are no longer held in Europe." It's a victory of sorts and it shook the world at the time.



© Massimo Sestini

Refugees crossing the Mediterranean from the Libyan coast

SINKING IN DISINTEREST

Then there was the issue of refugees crossing the Mediterranean from the Libyan coast in inadequate boats and not receiving help from other vessels. In April 2012, it was the subject of a resolution passed overwhelmingly by the Parliamentary Assembly under Article 2, the Right to Life.

Then there was the issue of refugees crossing the Mediterranean from the Libyan coast in inadequate boats and not receiving help from other vessels. In April 2012, it was the subject of a resolution passed overwhelmingly by the Parliamentary Assembly under Article 2, the Right to Life. The member who drafted it was a Dutch Socialist Tineke Strik (now a senator for the Green Links party), who was alarmed by a story about 72 people who had been in a rubber dinghy in the Mediterranean for fifteen days. “They had cried out for help to many vessels, people that they saw around,” she told me, “and no-one came to the rescue in order to help them, in order to survive, and take them on board or disembark them in a country.” It’s worth remembering that the sea off Libya was considered a war zone at the time, but that doesn’t alter the law of the sea nor the obligation of a ship’s master to aid vessels in distress and their passengers. “So, for 15 days they drifted in the Mediterranean Sea,” Strik told me, “and during those 15 days, sixty-three of them died.

“They died of starvation and did not manage to survive. Only eleven of them managed, by drifting back to the Libyan coast, because they departed from Libya, a Libya that was at war at that time. There were bombardments from NATO and they really had to flee the country in the end. Because no-one helped them, they found themselves back at the Libyan coast, by the shore, where they were immediately taken into detention again and two of them died, because they were completely weak.” They were eventually released several months later after someone on the outside paid a bribe, and the survivors managed to escape from Libya again.



© groenlinks.nl

Dutch member of the Senate for GreenLeft Tineke Strik

Strik’s report centred on the failure of other countries and vessels to come to their aid at a time when the Mediterranean was full of

military vessels. Strik carried out an investigation and interviewed the survivors. “I found out that in those few weeks there were military vessels in the neighbourhood. There was also a helicopter, a military helicopter, that flew very low above them. They gave them some water and some biscuits, but then they went away and never came back. In the end, even when almost everyone was dead, when they held up a baby who had died and showed they didn’t have any water, there was still a very big military vessel coming in their vicinity. The sailors had binoculars, so they really were looking at them, with cameras, and in the end they still sailed away.” In fact, ships’ masters face a difficulty when they come across migrants in distress. “Unseaworthy boats are often encountered, heavily overloaded, in serious peril and in need of rescue,” says the legal firm Norton Rose Fulbright. “Most mariners will not hesitate to ‘do the right thing’ and conduct a rescue. Indeed, **the law of the sea requires them to do so** (*my emphasis*). However, it is once the rescue is conducted and migrants are onboard that issues might arise. In the face of unprecedented levels of migration, EU states are becoming less welcoming.” Some are sending migrants back to their port of origin, which is called refolement and is, again, against international law.

Strik never found out to which country the helicopter and large naval vessels

had belonged; those responsible for the deaths of the migrants remain unpunished, but as she says of her report “nevertheless it raised a very lively and urgent debate on how to act in these types of situation.” “Our great regret,” said Jean-Claude Mignon, a French EPP/CD member who was president of the Assembly at the time, “is that the European Union did not quickly respond. It’s true that the Parliamentary Assembly of the Council of Europe did not have the same powers as the European Union to take action about it.” No-one did, of course, and migration remains a divisive issue. Strik admitted it was a ‘who-dunnit’ without the guilty party ever being identified. I was once told by the French politician and physician Bernard Kouchner, co-founder of *Médecines sans Frontières*, that the only way to stop unwanted migration into Europe is to raise living standards in the countries from which the refugees come. That would remove the incentive to risk life and limb to get to what they hope will be a better life for them and their families.

NON-DISCRIMINATION: VIOLENCE IS VIOLENCE

The rights conferred by the ECHR are, of course, universal, and not dependant on age, gender or ethnicity. That is confirmed in Article 14: “The enjoyment of the rights and freedoms set forth in this Convention shall be secured without discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status.”

That’s why, in October 2016, a resolution was adopted on female genital mutilation (FGM), which is much more common than most of us would choose to believe. It’s been estimated that 500,000 women and girls are living in the European Union who have undergone FGM, and a further estimated 180,000 are at risk of it, the figure is thought to be 200-million. FGM is a terrible example of violence against women and a very serious violation of human rights. Béatrice Fresko-Rolfo, a Liberal member the Monaco Parliament, was General Rapporteur on violence against women in the Parliamentary Assembly, and she was the author of the report on “Female Genital Mutilation in Europe”. “The figures are alarming,” she said, “and reveal, if indeed evidence were necessary, that we are directly affected. We must acknowledge that this practice takes place worldwide and must take action to ensure prevention, protection and appropriate punishment, and to remedy and deal effectively with the long-term consequences on the lives of these women.”

Before anyone raises the notion that it’s a practice required by religion, that is not true, although the practice is deeply rooted in tradition. “FGM is one of the harmful traditional practices that is widely practiced in at least 28 African countries, parts of the Middle East, pockets of some communities in Australia, the Far East and the immigrant population in Europe and the Americas originating from FGM practising countries,” writes Dr. Ashenafi Moges on the African-Women.org website. “The FGM operation which is painful



Béatrice Fresko-Rolfo, a Liberal member the Monaco Parliament

by itself has immediate and long-term consequences on the health and psychology of women and girl-children. Despite all the negative consequences of FGM, at least 2 million infants, girl-children and women undergo the operation every year (that is about 6,000 per day or one in every 15 seconds).” The Council of Europe cannot prevent the practice worldwide - it is almost universal in sub-Saharan Africa - but it can try to clamp down on FGM in Europe itself. “I hope the report will have an impact,” Mme. Fresko-Rolfo told me. “I hope the report will convince people that it exists.” She says: “it may not be the requirement of any religion, but the practice is rooted in the culture and beliefs of the local community.” Fresko-Rolfo’s resolution stresses that FGM is an act of violence against women and children and a flagrant violation of human rights. It also points out that as most of the victims are extremely young (from a matter of a few days old to 7 or 8 years of age) the practice also constitutes a violation of children’s rights. The report states that prevention must lie at the heart of attempts at eradication and it must involve all those involved, whether practising communities, social and educational services, the police, the justice system or health care professionals. Recognising the practice as violence against women and children and running public awareness campaigns is about as much as the European nations can do and to change hearts and minds takes time.



© Unicef / Holt

Fatima, 7, sits on a bed in her home in Afar region, Ethiopia. She was subjected to FGM/C when she was 1 year old

MURDER MOST FOUL

In June 2019, a report by Dutch EPP/CD member Pieter Omtzigt drew attention to the murder in Malta of the journalist Daphne Caruana Galizia, after she had exposed widespread corruption in government and elsewhere. Caruana Galizia was murdered with a car bomb just outside her Bidnija home on 16 October 2017. The report on it was brought to the Assembly under Article 10 of the Convention: “Everyone has the right to freedom of expression.



Daphne Caruana Galizia was killed in a car bomb in Bidnija

This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.” Caruana Galizia was the one who exposed the so-called Panama Papers, showing graft and corruption at the highest level, which drew vicious opposition that resulted in her bank account being frozen and several libel cases. The murder inquiry has always been a convoluted affair, as the latest report (at the time of writing) from the Malta Today newspaper reveals: “Three men, George Degiorgio, Alfred Degiorgio and Vince Muscat, have been charged with carrying out the assassination, while Yorgen Fenech is charged with masterminding the murder. Melvin Theuma, who acted as a middleman between Fenech and the three executors of the crime, was granted a presidential pardon last year to tell

all. Theuma is currently being treated in hospital for serious wounds he sustained, which the police said were self-inflicted.” A man charged with murdering Daphne Caruana Galizia has accused government of sitting on his request for a presidential pardon in return for information on the assassination plot and several other unsolved crimes. Meanwhile Muscat, one of three men who planted and detonated the bomb, said he would reveal all and provide information on previously unmentioned parties in order to help investigators join the dots in the complex murder plot in return for a pardon. Under Maltese law, libel actions brought against Caruana Galizia were inherited by her surviving family. The Council of Europe’s Human Rights Ombudsman, Dunja Mijatović has requested that they should be dropped.

Omtzigt had a difficult task to get his resolution accepted, but it was. “It was one of the organs of change in Malta,” he told me. It didn’t make him a popular figure on the island. “The government of Malta and some of the Maltese press have not put forward a picture of me as being the most trustworthy person on Earth.”



Pieter Omtzigt

The problems Omtzigt faced help to underline the courage of Caruana Galizia. The car in which she died was a rental; by freezing her bank account the government stopped her from accessing her own vehicle. “The first thing we asked for,” Omtzigt explained,

“was that an independent inquiry be set up, and yes, it was a bit of a battle, but the independent inquiry was set up and of course there was a battle on its terms of references, but after that battle on the terms of references, it was pretty OK.” In his research before writing the report, Omtzigt also faced obstructions. “They tabled a motion of no confidence in me, which had never happened in the Parliamentary Assembly of the Council of Europe. Someone connected there changed my Wikipedia page and put some nonsense on that page. Oh, yeah! The pressure was applied.” Maltese members tried to prevent the report mentioning murder “as murder has not been proved”. Omtzigt pointed out that it’s hard to classify a car bomb as an accident or an act of God. It could be classed as an act of the ungodly, perhaps, I think. Omtzigt is not sure, of course, that all will turn out well, but at least for Malta the process of self-examination is underway, along with a growing realisation that the world is watching. The president of the Assembly at the time, Swiss Socialist Liliane Maury-Pasquier, believes that Omtzigt’s report was an important achievement. “The prime minister has been replaced, got rid of, and Malta now has an independent commission of inquiry.” She told me the procedure had been good for Malta and good for democracy.

