



Prague Security Studies Institute

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PSSI NEWSLETTER N°1

MESSAGE FROM THE DIRECTOR

One of the reasons that led to the founding of the Prague Security Studies Institute nearly five years ago was the sad fact that, so many years after the changes in 1989, Charles University was not able to offer a program of security or strategic studies. This is why, in 2002, we opened our first two terms, Robinson-Martin Security Scholars Program, offering a series of lectures presented by distinguished current and former policy practitioners from the Czech Republic, Central, Eastern and Western Europe and the US. Vojtěch Cepl, Saša Vondra, Roger Robinson, Martin Walker, Luboš Dobrovský, Josef Zieleniec, Craig Stapleton, Jiří Růžek, Jaromír Štětina were among those who shared their views with our students on a variety of topical issues over the last four years.

RMSSP became known as a highly prestigious course and every year

the demand for participation in it always exceeded the Institute's capacity. I am, therefore, very happy to report that, after nearly three years of preparations and negotiations with Charles University, we managed to complete all phases of the accreditation process both with the university and the Czech Ministry of Education.

According to the agreement signed by myself and Rector Václav Hampl, PSSI will help to fund, configure and teach a Master's Degree program in security studies, which will open in the autumn of 2007 at the Faculty of Social Sciences. PSSI will support this program for the first three years. Hopefully, by then, security studies will become a permanent fixture in Charles University's curriculum.

Olda Černý
Executive Director
PSSI



Václav Hampl, Rector of Charles University and Oldřich Černý, PSSI Executive Director



Jessica Morrey, International Fellow at the Pew Center on Global Climate Change; Anna Kacerovská; Jakub Kulhánek; V.P. Lago, Executive Secretary of National Security Council; Bill Martin, Member of the PSSI Board of Directors; Nicholas Martin, Visiting Fellow at UN University for Peace



Prof. John Kriendler, George C. Marshall European Center of Security Studies and Oldřich Černý, PSSI Executive Director

2006 RMSSP LAUNCHES ITS SECOND SEMESTER

Entering its second half, the Robinson-Martin Security Scholars Program focused on more area-specific issues. As global terrorism is properly viewed as one of the most pressing security challenges of our time, the second semester aimed at exploring various aspects of terrorism. The roots and origins of terrorism, for example, were discussed by security expert Jan Schneider, while Ivo Šilhavý from the Czech Ministry of Foreign Affairs focused on the recent developments in the Middle East. Former head of the Czech Intelligence, Mr. Karel Randák spoke about various methods to combat terrorism and the former head of the Czech Military Intelligence, Mr. Āndor Šāndor, outlined the current security situation in the Czech Republic.

In the lectures that followed, our security scholars had an opportunity to interact with the former Czech Ambassador to Russia, Luboš Dobrovský, former Czech Minister of Interior, Jan Ruml, and Program director of RFE/RL, Joyce Davis.

RMSSP SCHOLARS' VISIT TO WASHINGTON D.C.

Thanks to the sponsorship of Bill Martin, member of the PSSI Board of Directors, Security Studies Program

alumni, Anna Kacerovská and Jakub Kulhánek, participated in a three-week internship program in the United States. Anna and Jakub continue in what PSSI hopes to become an annual opportunity for RMSSP alumni to enrich their skills and future employment prospects.

Hosted by Bill Martin in Washington D.C., Anna and Jakub had a chance to gain a unique insight into the policy-making process of the United States. They visited various government agencies, think tanks as well as private sector meetings. Their program began with a visit to Pentagon, where Assistant Secretary of Defense for International Security Affairs, Mr. Peter W. Rodman, shared with them his thoughts on the US military posture in the Middle East.

During the meeting with the Executive Secretary of National Security Council, Mr. V.P. Lago, RMSSP Alumni learned about this key NSC position and the process of crafting the President's national security strategy. Anna and Jakub then discussed with Mr. Lago the increasing volatility of world energy markets, particularly with a view toward the growing oil appetites of China and India. "We can't solve this energy issue when the EU and USA are separated. We have to stand united," asserted Lago.

At the State Department, Mr. David Kremer, Deputy Assistant Secretary of European and Eurasian Affairs, focused on Russia and Ukraine, and especially on last year's natural gas crisis. Giulia Bisconti, Senior Nuclear Security Policy Advisor at the U.S. Department of Energy, Office of Nuclear Energy, discussed the pace of energy-related expenditures. To learn more about the role of international financing, Anna and Jakub met with Mr. Graeme Wheeler, Vice President and Treasurer of the World Bank.

Jakub and Anna also visited numerous public policy groups based in Washington D.C. such as the Heritage Foundation, Brookings, Washington Institute for Near East Policy, Jamestown Foundation, American Enterprise Institute and Center for Security Policy. An appropriate capstone to their extraordinary internship was a visit to United Nations Headquarters and its sister agencies in New York City.

