

# THE EURO BRIEF

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JANUARY 1, 2018

## FOREIGN AFFAIRS

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### EUROPE – US

#### [U.S.-EU Obligations Should Cut Both Ways in 2018](#)

Europe is divided between east and west, north and south on questions of migration, energy, and fiscal policy. It would be an especially grave mistake for Europe to separate from the United States. [*Foreign Policy*, December 28, 2017]

#### [Could the U.S. Pass the EU's Democracy Test?](#)

The EU has been extremely timid about enforcing Article 7 of the EU's founding treaty, which requires all members to be democracies. This kind of tells you where the EU's real priorities are. [*Huffington Post*, December 31, 2017]

#### [European Union Finds Leading Fight for Open Trade a Tough Task](#)

The European Union started this year by announcing a global trade offensive to counter rising U.S. protectionism. Now the bloc faces an uphill battle to prove it can deliver. With U.S. President Donald Trump's "America First" policies upending the world trading system championed for seven decades by the U.S. [*The Wall Street Journal*, December 28, 2017]

### EUROPE – RUSSIA

#### [EU questions Russia's 2018 vote after Navalny decision](#)

The Russian authorities' decision to bar opposition leader Alexei Navalny from running in next year's presidential election raises questions about the vote, the European Union's Foreign Service said. [*Reuters*, December 26, 2017]

### [NATO chief predicts increased dialogue with Russia in 2018](#)

NATO Secretary General Jens Stoltenberg said the alliance expects increased dialogue between Russia and the transatlantic alliance in 2018. Relations between NATO and Russia deteriorated in the wake of Moscow's annexation of the Crimean Peninsula in 2014. [*Deutsche Welle*, December 29, 2017]

### **EUROPE – EAST ASIA**

#### [China expects promising 2018 for ties with EU](#)

China is eyeing a promising 2018 for its relations with the European Union, Ambassador Zhang Ming, head of the Chinese Mission to the EU. [*Xinhua News Agency*, January 1, 2018]

#### [Switzerland tightens sanctions against North Korea](#)

Bern has expanded its sanctions on North Korea, bringing itself in line with the United Nations Security Council, which recently updated its list of sanctioned individuals, companies and organizations. [*Swiss Info*, December 28, 2017]

### **EUROPE – MIDDLE EAST**

#### [Turkey says EU funds not being actively used for needs of Syrian refugees](#)

A substantial portion of the funds promised by the European Union to help Syrian refugees in Turkey is still not being used actively to meet their needs. Of the 6 billion euros agreed upon in two deals in 2015 and 2016, only 1.78 billion euros has been transferred to Turkish ministries and international organizations responsible for implementing the projects. [*Reuters*, December 30, 2017]

#### [France's Macron to Meet Turkey's Erdogan in Paris](#)

President Emmanuel Macron will meet his Turkish counterpart, Recep Tayyip Erdogan, in Paris on Jan. 5 to discuss bilateral relations as well as the Middle East issues, according to French president's office. [*Bloomberg*, December 31, 2017]

#### [Saudi, EU experts to mull cooperation on energy efficiency](#)

A high-level "EU-Saudi Arabia Energy Efficiency Meeting" is scheduled to take place in Jeddah on Jan. 14, 2018 as part of the initiative of the EU GCC Clean Energy Technology Network and the EU delegation to Saudi Arabia. [*Saudi Gazette*, December 31, 2017]

### **EUROPE – ISRAEL**

#### [Israel Approves Deal with EU That Excludes Settlements](#)

The Israeli government gave final approval to a cooperation agreement with the European Union that contains a provision excluding the settlements. With the approval of the agreement, Israel now de facto agrees to a boycott of the settlements. [*Haaretz*, December 31, 2017]

#### [Norway to limit funding of NGOs promoting Israel boycotts](#)

Norway became the second Scandinavian country to announce limits on funding for nongovernmental organizations supporting boycotts of Israel, following in the footsteps of its southern neighbor Denmark. The Norwegian announcement reflects the country's 2018 governmental policy that refuses to support organizations promoting boycotts of Israel. [*The Jerusalem Post*, December 26, 2017].

## INTERNAL AFFAIRS

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### EU POLITICS

#### [Britain might NOT leave the EU, David Davis 'privately admits'](#)

Brexit Secretary 'secretly says decision could be reversed' - undermining PM's New Year message promising to 'get on and deliver'. Theresa May faced a new Brexit rift with David Davis last night after claims that he has raised private doubts that the UK is certain to leave the EU. [*Daily Mail*, December 31, 2017]

#### [Germany's push for EU army: Merkel developing networks with EU members for military union](#)

German Defense Minister Ursula von der Leyen has been working on establishing the groundwork for an European Union army, in particular developing a network of co-operation between troops from Germany and others from countries that are part of PESCO - Permanent Structured Co-operation. [*Express*, December 29, 2017]

#### [East-west divides bigger than Brexit for EU, economists say](#)

A growing political gulf between central Europe and western EU powers represents a far greater risk to the European project than Brexit, according to economists. [*The Telegraph*, December 30, 2017]

#### [French opposition leader calls for referendum on future shape of EU](#)

France's opposition leader called for a referendum in his country on the future direction of the European project in what would be a nightmare scenario for Brussels. [*Express*, December 22, 2017]

#### [Cloud of corruption hangs over Bulgaria as it takes up EU presidency](#)

At 1 January, Bulgaria, the poorest and "most corrupt" country in the European Union, will pick up the baton of the bloc's rotating presidency – chairing EU meetings and setting an agenda – does not have the clout it once did, but it is still a big moment for the eastern Balkan nation of 7.4 million people. [*The Guardian*, December 28, 2017]

### DOMESTIC POLITICS

#### [Merkel's Wishes for 2018: More Empathy and a New Government](#)

Angela Merkel of Germany, addressing her country as an acting chancellor, pledged in her annual New Year's address to work for all Germans and to swiftly form a new government to help ensure success into 2018 and beyond. [*New York Times*, December 31, 2017]

#### [Catalan election: separatists win most seats, Ciudadanos the most-voted party](#)

Record turnout of 81% at a vote whose outcome underscores the divisions in Catalan society. Catalonia's three secessionist parties had secured a combined 70 seats in the regional parliament, two more than the 68 required for a majority. The unionist Ciudadanos was by far the most voted party, attracting over 1.1 million votes (25.37%), that gives them 37 seats. [*El País*, December 22, 2017]

#### [Italian election to be held on March 4](#)

The Italian general election will be held March 4, 2018, Prime Minister Paolo Gentiloni's Cabinet agreed. Italy's political landscape ahead of the March election is highly fragmented and analysts have predicted there may be no clear-cut winner. [*Politico*, December 28, 2017]

#### ['We want a deep partnership' Finland wants even closer relationship with UK after Brexit](#)

Finland want to reach an ever closer relationship with the United Kingdom once it has cut ties with Brussels. Finnish Deputy Foreign Minister Samuli Virtanen said: "It is the strongest military power in Europe. We want to cooperate with the British on various levels. Hopefully even deeper than we do now". [*Express*, December 26, 2017]

### **JEWISH COMMUNITIES**

#### [Antisemitism is in the heart of German society](#)

The former head of the Central Council of Jews in Germany said that anti-Semitism is spreading rapidly in the country, raising alarm bells about the future of Jewish life in the federal republic. [*The Jerusalem Post*, December 31, 2017]

#### [Exclusive: France sets up tax dept to investigate Jews](#)

The tax authority in France founded a special department for dealing with French Jews. This extraordinary department is one of a kind. The French department was established to handle French Jewish tax evaders. [*Globes*, December 28, 2017]