And so the world changes, a little bit at a time and in baby-steps. Looking across Europe as a whole, it would be true to say that just as in some places there are signs of progress, elsewhere neo-nationalism and self-interest are becoming increasingly entrenched, with democracy itself being under threat here and there. Some you win, some you lose, as the saying goes. The trick is to win more than you lose, something at which the European Convention on Human Rights has proved very useful. After seven decades, it’s still possible for it to shake up undemocratic or corrupt governments. In Churchill’s words, we still need to be “guarded by freedom and sustained by law.”

Jim Gibbons

THE UNITED NATIONS OF EUROPE

Europe likely to recover faster than anywhere else, thanks to the European model

Hagia Sophia (Holy Wisdom literally translated from Greek) was built in the 6th century in the imperial capital of the Roman empire Constantinople, formerly Byzantium and before the Ottoman empire's reign (1453-1923), as a patriarchal cathedral and witness to several enthronements of Byzantine emperors. The church was dedicated to Logos, the Word, the second person of the Trinity, before being converted into a mosque in 1453 with the fall of Constantinople and the rise of the Ottoman empire which destroyed the Christian artworks and symbols inside the cathedral so that the Muslim prayers could proceed without distraction.



© akparli.org.tr

President Erdoğan visits Hagia Sophia Mosque



Marmaray Project

On July 24th 2020, history was repeated itself; President Erdoğan ordered the remainder of the Byzantine artworks carved under its 56 meters high dome inside the museum to be covered so that the Friday prayers - occurring for the first time since its conversion to a museum by Atatürk in 1934 - could go ahead without any interference from the past. Most likely, the choice of date was a coincidence and not a middle finger to the Treaty of Lausanne signed on July 24th 1923 by Atatürk which defined the borders of the modern Turkish Republic.

Currently, with a looming monetary crisis and a long term corporate debt problem, Turkey is struggling with a trade deficit of \$5.60 billion (\$500 million in late 2019). However, its foreign reserves are intact as China has come to its rescue with a swap for Turkish lira for Chinese renminbi valued at \$400 million (12 billion yuan), making Turkey use the Chinese yuan for import payments, a move that will further strengthen cooperation between the two countries. So far Turk Telecom, one of the country's largest telecommunications companies, has announced that it will use renminbi, or the yuan to pay import bills.



President Recep Tayyip Erdoğan and President Xi Jinping, attending the Belt and Road Forum for International Cooperation in Beijing

Next to a trade volume of \$21.08 billion that has been between the two last year - with Turkey mostly at the buying side - China is planning to make Turkey a crucial part of its Belt and Road Initiative (BRI). With heavy investing into the Turkish logistics (48 percent of the Kumpot Terminal for \$940 million for example or the Chinese-built and funded Marmaray Tunnel that allow direct non-stop freight trains from China to Turkey), there seem to be projects that would upgrade Turkey from a corridor to an international trade hub on the New Silk Road, a project initiated in 2013 by China and an alternative defying the European trade bloc and its infrastructures.

Meanwhile, China has ordered the closure of the American consulate in the south-western city of Chengdu, accusing the staff of meddling in its internal affairs. The move came as a tit for tat measure after the US police entered by the backdoor inside the Chinese consulate in Houston to evacuate the facility, following the decision of the US Secretary of State, Mike Pompeo alleging China was “stealing” intellectual property. The leaked video footage shows men inside the consulate busy burning papers in a bin, suggesting illegal operations linked to stealing scientific and medical research and specifically the covid-19 vaccine.

In a major speech about China, held symbolically at Richard Nixon Presidential Library in California, Mike Pompeo stated: *“President Nixon once said he feared he had created a ‘Frankenstein’ by opening the world to the CCP (Chinese Communist Party) ... And here we are.”* Furthermore, he said China’s military has become “stronger and more menacing” and called for a need to create an alliance to counter China and said that the entire world should stand against China.

The next day, Beijing took a low blow at Pompeo and equated him to an *“ant trying to shake a tree”*.

In a different response to Mike Pompeo’s speech urging *“the entire world to stand up against China”*, Kremlin Spokesman Dmitry Peskov said that Russia and China have developed *“relations of a special partnership”*, called China *“our partner”* and declared that Moscow will not join any alliance against Beijing.

In the meantime earlier this month Beijing and Tehran signed a 400 billion dollar security and economic pact over 25 years involving securing land routes and China’s access to the Iranian crude oil. With the US sanctions in place currently the Iranian economy does not have many options regarding the choice of trade partners.

On the other hand while India has banned 59 Chinese applications on its territory citing security reasons, together with Australia, the US and Japan, the four democracies are joining a key naval exercise to tighten their military ties in order to contain China’s expansionist policies (claims on several islands) in the Pacific region.

And after the UK’s recent move to ban Huawei 5G kit, France is expected to follow suit and not to renew the licenses for any Huawei kit once they expire. Such a decision coming from one of the EU’s prominent leaders (France) is likely to have an influence on other EU member states and the future of Huawei in Europe.

With the real boon of the current



US Secretary of State, Mike Pompeo

global geopolitical struggle lying on the techno-national front enabled by the 5G technology (see the article of the last issue "Corona - the uneven recovery and geopolitical rivalry"), a coordinated ban on Huawei could be the start of a united move favouring intra-national cyber security measures within the frontiers of Europe.

On the 21st of July 2020, history was made in Brussels when after days and nights of negotiations, French President, Emmanuel Macron managed to convince the German Chancellor, Angela Merkel - who for years was opposed to issuing common European debt - to guide the 27 European leaders and come up with a 750 billion euros pandemic recovery plan, where money will be collectively borrowed on the

financial markets and handed out as a mixture of grants/loans. France and Germany had proposed 500 billion euros in grants; the Commission took that and added another 250 billion in loans and finally, after some deep quarrels, it became 390 billion in grants and 360 billion in loans.

The negotiations - without the UK - went from north to south; the prosperous Frugal Four (the Netherlands, Austria, Finland and Denmark) who were pushing for loans versus the badly Covid-hit Italy and Spain that want solidarity and grants, and from west to east, where autocracies like Poland and Hungary stated their conditions and were given protection by Merkel in order for the deal to be reached.

The project is not perfect and to name a few flaws, one can mention the following: the uneven economic strength of the member states, structural issues which can only be resolved through reforms and not just money transfer, some countries being more prone to corruption than others, different internal and external policies and thus different government spendings and priorities, and last but not least, the emerging autocracies within the union that are in opposition to the Western democracies.

But despite its imperfections, it has reached two major objectives that fit within the long-term vision of an expansive Europe: 1) the EU can now create common debt, 2) it now



Putin, Macron, Merkel, Zelensky in 2019

disposes of an architecture that can handle future collective crises.

Thanks to the Corona virus, a two decade-old question was answered; how can a monetary union function without a fiscal union?

This deal alone keeps the European markets attractive and investment-prone for foreign investments. Since 2018, Europe's attractiveness is on the onward trend;

according to the European Commission in 2018, Foreign Direct Investment (FDI) in the EU totalled €7.2 billion, accounting for 45% of the EU's Gross Domestic Product (GDP). In 2019, France became Europe's top destination for FDI attracting 1,197 new projects, a 17%

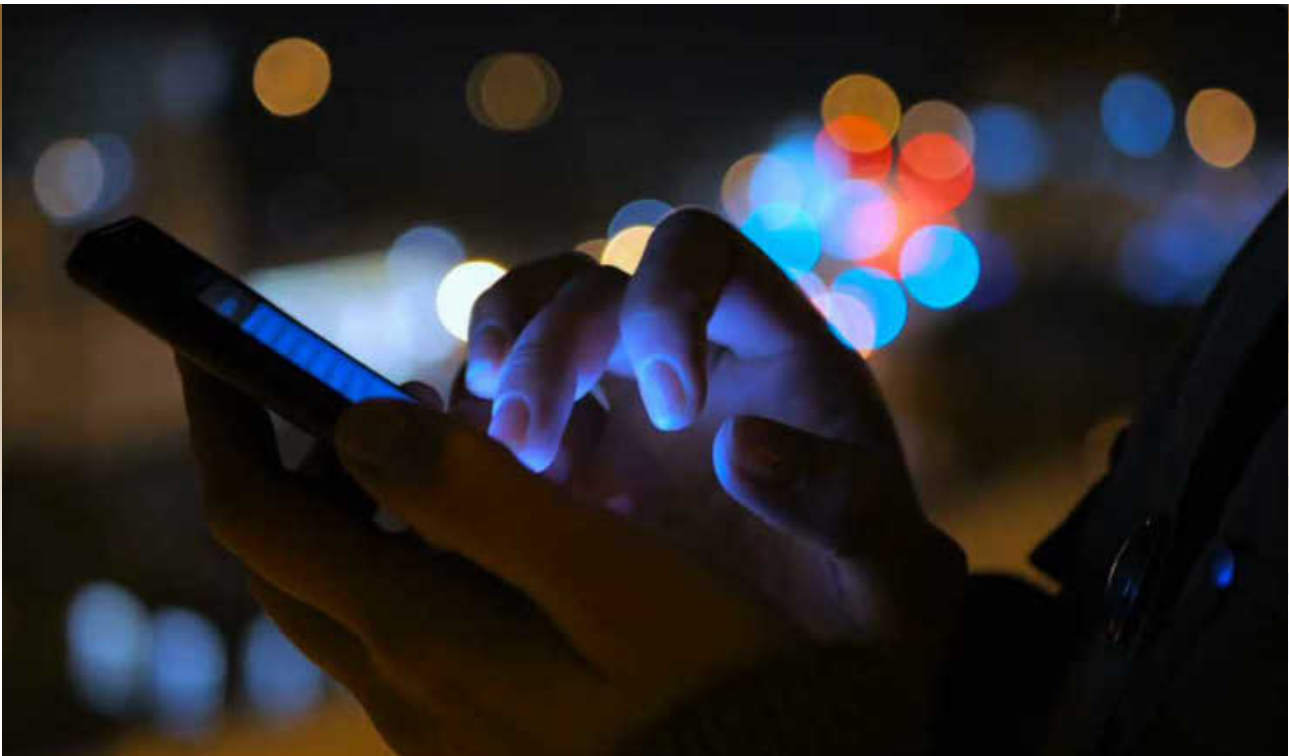
annual increase, while investment in Germany remained stable. This year despite the Covid pandemic, 65% of the announced investment projects are in place in Europe, with 25% being delayed and only 10% cancelled. In the face of the pandemic, Europe is likely to recover faster than anywhere else, thanks to the European model, the social system, the health care and labour institutions. And right after the "historical agreement", the European equities on the markets went into positive territory as the market reacted well to the news, with the stability and the cohesiveness of the region being confirmed.