PROF. JOHN KRIENDLER MEETS WITH SECURITY SCHOLARS

In conjunction with the NATO seminar of November 14, 2006, a meeting was arranged between the students of our Security Scholars Program and

Prof. John Kriendler of the George C. Marshall European Center for Security Studies. The main topic of discussion was the upcoming NATO summit in Riga, which will address the serious challenges currently facing the Alliance.

As Prof. Kriendler explained, the principal issue of this “transformation summit” will be NATO’s defense capabilities. A number of commitments to this area were made during the Prague Summit, including the creation of the NATO response force. The decision, however, to increase NATO’s ability to react rapidly and efficiently to security challenges is limited by the principle of national sovereignty. Progress on the Prague Summit commitments will be evaluated in Riga.

According to Prof. Kriendler, even more challenging than the issue of NATO’s transformation are the different views of NATO’s role among the Allies. This long-standing disagreement, primarily between the United States and France, combined with the need for consensus decision-making endangers the dynamism and even viability of the Alliance. Prof. Kriendler expressed his skepticism toward seeking to define a new strategic concept, as it might accentuate Alliance differences rather than create greater cohesion.

In conclusion, Prof. Kriendler called for more commitment on the part of NATO members in the course of the Riga Summit, the 2006 Summit and the 60th Anniversary of the Alliance in 2009.

SPECIAL GUEST LECTURE: FINANCIAL ASPECTS OF WAR ON TERROR

During his lecture, PSSI Co-Founder and former Senior Director of the White House National Security Council, Roger Robinson, aimed at putting the ongoing war on terror into a broader perspective as well as stressing its financial dimension. Speaking before the Robinson-Martin Security Scholars Program members, Robinson pointed out that using financial tools to combat an enemy is nothing new. In fact, the US policy in the early 1980’s broke new ground by pursuing an economic and financial strategy against the USSR that



Roger Robinson, Co-founder of PSSI and Oldřich Černý, PSSI Executive Director

concentrated on reducing its annual hard currency income. The United States also sought to put pressure on Western banks and governments dealing with the Soviets to end their taxpayer-subsidized lending activities. This, in turn, substantially contributed to the collapse of communism later in the decade.

Presently, Washington has imposed sanctions on the Banco Delta Asia in Macau, which was trafficking in counterfeit U.S. currency and engaged in money laundering for North Korea. Mr. Robinson argued that such an initiative helped to persuade bankers across Asia to curtail sharply their financial dealings with Pyongyang or risk exclusion from the U.S. financial system.

In the case of Iran, the U.S. Treasury Department banned any American financial dealing with Bank Saderat, one of Iran’s principal financial institutions. This action chilled relations between European and Asian banks and Iran for fear of triggering a U.S. retaliatory response against them similar to Banco Delta Asia.

Robinson also argued that a pull-out of a number of public-traded companies could have a debilitating impact on the Iranian regime, particularly in the energy sector. Public companies, he said, could be persuaded to reduce

or eliminate their business operations in terrorist-sponsoring countries if investors resisted purchasing their stock or divested present holdings.

The concept developed by Mr. Robinson in his lecture is referred to as “terror-free investing” and involves security-minded shareholder activism and corporate governance. Like the South Africa divestment campaign of the 1980’s, this kind of “values-based” investing is on the rise. Moreover, the U.S. Securities and Exchange Commission has established an “Office of Global Security Risk” because of the asymmetric financial risk to share value of doing business with these dangerous regimes.

In summary, Robinson asserted that sanctioning selected financial institutions involved in wrong-doing and the wide-spread adoptions of “terror-free investing” could do more to combat terrorism and the proliferation of WMD than any other non-military policy initiatives.

More information on the Robinson lecture can be obtained at

www.terrorfreeinvesting.com.



Vladimir Schmalz, Director of Mergers and Acquisitions of CEZ, a.s., and Andris Piebalgs, EU Energy Commissioner

SUCCESSFUL DEBUT: CLUB OF PRAGUE CONFERENCE

Commenting on the world's increasing energy dependency, former Czech President Václav Havel once noted: "Let us do everything that is in our power to avoid becoming prisoners of ever increasing energy consumption and to protect ourselves from its dire consequences." Consistent with President Havel's cautionary vision, PSSI launched a new initiative in the field of energy security called The Club of Prague.

PSSI took action to create an Asian-European-American forum for enhancing the dialog, skills and level of cooperation among the regions' leading energy experts. The conference focused on the following key issues: (1) Developing different energy usage scenario (2) New ways of thinking about energy from the cultural perspectives of the rich cultural base of our members (3) Constructing a technology matrix to identify promising advances in research and development of key energy resources (4) Meeting future needs through alternative fuels and systems of transportation (5) Identifying universities and urban projects to model Zero Energy Neighborhoods and (6) Strategies for investing in the energy future.