While global capitalism - the capitalism that transcends national borders - is the current trend in our

world, the BRIC thesis recognizes that Brazil, Russia, India and China have changed their political systems to embrace global capitalism, and from being trade partners they have become a political organization. The New Silk Road project is an example of how serious the counter politics work.

Faced with world competition, the old virtuoso continent of Europe is now at a crossroads: either it stagnates and gives the upper hand to populism by regressing into national borders, or it embraces its future as a true politico economic bloc and preserves the legacies of the Age of Enlightenment on the global level. In case it chooses the latter, a coordinated fiscal policy of the union is the indispensable step.

Vianne Savoli



SCHADENFREUDE FOR FUN AND PROFIT

The surprising fall of Wirecard an emerging German giant

It had been hailed as the high-flying darling of Germany's stock exchange: a huge provider of high-tech financial services and processor of payments. Although it was seen as a blue-chip success story, suspicion had trailed Wirecard, based just outside Munich, since an investigation by Britain's Financial Times (FT) in 2019, coupled with revelations from whistle-blowers.

The final collapse on 25 June came just seven days after the company's long-term auditors, EY, refused to sign off the accounts for 2019 because €1.9-billion had disappeared. In a statement, EY said: "There are clear indications that this was an elaborate and sophisticated fraud involving multiple parties around the world." Wirecard's Austrian founder and CEO, Markus Braun, was arrested, accused by Munich prosecutors of a fraud

that probably stretches back to 2015, involving inflation of the company's worth and balance sheets to deceive investors. Wirecard's former head of finance, Burkhard Ley, has also been arrested, along with the group's head of accounting, Stephan von Erffa.

Another executive now in custody is Oliver Bellenhaus, who ran Wirecard's CardSystems Middle East, from an office in Dubai. He was arrested on suspicion of conspiracy to commit fraud, attempted fraud and aiding and abetting other crimes. He had



Burkhard Ley

© ir/wirecard

travelled from Dubai to Munich and handed himself in, but he remains in police custody because he is considered a flight risk. All of this casts doubt on Germany's financial regulator, BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht).



Markus Braun

An international arrest warrant has also been issued for another Austrian, Jan Marsalek, the company's former chief operating officer, who has disappeared but whose interests may well tie him to the very heart of the fraud. Some sources initially suggested he may be in the Philippines, where Wirecard has a presence and where he told colleagues he was going 'to find the missing millions'. But the documentation for his journey seems to have been faked, possibly by officials at Manila Airport. It now

looks more likely that he is hiding out in Belarus, where it will be harder to get him back. He may have travelled on to Russia. He is believed to have been working with (but not actually for) Russia's military intelligence unit, the GRU, which is held responsible for the attempted murders of Sergei Skripal and his daughter in the UK and for manipulating the 2016 presidential election in the United States.

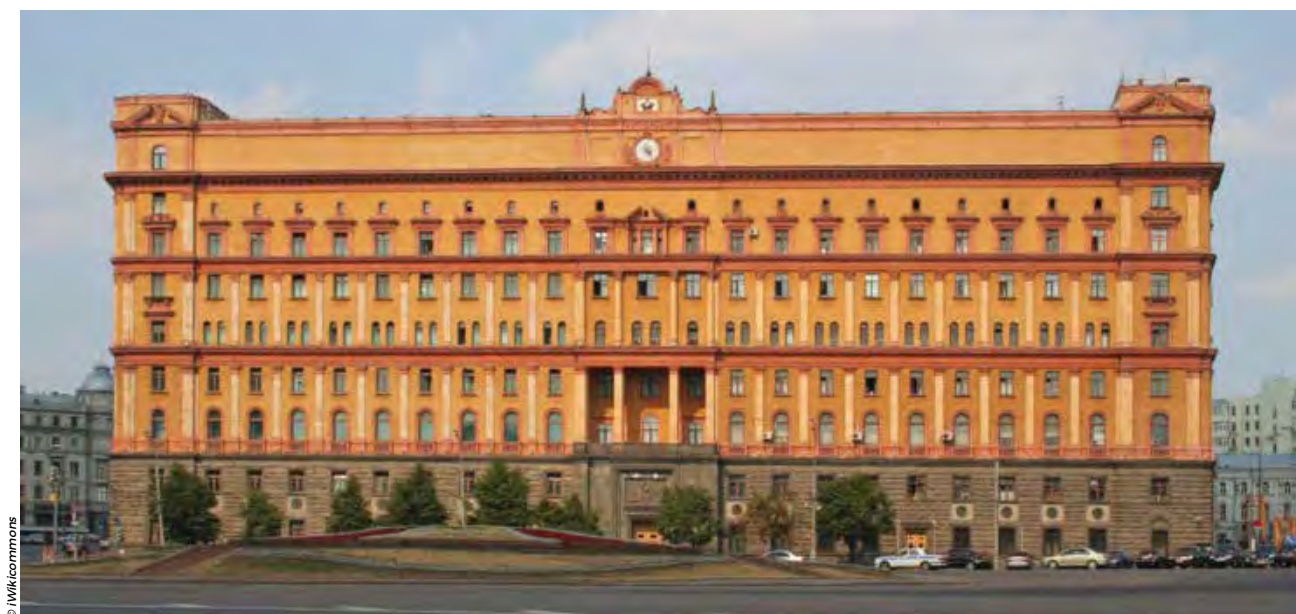


Wirecard Former COO, Jan Marsalek

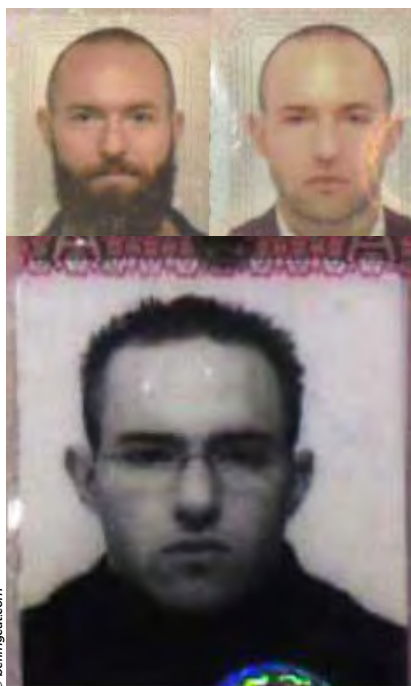
He is now thought to have possible links to Russia's secret intelligence agency, the FSB, as well and is known to be 'of interest' to that agency. No fewer than three western intelligence agencies have questions to put to him, quite apart from asking why a financial company executive was trying to recruit 15,000 Libyan militia troops. Marsalek was involved with

the Austria-Russian Friendship Society, a Russia-backed organisation intended to improve Russo-Austrian relations.

According to the FT: "The Friendship Society, which has courted criticism in the past because of its cosy relationship with Moscow, hit the Austrian headlines this week, after it was revealed that its finance secretary had been receiving classified documents from Mr Marsalek - illegally obtained from Austria's interior ministry and security service - and passing them to the country's far-right populist party, the FPÖ." Indeed, few of the people Marsalek had dealings with seem to have any idea of what his true intentions were. It's fairly safe to say, though, that he wanted to provide military and financial aid to far right political causes and that he is deeply involved with Russian power politics. It seems possible that his militia recruits were intended to police Libya's southern border against illegal immigration, giving him leverage in Brussels where the issue remains a major problem. But the FT reports that in that respect, Marsalek had other strings to his bow: "When it came to his plans to try to set up a southern Libyan border force, Mr Marsalek regularly told interlocutors he would have no problem securing armed force on the ground from Russia - thanks to deep relationships he held with Russian 'security specialists'."



The Lubyanka building FSB headquarters in Moscow



© Bellingcat.com

Three passport photos from Marsalek's Austrian passports

It was reported by the investigative website Bellingcat that Marsalek had made some sixty visits to Russia, initially using commercial flights but from 2016 on, in private executive jets and to a variety of Russian locations, not just Moscow. "One particular trip stands out for its party-like country-hopping nature," reports Bellingcat. "On 29 September 2016 Marsalek flew in from Munich to Moscow at 1:55 am, only to depart for Athens at 7:58 that same morning. The next day he flew back from Greece – this time into St. Petersburg, where he stayed only 5-and-half hours, before taking off back to Greece – but this time to the vacation island of Santorini. He changed three different private jets during this whirlwind of a trip." But his alleged links with the FSB didn't stop the agency from refusing him the right to leave Russia in 2017. Bellingcat again reports that after a 5-day visit to Russia he was denied the right to leave. "Immigration records show that on the morning of 15 September, at 8:05 his attempt to leave the country using a private business jet was denied by FSB's border service. It is not clear what caused the detention, but it appears that his initially booked jet had to be let go without Marsalek. At 17:35 that afternoon, Marsalek did leave Russia after all, using a different private jet." This was the last time he visited Russia, or at least the last time he did so using his Austrian passport.