The first meeting of the Club of Prague was convened on October 10-12, 2006 at the Czech Ministry of Foreign Affairs. The likely energy crisis that will face the international community in the coming decades, both in terms of security of supply and the environment, was the lead-off topic. This was followed by a session focusing on the importance of values in energy demand and supply, with an emphasis on the necessity of multidisciplinary approaches. In this connection,

Former President Václav Havel's contribution stressed the need for a fundamental change in humanity's attitude toward the world and the values of life. A more technical session followed, which looked to the expansion of existing sources of oil, gas, coal, nuclear and renewable supplies to meet rising global demands. It also considered efforts to modify the energy demand side of the equation, especially at a local level. The last panel discussed a set of sustainable policies focusing on energy security and energy efficiency. The central objectives of the Club of Prague was to combine a) the higher ideals of writers and philosophers with the functional focus of engineers and energy experts; and b) blend universal values with energy requirements, and humanitarian vision with physical infrastructure.

The speakers at the Club of Prague gathering included: EU Energy Commissioner Andris Piebalgs, Fmr. Prime Minister of Canada Kim Campbell, Czech Foreign Minister Alexander Vondra, CEOs of Japanese and EU corporations, and Presidents of US and Middle Eastern National Laboratories, as well as European and Chinese scientists.

DAVID ELLIMAN JOINS PSSI BOARD 13.10. 2006

David Elliman, Chairman of Elmrock Capitol, Inc., a New York-based investment firm, has joined PSSI's Board of Directors. His membership will greatly contribute to strengthening the relationship between multinational corporations and PSSI; one of the primary goals of PSSI's Corporate Council Program. An interview with David Elliman is available in PSSI's first Quarterly Report of 2006.

ALEXANDR VONDRA ELECTED TO THE CZECH SENATE

PSSI would like to congratulate a distinguished member of its International Advisory Board and former PASS* Coordinator, Mr. Alexandr Vondra, for his election to the Czech Senate. We are confident that this former Czech Ambassador to the U.S., Commissioner of the 2002 NATO summit and current Czech Minister of Foreign Affairs will significantly strengthen the Czech Parliament's upper chamber.

**Program of Atlantic Security Studies is a program of PSSI*

PSSI WELCOMES NEW INTERN

Chloé Simeha, a student from the prestigious Paris Institute of Political Sciences (Sciences Po), joined PSSI in September 2006 for a one-year internship. While in Prague, Chloé will be helping develop the Club of Prague, as well as various PSSI programs and activities. Her academic interests include the expansion of the European Union, the transformation of East European and Central European societies, transatlantic issues and international security affairs. In addition to her native French, Chloé is fluent in English, and also speaks German and Czech.

JÍŘÍ SCHNEIDER IN INTERNATIONAL HERALD TRIBUNE

24.10.2006 Jiří Schneider, PSSI Program Director, was quoted in the International Herald Tribune on October 19, 2006. He stated, "Unexpectedly, East European states struggle to unify policy" according to the author Judy Dempsey, who wrote about Central European countries relations with Russia. Schneider also noted that EU should adopt a unified energy policy toward Russia.

To review the article, please go to http://www.ihrt.com/bin/print_ipub.php?file=/articles/2006/10/19/news/east.php

JIŘÍ SCHNEIDER AT FORUM HOSPODARSKYCH NOVIN

31.10.2006 Jiří Schneider, PSSI Program Director, participated in the roundtable discussion entitled „What is the cost of the energy independence of the Czech Republic?“ The forum was organized by Hospodarske noviny and took place on November 1, 2006 at the Jalta Hotel.

For more information, please go to <http://forumhn.cz>

OLDŘICH ČERNÝ IN SARAJEVO

PSSI's Executive Director, Oldřich Černý attended a two-day workshop in Sarajevo (September 25–27, 2007). The workshop, designed to bring together representatives of Bosnia Herzegovinan security agencies, was organized by Geneva Centre for Democratic Control of Armed Forces. Mr. Černý lectured on cooperation between different agencies in the country and on proper national intelligence coordination.

WILLIAM F. MARTIN ELECTED CHAIRMAN OF THE UPEACE COUNCIL

We are pleased to announce that William F. Martin, member of PSSI's Board of Directors, was elected Chairman of the Council of the UN-mandated University for Peace headquartered in Costa Rica in October, 2006. His responsibilities include the establishment of a Peace Complex in San Jose – a monitoring, teaching and research facility utilizing the latest electronic technologies to assess existing and potential conflicts around the world.

CENTRAL EUROPE'S CONTRIBUTION TO THE EU'S COMMON FOREIGN AND SECURITY POLICY:

Strategic Framework for the EU's Eastern Policy
In a Search of a New Approach
Bratislava, November 9–12, 2006

The three-year project coordinated by the Prague Security Studies Institute and involving the Warsaw-based Center for International Relations, the Research Center of the Slovak Foreign Policy Association, and the Center for EU Enlargement Studies of Central European University in Budapest, has entered its first phase.

The Research Centre of the Slovak Foreign Policy Association hosted the first conference associated with this project, entitled „Strategic Framework for the EU's Eastern Policy: In a Search of a New Approach.“ The conference was held in Bratislava on November 9–12, 2006.

The aim of the conference was: to examine the existing policy framework for the EU's relations with East European countries; to identify the most challenging deficiencies of current EU policy toward Russia and the East European countries; and to formulate recommendations to enhance the EU's capabilities in pursuing its foreign policy goals in the region.

The next scheduled event, to be held in Brussels in January 2006 under the title „EU Eastern Policy: Visegrad Impulses,“ will gather European decision-makers to brief them about the proceedings of the Bratislava Conference.

The project aims at enriching the public policy expert debate in the Visegrad countries concerning the Eastern dimension of EU policy. It also intends to help increase the role of the Visegrad countries in shaping the political agendas of various EU institutions as well as those of member coun-

tries. The organizers hope to bring together experts from the four Visegrad countries to focus on specific aspects of the European Neighborhood Policy.

The project envisions a series of high-level annual policy-related conferences in the Visegrad countries and follow-up seminars in Brussels. The topics discussed will include the strategic framework of the EU Eastern Policy, EU-Russian and EU-Ukrainian relations, EU Energy Policy and the implications of the full integration of the new EU member states into the Schengen System.

The project is made possible thanks to the support of the International Visegrad Fund and the German Marshall Fund of the United States.

EXPECTATIONS FOR NATO'S RIGA SUMMIT

On November 14, 2006, the Prague Security Studies Institute (PSSI) in cooperation with the Embassy of Latvia, Jagello 2000- Association for Euro-Atlantic Cooperation and the American Information Center organized a conference on the upcoming NATO Summit in Riga. The conference was hosted by the Czech Ministry of Foreign Affairs, which facilitated a live video link with NATO Headquarters in Brussels.

In his introductory remarks, NATO Secretary General Jaap de Hoop Scheffer, outlined the main agenda for the Riga summit and referred to his recent visit to Prague. The debate which followed featured Jamie Shea, Director of Policy Planning and Gen. Ray Henault, Chairman of the NATO Military Committee in Brussels. It focused on expected deliverables during the Riga Summit. Other speakers included Czech Foreign Minister Alexandr Vondra, Defense Minister Jiří Šedivý, Janis Karlbergs, Latvia's Deputy State Secretary for Defense, John Kriendler from the George C. Marshall European Center for Security Studies, and Petr Luňák from the NATO Public Diplomacy Division. Current NATO operations, major undertakings associated with military transformation and new global challenges were discussed at length. Members of Prague's diplomatic corps, security community and journalists took part in this wide-ranging discussion.



Oleksandr Pavlyuk, Head of External Cooperation, OSCE Secretariat, Jiří Schneider, PSSI Program Director; Vladimír Bilčík, Member of the Research Center of the Slovak Foreign Policy Association



foto: Czechtourism, Jiří Matula

ABOUT PSSI

PSSI's mission is to help build an ever-growing group of informed and security-minded policy-makers dedicated to the development of democratic institutions and values in the Czech Republic and its regional neighbors. PSSI offers programs that meet the critical requirement to equip new generations of young leaders to manage the complex, security-related challenges of the 21st century. PSSI also aims to identify and analyze foreign policy and security-related issues in the area of transatlantic relations, and to propose practical and prudent policies to address these and other security challenges.

To fulfill its mission, PSSI undertakes to organize a variety of activities under its Security Scholars Program; Program of Atlantic Security Studies; Corporate Council Program; and other outreach projects and training courses.

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Queries about PSSI activities and projects can also be directed to Petr Lang (lang@pssi.cz), Program Coordinator.

Your Support is Appreciated

As PSSI is rapidly expanding its programs, we would welcome your support for our efforts. Tax deductible contributions can be made to PSSI through the Atlas Economic Research Foundation: Atlas Economic Research Foundation, 2000 North 14th Street, Suite 550, Arlington, VA 22201, U.S.A., phone: (703) 934-6969, fax: (703) 352-7530. Our primary contact at the Foundation is Mr. Bradley Lips, Chief Operating Officer (brad.lips@atlasusa.org).

Bank Account

Our direct PSSI Account is located at the Komerční banka, a.s. (Na Příkopě 33, 11407 Prague 1, Czech Republic):
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