What was he up to? That's something Wirecard's shareholders and the police and financial authorities in Germany, Austria and Brussels would love to know. In any case, these are not the activities of your average company financial controller. When Wirecard went down, it owed its creditors almost €3.5-billion.

The collapse forced out Chief Executive Markus Braun who admitted that €1.8-billion of its book money simply didn't exist. That's a lot to lose down the back of the sofa. For now, at least, Marsalek is wanted by the authorities in Germany and Austria on charges of fraud and embezzlement. Instead of a simple embezzlement and fraud investigation, though, it begins to read like the plot of a novel by John le Carré. Marsalek is known to have had three separate Austrian passports, although one of them bore an unofficial number, as well as a passport issued by another unnamed country and a diplomatic passport, again issued by an unidentified third country. The FSB started to monitor his movements, which is unusual, according to Bellingcat. "We have previously seen global monitoring of foreigners in this database only in one other case – that of a financial backer of the UK Brexit referendum in 2016." Russia is also refusing to cooperate with a Europol request for help in finding Marsalek.



Markus Braun

WATCHING, WAITING, FIDDLING

But it's an ill wind that blows nobody any good: a number of hedge funds have been shorting Wirecard's stock for some time and it's now believed that at least ten of them have made a killing on the collapse.



© Wirecard.com

Wirecard promotion

The hedge fund with the biggest short position, Coatue Management, is thought to have made a paper profit of €271-million, according to calculations by Reuters. While Wirecard's shares crashed from €104.5 to €2.5 in less than a week, a fall of 97%, the ten known hedge funds made millions, and many more may have made considerable gains as well. In fact, according to Market Watch, "Short sellers, who borrow shares and sell them hoping to buy them back for less in the future, notched paper profits of \$2.6 billion (€2.22-billion) off Wirecard's plunge, according to data-analytics firm S3 Partners. Bets by the eight funds with the biggest short exposure to Wirecard, including in options markets, delivered paper profits of \$1 billion (€0.85-billion) according to Breakout Point, a research service." A bonanza day for those who believed the prophets of doom. In fact, those prophets turned into profits. Schadenfreude for fun and profit, indeed. However, as Bloomberg points out in an on-line opinion, short sellers also serve a useful purpose. Yes, they make a profit, "But, believe it or not, for many short sellers it's not only about the money. They perform an important though rarely acknowledged function in rooting out corporate malfeasance through countless hours of detective

work, often at great expense. As with Wirecard, they're sometimes happy to share their concerns with regulators." One short seller, Fahmi Quadir of Saffhet Capital, which had taken a short position on Wirecard stock, wrote to the German regulator, BaFin, to draw attention to the problem when BaFin took the bizarre step of banning short selling of Wirecard stock for a period of two months in order to uphold market confidence. Meanwhile, a social media campaign was launched against short sellers. Wirecard's board always denied they were involved, but short sellers were subjected to Internet trolls and phishing attacks and one man claims his house was put under surveillance by unidentified men. It makes one wonder if the management were quite so ignorant of Wirecard's illicit shortcomings as they later claimed; they were very determined to protect the fortunes they had built on fake foundations. Wirecard admitted that they had hired private investigators in the past.

reports that an attempt to hack into its files had been made by Russia's GRU. The attack was uncovered by Dutch intelligence services in October 2018. Had Marsalek's Russian friends provided the data? And if so, why? Was it just to prove that Marsalek is not a fantasist and that nobody should touch Wirecard? Vladimir Putin's Russia, however, seems willing to leave its fingerprints on brazen outrages around the world that it later denies; there's no proof that could stand up in court but more than mere suspicion that Moscow wants everyone to know that it can exert its influence on the world stage without being nervous about discovery. It's the sort of thing that keeps Russia's restless (and often extremely wealthy) *émigrés* on their toes, aware of the fact that although they're abroad, they're never out of the Kremlin's reach.

Wirecard claims that the €1.9-billion disappeared from its operation in the Philippines, which was run by Marsalek. The money vanished from

never be repaid, including Germany's Commerzbank and LBBW as well as the Dutch lenders ABN Amro and ING. It's an irony for Commerzbank, because its position on the blue-chip index was lost when Wirecard was admitted to it. For Germany, where the rise and rise of Wirecard was hailed as a German success story, it's hugely embarrassing.



BaFin Headquarters in Bonn

The whole affair turns a timely spotlight on the country's oversight procedures. It's especially embarrassing for Germany's financial regulator, BaFin, which in 2018 seems to have played down negative reports in the media, especially an investigation by the Financial Times suggesting that Wirecard executives were cooking the books, just as some whistle-blowers were claiming. Instead of looking into the truth of the claims, BaFin banned investors from shorting their stock, while that stock fell in value by more than 40%. Interestingly, BaFin still believes it reacted correctly, although a German MP, Florian Toncar, of the Free Democratic Party, said in an interview on Norddeutscher Rundfunk radio that "This is a documented failure of supervision to intervene when there was clear evidence in this case." It's an especially damaging blow because Wirecard was regarded as an innovative company. "Wirecard was until now," said Toncar, "one of the few functioning tech companies that have come up with new ideas in the marketplace and now it turns out that that was to a great extent smoke and mirrors."

THE FINGER OF BLAME

It's not the first time that a German company has been caught out in dishonest acts, even though



Members of the management board of Wirecard AG during a statement in Aschheim trying to appease shareholders just before the crash

Various funds had been betting against Wirecard for years, which was one reason why the elusive Marsalek travelled to London in 2018, carrying a dossier of files apparently from the Organisation for the Prohibition of Chemical Weapons, OPCW. One of them gave details of the plot to kill Sergei Skripal, another contained the chemical formula for Novichok, the world's deadliest nerve agent and the one used in Salisbury, UK, in the unsuccessful murder attempt that none-the-less killed an innocent woman and seriously injured several other people. The OPCW is known for its tight security, but the FT

escrow accounts and Wirecard said it had been the victim of fraud, before admitting the money had never existed. An escrow account is normally used to hold funds in trust while two or more parties complete a transaction, after which the funds are dispersed to the appropriate parties. The difference here is that the supposed escrow accounts didn't actually exist. Banks in the Philippines said the documents produced by Wirecard appeared to be false. The country's central bank said the supposed money had never entered its financial system. The money that is missing leaves a number of lenders facing the probability that they will



Wirecard headquarters in Munich

the country's policy of co-management (known in Germany as *Mitbestimmung*) ensures that workers have a place on boards and therefore the right to scrutinise what the company is doing. Ever since 1951, it's been the law that large firms, initially in the coal and steel sectors, reserve half the board seats, together with voting rights, for members of the workforce, most often elected by the workers themselves from union slates. This meant that workers could vote on all the firm's strategic choices and have access to all the same documents as management and shareholders. In 1952, another law made it mandatory for large firms in other sectors to reserve a third of the seats on the board for representatives of the workforce. These laws were further enhanced in 1969 and 1982 while a law on co-management was enacted in 1976, that requires firms with more than 2,000 employees to save half their seats on the board, together with voting rights, for worker representatives, or in the case of firms with between 500 and 2,000 workers, one third of the seats. These laws have been used to explain Germany's success as an industrial power, although it didn't stop unlawful practices: just look at Volkswagen and the diesel emissions scandal. And Germany is still making fairly slow progress at improving board oversight, getting more women onto company boards and trying to get companies to include financial experts among its board appointees.

In the case of Wirecard, it's the parent company, Wirecard AG, that has filed for insolvency. It employed only about 200 people, although in the wider group there were some 5,800 employees, most

of whom seem to have been happy at the company. Marcus Braun had an 81% approval rating among staff. It's worth remembering that Wirecard is more than Wirecard AG. According to the eFinancial Careers website, "Wirecard Bank, which processes credit card payments, is not part of the insolvency proceedings and the UK's Financial Conduct Authority (FCA) has said that Wirecard's U.K. business can continue operating, issuing e-money and providing payment services." The FCA has imposed a number of requirements on Wirecard, however, including that it must not dispose of any assets or funds, and not carry out any regulated activities. It is authorised to issue e-money and provide payment services but must also say on its website that it is no longer permitted to conduct any regulated activity. June salaries for employees in Germany, France and Luxembourg are said to have been suspended. But it may not be the end of the Wirecard story. It's not clear what happens next in the U.S.," writes eFinancial Careers, "where Wirecard was on a hiring drive and just brought in a senior 'talent acquisition partner' based in Pennsylvania to oversee the expansion." However, Wirecard still has a recruiting website, on which it says "As an international employer with locations on all continents, we offer you a host of opportunities to further your personal and professional growth. Our outstanding pioneering spirit and highly motivated employees make Wirecard a truly unique company to work for." Well, yes, but it's been under some fairly dodgy management, hasn't it? The website suggests not: "We provide you an inspiring and interesting

work environment characterized by a wide range of opportunities to attain your personal goals." We're left to wonder if Marsalek is attaining his personal goals. Wherever he is. And in any case the website concludes with this unencouraging statement: "Unfortunately, there are currently no open positions." Apart from in police cells awaiting the return of Marsalek, of course.

THE BLAME GAME

Meanwhile, the EU's European Securities and Markets Authority (ESMA) is conducting an inquiry of its own into the responses of BaFin and Germany's Financial Reporting Enforcement Panel (FREP) and into Wirecard AG's collapse, which is due to be completed by the end of October 2020. BaFin claims that it lacks the powers to enforce the EU's Transparency Directive.



Steven Maijoor Chair of ESMA (the European Securities and Markets Authority)

ESMA was asked in a letter from the European Commission to investigate. “The assessment will focus on the application of the Guidelines on the Enforcement of Financial Information (GLEFI) by BaFin and FREP, the designated competent authorities for the supervision and enforcement of financial information in the Federal Republic of Germany under the Transparency Directive (TD).” Add to these problems the profound complexity of Wirecard’s business activities, handling cashless payments among a complicated network of credit card companies, banks and merchants, while according to Associated Press, much of the value shown in Wirecard’s balance sheets “was in the form of intangible financial factors such as accounting goodwill and customer relationships.” You can’t put a price on a smile and a nod. “ESMA also invited BaFin and the European Commission,” according to its own website, “in the country-specific onsite report, to investigate whether the TD is correctly transposed by Germany, given BaFin’s self-declared inability to comply with the GLEFI due to a lack of enforcement powers.” To make things worse, much of Wirecard’s activities took place in hard-to-follow and uncooperative Asian jurisdictions.



German prosecutor Anne Leiding in charge of the Wirecard probe

The Official Monetary and Financial Institutions Forum, OMFIF, writes on its website that the work must now begin to find out what went so badly wrong. “The first one, hardly unique to Germany, is the nexus between a

lax market culture and a regulator captured by the industry which holds and promotes that culture. The remedy can only be to create a distance between the regulator and the regulated. Europe has already gone through this experience in the case of the banking union.” OMFIF suggested the creation of a supervisor at the European Central Bank, safely isolated from the risk of national pride getting in the way. The problem here is that Wirecard was too small to fall under ECB supervision, which left BaFin in charge. OMFIF says that Europe should make use of this crisis to reform its institutions and control. “The European Securities and Markets Authority,” it suggests, “an agency so far endowed only with weak coordination powers over national market supervisors, should be restructured and empowered with a new statute and legal basis. The conditions which permitted the Wirecard scandal to arise are still with us. They should be removed, not only in Germany, but in the whole of Europe.” OMFIF points out that something also needs to be done about regulatory arbitrage as more and more third country banks are repositioning to the European mainland, an issue made more serious and urgent because of Brexit.

Wirecard’s stunning rise should, perhaps, have rung more alarm bells than it did. From being a small company involved, according to DW, in “gambling and pornography”, it had risen to become one of the world’s largest and fastest-growing financial technology companies. This in itself was an achievement as Germany was generally regarded as somewhat behind the times in the world of financial technology. “Over the years, the understandable enthusiasm for a rare German financial tech success story gave way to the far more sinister force of wilful misbelief,” writes DW’s Business writer, Kate Ferguson. “In January of last year, when the FT reported on the suppression of an internal investigation of Wirecard in Singapore, Germany’s financial regulator, BaFin, responded by accusing the paper of attempting to manipulate the market.” Those whose job it was to keep an eye on things preferred, it seems, to talk up

the company’s success while playing down any suggestion that it was not only holed beneath the waterline but that large parts of the hull simply weren’t there.



Felix Hufeld, President of BaFin



EU Commission Vice-President Valdis Dombrovskis

The head of BaFin, Felix Hufeld, admits that the Wirecard affair is “a disaster” but has seemed reluctant up to the time of writing to admit any errors on the part of his organisation. His rôle is being investigated by EU officials from ESMA. According to the Austrian broadcaster, ORF, EU Commission Vice-President Valdis Dombrovskis told ‘Handelsblatt’: “On the commission side, we are examining the lessons to be learned from the Wirecard case for EU financial market legislation and whether we need to improve rules. In particular, we look at the transparency directive, the accounting directive, the rules for auditors and the regulations against market abuse.”



Wirecard's stocks dive from 87.25 to 1.06

The European Commission says “The EU Transparency Directive gives national supervisory authorities such as BaFin clear responsibilities to ensure that companies comply with their obligations regarding correct financial reporting. The European Securities and Markets Authority (ESMA), based in Paris, sets common enforcement priorities for national supervisory authorities and in certain cases can also intervene directly in national supervision.” The Commission’s office in Germany says that if ESMA’s initial report reveals deficiencies in the enforcement of EU regulations on financial reporting by BaFin, “the EU should be ready to demand consequences.” The EU may well want to see consequences for Hufeld but it would be even happier to see Marsalek brought back to face the consequences of his bizarre alleged actions, if only Russia would cooperate. That fact that it won’t suggests a possible link with the Wirecard scandal that goes beyond a little investment and a rogue

operative, though what Russia’s aims could have been are very hard to guess. The Wirecard scandal has been dubbed ‘Germany’s Enron’ by some observers.

The auditors who finally brought the scandal to public notice by refusing to sign off the accounts, EY, have also come in for heavy criticism. CNBC reports that the law firm Schirp & Partner have brought a class action lawsuit against the EY on behalf of Wirecard investors, alleging it failed to flag improperly booked payments on Wirecard’s 2018 accounts. The German shareholders’ association, SdK, has also filed a criminal complaint against the auditors, targeting two current employees and one former staff member at EY. BaFin may have egg on its face over the scandal but it seems there is enough egg to go around and cover several faces. Oddly and ironically, the only people who seem to have emerged from the mess with any credibility are the FT investigating

team, the Wirecard whistle-blowers and, most strangely of all, the hedge funds who shorted Wirecard stock and who have cleaned up because of its collapse. CNBC also reported a statement from EY, although they are not offering any further commentary on what happened at Wirecard. “Collusive frauds designed to deceive investors and the public,” the statement says, “often involve extensive efforts to create a false documentary trail. Professional standards recognize that even the most robust and extended audit procedures may not uncover a collusive fraud.” The statement is unlikely to deter either Schirp & Partner or SdK from pursuing their legal actions.

Every time it seems as if the mist surrounding the scandal is clearing, a new piece of information thickens it again. Now the news website EURACRTIV says the scandal could turn out to be much greater than has so far emerged. “Following reporting

from Der Spiegel that the German chancellery had undertaken lobbying work on behalf of the scandal-hit Wirecard financial services company, the Greens, liberal FDP and Die Linke, who are in opposition, are now demanding a formal clarification from Finance Minister Olaf Scholz (SPD)."



© Federal Ministry of Finance/Thomas Koehler

Olaf Scholz German Finance Minister

Hasepost, based in Osnabrück, reports the very serious way the European Commission, especially its vice-President, Valdis Dombrovskis, is regarding the Wirecard scandal. "Dombrovskis is also considering depriving national authorities such as BaFin of oversight of large payment service providers such as Wirecard and transferring them to EU banking supervision," reports the website. Dombrovskis has confirmed that this is under serious consideration and the Commission will present a Fin Tech Action Plan in autumn. "It will also look at how major third-party financial service providers will be subject to EU banking supervision in the future," Hasepost reports Dombrovskis as saying.

Wirecard AG's former CEO, Markus Braun, now faces additional questioning about alleged improper activities, according to the Swiss financial news website, Finanzen.ch. "Because of a share sale shortly before the Wirecard bankruptcy," it reports, "the former company director Markus Braun is suspected of illicit insider trading. This was confirmed by the German financial regulator BaFin on Wednesday. This had been reported to the Munich public prosecutor's office, said a

BaFin spokeswoman." Braun has rejected the allegation through his lawyer. Given that he presumably knew that the whole house of cards was about to come tumbling down around his ears, it seems almost petty to engage in insider trading to make a quick buck. It would be like carrying out an armed bank robbery and stopping on the way out to pinch the bank's blotter, notebook and pen. In any case, given the seriousness of the allegations he's expected to face, I would not have thought this latest accusation holds many terrors, other than as a further indication that illicit goings-on were going on. And for Wirecard shareholders, the news keeps getting worse. According to Finanzen.ch, the US Department of Justice is now reported to have launched an investigation into the German payment service provider. There are more allegations against the fallen financial payments firm: falsification of the balance sheet, falsification of documents, arrests, bankruptcy - all these are important keywords for the news situation around Wirecard in the past weeks. Now, says Finanzen.ch, "the scandal seems to be spreading even further. As the Wall Street Journal reported on Wednesday evening, the Department of Justice in Washington has launched an investigation into the German payment service provider. More specifically, it is said to be an online platform for buying and selling cannabis," a scam with an estimated value of \$100-million (€85-million). Perhaps not surprisingly, Wirecard's subsidiary in the US, Wirecard North America Inc., has put itself up for sale, with an investment bank coordinating the transaction, if a buyer can be found. It seems likely one will; it's been reported that a hundred or so entities have expressed an interest in buying up whatever is left of Wirecard when the dust settles. Wirecard's shares have not fallen to zero - at the time of writing they have risen from 1.59 to 1.8794 (the price fluctuates second by second) in three days - and some investors are hanging on to them, despite the fact that Munich prosecutors have raided the company's offices. As long as there is still money to be made, of course, those who know how to make it will continue to sniff around.



© Frank Rumpenhorst

Dr Jens Weidmann, President of the Deutsche Bundesbank, Member of the Governing Council of the ECB

But for now, the President of the Bundesbank, Jens Weidmann, says Germany must toughen up its auditing and accounting rules to prevent another billion-euro fraud. In a newspaper interview, Weidmann admitted "we have to do more to prevent it in future", with more powerful, enforceable rules and procedures given to German authorities. "For example, the audit process and the tasks, powers and liability of auditors should be reconsidered," Weidmann told the newspaper. It now looks as if Wirecard had borrowed €3.2-billion under false pretences, with the money now believed to be lost. Since the sudden collapse of the company, German Finance Minister Olaf Scholz has proposed to toughen financial oversight of companies, "seeking to pre-empt an expected parliamentary backlash over the failure of regulators to spot the unprecedented fraud", according to Yahoo Finance. "Scholz rushed out a reform agenda that would give financial watchdog BaFin greater investigative and enforcement powers, broaden its mandate to cover non-banking financial institutions and toughen penalties against lax auditors." So don't worry, the stable door is being firmly shut, even if the horse has not only bolted but had been seen to be packing its bags to leave for years. No-one in power wanted to heed the warnings or read the runes. As the old proverb goes, there's none so blind as those that will not see.

Robin Crow



© European Union

Stella Kyriakides

COVID-19

European Commission secures EU access to Remdesivir for treatment of covid-19

The European Commission has signed a contract with the pharmaceutical company Gilead to secure treatment doses of Veklury, the brand name for Remdesivir. Veklury was the first medicine authorised at EU level for treatment of COVID-19. As from early August onwards, and in order to meet immediate needs, batches of Veklury will be made available to Member States and the UK, with the coordination and support of the Commission.

Stella Kyriakides, Commissioner for Health and Food Safety, said: *"In recent weeks, the Commission has been working tirelessly with Gilead to reach an agreement to ensure that stocks of the first treatment authorised against COVID-19 are delivered to the EU. A contract has been signed yesterday, less than a month after the authorisation of Remdesivir, which will allow the delivery of treatments from early August for thousands of patients. The Commission is leaving no stone unturned in its efforts to secure access to safe and efficient treatments, and is supporting the development of vaccines against coronavirus. Yesterday's agreement is another important step forward in our fight to overcome this disease"*.

The Commission's Emergency Support Instrument will finance the contract, worth a total of €63 million. This will ensure the treatment of approximately 30,000 patients presenting severe COVID-19 symptoms. This will help to cover the current needs over the next few months, while ensuring a fair distribution at EU level, based on an allocation key, taking into account the advice from the European Centre for Disease Prevention and Control.

The Commission is now also preparing a joint procurement for further supplies of the medicine, expected to cover additional needs and supplies as from October onwards.

BACKGROUND

On 3 July, Remdesivir became the first treatment to be authorised for a conditional marketing authorisation. This authorisation facilitates early access to medicines in public health emergency situations, such as the current pandemic.

Remdesivir is a treatment against COVID-19 for adults and adolescents as from age 12 with pneumonia who require supplemental oxygen. The application for the marketing authorisation was submitted to the European Medicines Agency (EMA) on 8 June. EMA's recommendation was endorsed by the Member States through the Standing Committee on Medicinal Products for Human Use.

While authorised in the EU, the medicine continues to be monitored to ensure safety. Gilead has also been requested to submit the final reports of the Remdesivir studies to the EMA by December 2020 as part of the conditions to be fulfilled to move from a conditional marketing authorisation to a full marketing authorisation. Further data on the effectiveness and safety of the medicine is expected to be submitted by August 2020 in order to finalise this process.

Source: ec.europa.eu



- All done inhouse from our Monaco based factory.
Come and visit us.
9 Avenue Albert II, 9th floor.
- INTERNET PRICES | BRITISH CUSTOMER SERVICE | MONACO QUALITY**
- t: 06 43 9198 89
e: quotes@monacoprint.com

t: 06 43 9198 89
e: quotes@monacoprint.com

NEWLY ACCREDITED EUROPEAN AMBASSADORS



Ambassador of Malta Carmel Vassallo (L) presents his Letters of Credence to H.E. Sergio Mattarella, the President of the Italian Republic



The new ambassador of Portugal to the Islamic Republic of Iran Carlos Antonio Rico Da Costa Nos (left) presents his Letters of Credence to Iran's Foreign Minister Mohammad Javad Zarif



© Presidency RDC

UK Ambassador to the Democratic Republic of Congo Emily Maltman, presents his Letters of Credence to Félix-Antoine Tshisekedi Tshilombo



© kosovapress

President of the Republic of Kosovo Hashim Thaçi (right) received today the credentials of the new Ambassador of the Federal Republic of Germany to Kosovo, Jörn Rohde



© Presidency RDC

Israeli President Reuven Rivlin accepting the credentials of Romanian Ambassador to Israel Radu Ioanid (left)



© CPO/Amos Ben Gershon

Israeli President Reuven Rivlin (L) rubs elbows with new accredited Greek Ambassador Panayotis Sarris



© Marcello Mencarini/Bridgeman Images

Marcello Mencarini, the Lamborghini Miura SV, 1973 Photo

A PLACE TO VISIT

August 2020 -
January 2021

For the first time, the Cité de l'Automobile will be focusing on Lamborghini in 2020 and bringing together the Italian car manufacturer's flagship models, designed by renowned coachbuilders and designers. Since it was founded by Ferruccio Lamborghini, the automobile marque has created a sensation in automotive circles, appealing to sportsmen, actors, and major figures, and has become a benchmark for supercars on the road and on the silver screen.

Rare vehicles, such as the Lamborghini Flying Star II, an exclusive shooting brake created by the coachbuilder Touring, and some of which are little known, will shed new light on the magnitude of the brand, from the 1960s to the twenty-first century.

These exceptional loans, most of which have been given by private collectors, will complement the Schlumpf Collection, the world's biggest collection of historic vehicles, and highlight the importance of Lamborghini, not only in the history of the automobile but also in pop culture.

In 1963, Ferruccio Lamborghini began manufacturing luxury sports cars. The

wealthy industrialist, who had a passion for things mechanical and was disappointed with the vehicles produced by the major automobile marques of the time (Ferrari, Maserati, Jaguar, Alfa Romeo, etc.), set himself the crazy challenge of competing with the legendary Ferrari marque.

Angry and frustrated with Ferrari after finding a faulty part in his car, Ferruccio Lamborghini decided to establish his own automobile manufacturing company, Automobili Ferruccio Lamborghini, which began operations on 1 July 1963 near Modena. Several prototypes were developed, each of which was named after a bull—Ferruccio was born under the astrological sign Taurus—, which became the company's emblem and was synonymous with passion and character, aimed at a sensation-seeking clientele.

In 1965, Lamborghini unveiled the **Miura**, the first roadgoing sports car with a central rear-mounted engine similar to that of racing cars and a **speed of over 300 km/h (186.41 mph)**.

From the unveiling of the first model, the **350 GTV**, at the Geneva Salon in 1964 to the **Urus** desert crossing last year, the Lamborghinis, which proudly uphold an Italian heritage and creativity, are characterised by their radical design and aesthetics that push contemporary design and technological theories to their limit.

Via several themes, the exhibition recounts the sometimes turbulent history of the Italian car maker, and highlights the uniqueness of the marque's extraordinary cars and the dreams they continue to symbolise, while the marque, which is synonymous with supercars, has ventured into new territory: on racing circuits and off road with one of the most audacious SUVs on the market today.

From the first visionary models to the more recent super sports cars—dream machines that stir the adrenalin—, the exhibition recounts the history of the automobile marque and the reasons for its many resurrections that have survived economic crises.



Photo © sfg/mondadori portfolio/sergio del grande

Ferruccio Lamborghini between a Lamborghini Jarama and a tractor, 1970 Photo

Alongside exceptional vehicles will be presented numerous archive documents (photographs, film clips, etc.) and works of art (including *Disintegrating X* by Fabian Oefner).

The exhibition adopts a transversal approach to an innovative avant-garde marque that has established a distinctive identity in the GT car and supercar market through the uniqueness of its cars and its predilection for speed.

Curatorship: Frédéric Brun, the author of several books on the history of the automobile, a journalist, collector, and a member of international juries at car beauty contests.

**Cité de l'Automobile
Musée national**

Collection Schlumpf

**192, avenue de Colmar
Mulhouse**



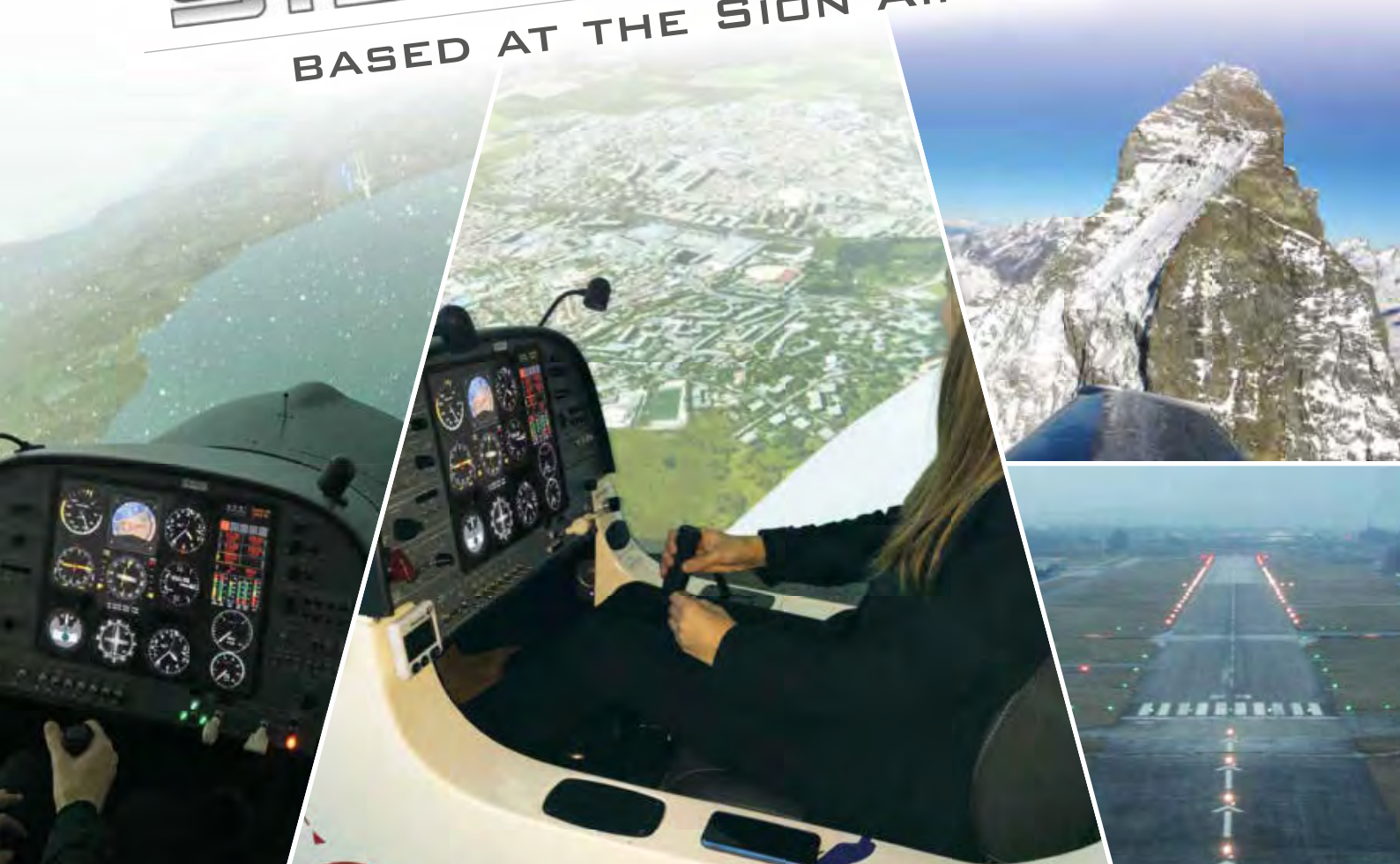
Photo © AGIP/Bridgeman Images

Johnny Hallyday with his new Lamborghini Miura, 1 June 1967

**WHY NOT FLY A PLANE
OR A SIMULATOR DURING
YOUR STAY IN THE SWISS ALPS ?**



SILVERWINGS
BASED AT THE SION AIRPORT



CALL +41 79 487 94 92 - WWW.SIMULATEUR.CH

VAN GOGH MUSEUM ACQUIRES 1888 LETTER FROM VAN GOGH AND GAUGUIN TO BERNARD FOR 210,600 EUROS



At an auction at Drouot in Paris, the Vincent van Gogh Foundation acquired a singular letter written by Vincent van Gogh. The letter, which will be added to the Van Gogh Museum collection, was written in 1888 by two of the greatest artists of the 19th century: Vincent van Gogh and Paul Gauguin. The two artists take turns to give an account of their stay at the Yellow House in Arles to their artist friend Emile Bernard. During this intense period, Van Gogh and Gauguin lived together and worked tirelessly

on their vision of modern art, as well as considering their place in its future. Their artistic dialogue at the time was ceaseless, and was sometimes continued at the brothel, as well as in this letter. This is the only letter that Van Gogh ever wrote together with another artist. The museum considers the letter to be the most significant document written by Van Gogh that was still in private hands. Emilie Gordenker, Director of the Van Gogh Museum: 'We are delighted and very grateful that the Vincent van Gogh Foundation has made it possible

to add such a remarkable letter as this to our collection, especially in these challenging times. The museum would not have been founded or exist today without the Vincent van Gogh Foundation. It is once again thanks to the foundation that we can add a significant new item to the museum's collection. We always work closely with the foundation, and are thrilled that – thanks to this acquisition – this important letter can be included in our autumn exhibition focusing on Van Gogh's letters.'

mon cher copain Bernard
 les jours où nous avons beaucoup travaillé
 et entre temps j'ai eu le rêve de la ce-
 que fait que je n'ai guère eu le temps d'écrire
 Gauguin m'intéresse beaucoup comme
 homme - beaucoup - Il m'a depuis
 longtemps semblé que dans notre sale
 milieu de peindre nous avons le plus grand
 besoin de gens ayant des mains et des
 estomacs d'ouvriers - Des goûts, plus
 naturels - Des tempéraments plus
 amoureux et plus charitables -
 que le boulevardier parisien décadent
 et crevé -

Et ici sans la moindre doute nous
 nous trouvons en présence d'un
 être vierge à motifs de fauve
 Chez Gauguin le sang et le sexe
 prévalent sur l'ambition. Mais suffit
 la l'as vu depuis plus longtemps que
 moi seulement ravivé en quelques
 mots de premières impressions.
 Ensuite je ne pense plus que cela l'épate
 beaucoup et je le dis que mes
 discussions tendent à rendre le sujet
 terrible d'une association de certains peuples

Cette association doit-elle avoir
 ou non un caractère commercial
 Nous ne sommes encore arrivés à
 aucun résultat et n'avons point encore
 mis le pied sur un continent nouveau
 Or moi qui ~~sois~~ ai un pressentiment
 d'un nouveau monde qui croit cesser
 à la possibilité d'une immense renouveau
 de l'art - Que crois que cet art nouveau
 aura les tropiques pour patrie

Il me semble que nous sommes en servons
 que d'intermédiaires. Et que ce ne sera
 qu'une génération suivante qui réussira
 à vivre en paix. Enfin tout cela
 nous devons et nos possibilités d'action
 nous sauront nous devenir plus claires
 que par l'expérience même.

J'ai été un peu surpris de ne pas
 encore avoir vu les études promises
 en échange des miennes.

Maintenant ce qui t'intéresse - nous
 avons fait quelques excursions dans les
 bords et il est probable que nous trouverons
 par ailleurs souvent travailler lui - Gauguin
 à dans ce moment. Et nous une fois de même

café de nuit que j'ai peint aussi. mais avec
 des figures vus dans les bordels. Cela promet
 de devenir une belle chose.

Mais j'ai fait deux études et une chute
 des feuilles dans une allée de peupliers
 et une troisième étude de l'ensemble
 de cette allée entièrement jaune.

Je déclare ne pas comprendre pourquoi je ne
 fais pas d'études de figures alors que théoriquement
 il m'est parfois si difficile de concevoir la
~~peinture de l'avenir~~ ~~comme autre chose~~
 que une nouvelle série de puériles portraits
 simples et compréhensibles à tout le
 grand public. Enfin peut-être je
 suis sous peur me mettre à faire les bordels.
 Je laisse une page pour Gauguin
 qui probablement va écrire aussi.
 et te tenir bien la main en pensée.

Vincen L
 Millet le sous off. Gouaves est parti pour
 l'Afrique et ~~peut-être~~ arriverait bien que
 lui envoie un de ces jours.

Vous ferez bien en effet de lui écrire
 quelles sont vos intentions afin qu'il
 prenne les devants pour vous.

prépare la voie -

M. Millet sous lieutenant de
 Gouaves. Gouaves. Afrique.

N'ajoutez pas Vincent, il a comme
 vous l'admiration facile et
 se indulgent d'ito. Son idée sur
 l'avenir d'une génération nouvelle
 aux tropiques comme finit me
 paraît absolument injuste et je continue
 à avoir l'intention d'y retourner
 quand je trouverai les moyens. Tu sais
 un peu de chose?

Vincent a fait deux études de feuilles
 tombantes dans une allée qui sont dans
 ma chambre et que vous aimerez bien
 sur toile à sac très grosse mais
 très bonne.

Envoie de vos nouvelles et
 de tous les copains

Paul Gauguin

ABOUT THE LETTER

Vincent van Gogh and Paul Gauguin wrote the letter (in the complete correspondence) in 1888, about a week after Gauguin went to live with Van Gogh at the Yellow House in the South of France, to work closely together as artistic partners. This was the first concrete step towards realising Van Gogh's dream: to establish a utopian artists' colony in Arles. Van Gogh was also keen for the artist Emile Bernard to travel south, and sent him detailed descriptions of everything that happened at the house. In this letter, the artists do not waste any words on pleasantries, instead getting straight to the point: the letter is a visionary explanation of their artistic collaboration and the future of modern art.

While the letter to Bernard is written by both artists, it is also a dialogue between Van Gogh and Gauguin themselves. They took turns to write about their first impressions of the collaboration, but knew that the other artist would also read the letter. The artist friends' different tones of voice add a psychological depth to the letter, particularly considering the tragic end of the partnership when Vincent cut off his ear during a psychotic episode.

The letter also offers an intriguing insight into how the artists set to work: Van Gogh wrote: 'Now something that will interest you — we've made some excursions in the brothels, and it's likely that we'll eventually go there often to work.'

Exhibition 'Your loving Vincent'. Van Gogh's Greatest Letters from 9 October 2020

This autumn, the museum will explore how, alongside being a talented artist, Vincent van Gogh was also an avid letter writer. With at least 875 documents, the Van Gogh Museum is home to the world's largest collection of Van Gogh's letters (the complete correspondence of Vincent van Gogh contains some 930 letters and associated documents), but these letters are rarely put on public display due to their fragility. The exhibition 'Your loving Vincent'. Van Gogh's Greatest Letters offers visitors the opportunity to view 40 of Vincent van Gogh's letters alongside iconic artworks such as *The Bedroom* (1888), *The Sower* (1888) and *The Potato Eaters* (1885).

Up until now, the museum collection did not contain any letters written by Van Gogh to Emile Bernard. This latest addition to the Van Gogh Museum collection will go on display for the first time during the upcoming exhibition.

The Turing Foundation also agreed to support the purchase, but it was possible to acquire the letter without requiring this contribution.

TRANSLATION OF THE LETTER:

My dear old Bernard,

*We've done a great deal of work these past few days, and in the meantime I've read Zola's *Le rêve*,¹ so I've hardly had time to write.*

Gauguin interests me greatly as a man — greatly. For a long time it has seemed to me that in our filthy job as painters we have the greatest need of people with the hands and stomach of a labourer. More natural tastes — more amorous and benevolent temperaments — than the decadent and exhausted Parisian man-about-town.

Now here, without the slightest doubt, we're in the presence of an unspoiled creature with the instincts of a wild beast. With Gauguin, blood and sex have the edge over ambition. But enough of that, you've seen him close at hand longer than I have, just wanted to tell you first impressions in a few words.

Next, I don't think it will astonish you greatly if I tell you that our discussions are tending to deal with the terrific subject of an association of certain painters. Ought or may this association have a commercial character, yes or no? We haven't reached any result yet, and haven't so much as set foot on a new continent yet. Now I, who have a presentiment of a new world, who certainly believe in the possibility of a great renaissance of art. Who believe that this new art will have the tropics for its homeland.

It seems to me that we ourselves are serving only as intermediaries. And that it will only be a subsequent generation that will succeed in living in peace. Anyway, all that, our duties and our possibilities for action could become clearer to us only through actual experience.

I was a little surprised not yet to have received the studies that you promised in exchange for mine.

Now something that will interest you — we've made some excursions in the brothels, and it's likely that we'll eventually go there often to work. At the moment Gauguin has a canvas in progress of the same night café that I also painted, but with figures seen in the brothels. It promises to become a beautiful thing.

I've made two studies of falling leaves in an avenue of poplars, and a third study of the whole of this avenue, entirely yellow. I declare I don't understand why I don't do figure studies,⁶ while theoretically it's sometimes so difficult for me to imagine the painting of the future as anything other than a new series of powerful portraitists, simple and comprehensible to the whole of the general public. Anyway, perhaps I'll soon get down to doing brothels.

I'll leave a page for Gauguin, who will probably also write to you, and I shake your hand firmly in thought.

Ever yours,

Vincent

Milliet the 2nd lieut. Zouaves has left for Africa, and would be very glad if you were to write to him one of these days.

[Continued by Paul Gauguin]

You will indeed do well to write him what your intentions are, so that he could take steps beforehand to prepare the way for you.

Mr Milliet, second lieutenant of Zouaves, Guelma, Africa.

Don't listen to Vincent; as you know, he's prone to admire and ditto to be indulgent. His idea about the future of a new generation in the tropics seems absolutely right to me as a painter, and I still intend going back there when I find the funds. A little bit of luck, who knows?

Vincent has done two studies of falling leaves in an avenue, which are in my room and which you would like very much. On very coarse, but very good sacking.

Send news of yourself and of all the pals.

Yours,

Paul Gauguin

Plantar Reflexology K-Taping Therapy Targeted Aromatherapy



Elisabeth Thurat Clinic

YOUR TRUSTED PODIATRY AND MEDICAL PEDICURE CLINIC IN BRUSSELS



ERCHONIA
LOW LEVEL LASER THERAPY



- Uses APIVITA natural French products
- Proposes various treatments using organic essential oils
- Uses the unique Low Level Laser Therapy (manufactured by Erchonia, a US company and world leader in the field of Low Level Laser Therapy)
- Bespoke treatment programs and state-of-the-art equipment
- Spotless hygiene

We provide the best care possible

ELISABETH THURAT CLINIC offers a wide range of care specifically tailored for young children, teenagers, adults, athletes, and people with disabilities.

*At Elisabeth Thurat Clinic
Your Feet are in Good Hands !*

www.pedicure-medicale-thurat.be

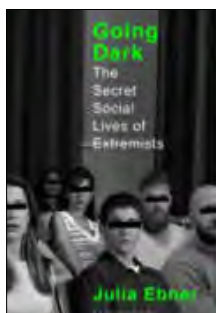
+32 4 94 04 84 24

Avenue Brugmann 292 • 1180 Uccle • Belgium

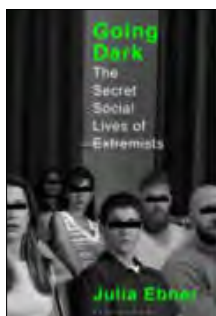
Consultations only by appointment • From 8am to 8pm • Monday to Saturday



BOOKS

**GOING DARK***By Julia Ebner***THE SECRET SOCIAL LIVES OF EXTREMISTS**'Engaging and visceral ... Reads like a thriller' *Financial Times*'Riveting and often deeply disturbing ... A punch to the stomach' *Sunday Times*'Ebner has done some gutsy, thought-provoking research' *Sunday Telegraph*'Fascinating and important' *Spectator**A *Guardian* and *New Scientist* Pick for 2020*

By day, Julia Ebner works at a counter-extremism think tank, monitoring radical groups from the outside. But two years ago, she began to feel she was only seeing half the picture; she needed to get inside the groups to truly understand them. She decided to go undercover in her spare hours – late nights, holidays, weekends – adopting five different identities, and joining a dozen extremist groups from across the ideological spectrum. Her journey would take her from a Generation Identity global strategy meeting in a pub in Mayfair, to a Neo-Nazi Music Festival on the border of Germany and Poland. She would get relationship advice from 'Trad Wives' and Jihadi Brides and hacking lessons from ISIS. She was in the channels when the alt-right began planning the lethal Charlottesville rally, and spent time in the networks that would radicalise the Christchurch terrorist. In *Going Dark*, Ebner takes the reader on a deeply compulsive journey into the darkest recesses of extremist thinking, exposing how closely we are surrounded by their fanatical ideology every day, the changing nature and practice of these groups, and what is being done to counter them.

**INTO THE HANDS OF THE SOLDIERS***By David D. Kirkpatrick***FREEDOM AND CHAOS IN EGYPT AND THE MIDDLE EAST**

A poignant, deeply human portrait of Egypt during the Arab Spring, told through the lives of individuals

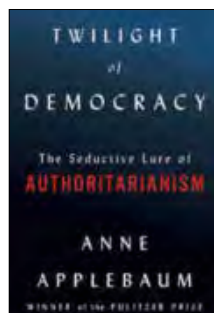
A *FINANCIAL TIMES* and an *ECONOMIST* Book of the year

'This will be the must read on the destruction of Egypt's revolution and

democratic moment' Sarah Leah Whitson, Middle East director of Human Rights Watch

'Sweeping, passionate ... An essential work of reportage for our time' Philip Gourevitch, author of *We Wish to Inform You That Tomorrow We Will Be Killed with Our Families*

In 2011, Egyptians of all sects, ages and social classes shook off millennia of autocracy, then elected a Muslim Brother as president. *New York Times* correspondent David D. Kirkpatrick arrived in Egypt with his family less than six months before the uprising first broke out in 2011. As revolution and violence engulfed the country, he lived through Cairo's hopes and disappointments alongside the diverse population of his new city. *Into the Hands of the Soldiers* is a heartbreaking story with a simple message: the failings of decades of autocratic rule are the reason for the chaos we see across the Arab world. Understanding the story of what happened in those years can help readers make sense of everything taking place across the region today – from the terrorist attacks in North Sinai to the bedlam in Syria and Libya.

**TWILIGHT OF DEMOCRACY***By Anne Applebaum***THE SEDUCTIVE LURE OF AUTHORITARIANISM**"How did our democracy go wrong? This extraordinary document... is Applebaum's answer" —Timothy Snyder, author of *On Tyranny*

A Pulitzer Prize-winning historian explains, with electrifying clarity, why elites in democracies around the world are turning toward nationalism and authoritarianism

From the United States and Britain to continental Europe and beyond, liberal democracy is under siege, while authoritarianism is on the rise. In *Twilight of Democracy*, Anne Applebaum, an award-winning historian of Soviet atrocities who was one of the first American journalists to raise an alarm about antidemocratic trends in the West, explains the lure of nationalism and autocracy. In this captivating essay, she contends that political systems with radically simple beliefs are inherently appealing, especially when they benefit the loyal to the exclusion of everyone else. Despotism leaders do not rule alone; they rely on political allies, bureaucrats, and media figures to pave their way and support their rule. The authoritarian and nationalist parties that have arisen within modern democracies offer new paths to wealth or power for their adherents. Applebaum describes many of the new advocates of illiberalism in countries around the world, showing how they use conspiracy theory, political polarization, social media, and even nostalgia to change their societies. Elegantly written and urgently argued, *Twilight of Democracy* is a brilliant dissection of a world-shaking shift and a stirring glimpse of the road back to democratic values.

**WOMEN OF WESTMINSTER***By Rachel Reeves***THE MPS WHO CHANGED POLITICS**

In 1919 Nancy Astor was elected as the Member of Parliament for Plymouth Sutton, becoming the first woman MP to take her seat in the House of Commons. Her achievement was all the more remarkable given that women (and even then only some women) had only been

entitled to vote for just over a year. In the past 100 years, a total of 491 women have been elected to Parliament. Yet it was not until 2016 that the total number of women ever elected surpassed the number of male MPs in a single parliament. The achievements of these political pioneers have been remarkable – Britain has now had two female Prime Ministers and women MPs have made significant strides in fighting for gender equality – from the earliest suffrage campaigns, to Barbara Castle's fight for equal pay, to Harriet Harman's recent legislation on the gender pay gap. Yet the stories of so many women MPs have too often been overlooked in political histories. In this book, Rachel Reeves brings forgotten MPs out of the shadows and looks at the many battles fought by the Women of Westminster, from 1919 to 2019.

Fly with Royal Jordanian to Brussels and Back!

At least two indirect flights daily

We also provide rail & fly solutions to/from Brussels – Midi station via Schipol & CDG. Enjoy your stay at a city known for its delicacies, history and life. What more could you ask for?

For more information and to reserve, please call us on +32 2 512.70.70, email brutrrj@rj.com or visit your preferred travel agent, our website rj.com or our RJ app.



rj.com



ROYAL JORDANIAN

الملكية الأردنية



BY YOUR SIDE IN MONACO FOR MORE THAN 100 YEARS

Discover our solutions in Private Banking,
Retail Banking and Corporate Banking.

privatebanking.societegenerale.mc

**THE FUTURE
IS YOU**



**SOCIÉTÉ
GÉNÉRALE**

The present document has been distributed in Monaco by Société Générale Private Banking (Monaco) S.A.M., located 13/15, bd. des Moulins – 98000 Monaco – Principality of Monaco, governed by the *Autorité de Contrôle Prudentiel et de Résolution* and the *Commission de Contrôle des Activités Financières*. The financial products marketed in Monaco can be reserved for qualified investors in accordance with the Law No. 1339 of 07/09/2007 and Sovereign Ordinance No 1.285 of 10/09/2007. Further details are available upon request or on www.privatebanking.societegenerale.mc. © Getty Images.