

THE EURO BRIEF



FEBRUARY 21, 2018

YOUR LAST WEEK BRIEFING: EUROPEAN MEDDLING IN THE RUSSIAN ELECTION, NATO'S MINISTERS DECIDE TO STREGHTEN THE ALLIANCE AND HUNGARY WARNS THE WEST WILL FALL.

FOREIGN AFFAIRS

EUROPE – US

US revives concerns about European defense plans, rattling NATO allies

American officials have doubts about the European plans, called PESCO, expressing concerns that they could weaken the NATO alliance and cut out United States military manufacturers from bidding on certain European projects. [*The New York Times*, February 18, 2018]

Trump's tax law rankles European finance ministers

The EU voiced its concerns again over the U.S. tax reform amid concern that the legislation violates World Trade Organization rules and could lead to discrimination against European companies. [*Bloomberg*, February 20, 2018]

EUROPE – RUSSIA

Russia accuses Europe of meddling in presidential election

Moscow's foreign ministry spokeswoman Maria Zakharova said that the country has evidence of the destructive interference of some Western countries in its domestic affairs ahead of the March vote. [*Politico*, February 15, 2018]

Merkel sees no threat in new gas pipe to Russia, Poland disagrees

Poland, Ukraine and Baltic states fear the planned Nord Stream 2 gas pipeline connecting Germany and Russia would increase Europe's dependence on Russian gas and could cut off Ukraine from gas transit fees. [*Reuters*, February 16, 2018]

EUROPE – EAST ASSIA

Foreign leaders send Lunar New Year greetings

European Commission President said the EU and China will work for loyalty, sincerity and harmonious relationships this year and added there will be plenty of cultural events and exchanges, so both parts can learn more about each other's societies and ways of life. [*Xinhua*, February 16, 2018]

China's economic ties with EU take hit as investment falls and distrust rises

After years of growth, China's trade ties with its biggest partner, the European Union, seem to be foundering, with frictions growing over a range of issues from steel over capacity to market access, human rights and the South China Sea [South China Morning Post, February 19, 2018]

EUROPE – MIDDLE EAST

Promising money, EU tries to woo Assad into Syria peace talks

Federica Mogherini raised the prospect of collecting money for rebuilding Syria but only if fighting abates and Russia makes sure its ally, President Bashar al-Assad, engages in the stalled UN peace talks. [*Middle East Monitor*, February 17, 2018]

European diplomats seek to curb Iran actions in Yemen and Syria

European officials are intensifying their efforts to save the Iranian nuclear deal, opening a new channel to press Tehran to curtail its military involvement in neighboring conflicts just as tensions spiral throughout the Middle East. [*The Wall Street Journal*, February 19, 2018]

EUROPE – ISRAEL

Benjamin Netanyahu: Polish PM's Holocaust comments 'outrageous'

Israeli Prime Minister Benjamin Netanyahu called comments by Polish premier Mateusz Morawiecki that Jews were among the perpetrators in the Holocaust outrageous and said they showed an inability to understand history. [*Politico*, February 18, 2018]

France and Israel must cooperate more on investment

Israel Economy Minister Eli Cohen said the economic relations between France and Israel are not up to their potential and pleaded for closer ties between the two countries in areas such as smart mobility. [*Le Monde*, February 19, 2018]

INTERNAL AFFAIRS

EU POLITICS

The west will fall

Hungary's Prime Minister Viktor Orbán sees "dark clouds over Europe". It is due to migrants and the ignorance of Western politicians, he says in his State of the Union address. [*The Frankfurter Allgemeine Zeitung*, February 19, 2018]

NATO Defense Ministers take decisions to strengthen the Alliance

In two days of talks in Brussels the ministers took decisions to modernize the NATO Command Structure and place a greater focus on maritime security, logistics and military mobility, and cyber defense in response to a changed security environment. [*NATO*, February 15, 2018]

'Keep borders open!' EU divided as four states ordered to remove border controls

After restrictions were put in place to deal with the ongoing migrant crisis, Bulgaria has demanded border controls across the EU are dropped as soon as possible and said the controversial Schengen Area should be extended to the very edge of Europe. [*Express*, February 20, 2018]

London asks for a new security agreement in a year

While attending the Security Conference in Munich, Theresa May asked the EU to draw up a new security agreement with the United Kingdom as a result of security and terror threats that have risen in Europe. [*El País*, February 17, 2018]

Northern Ireland business wary of 'smart border' after Brexit

The UK has promised to use technology to keep the Irish border as "invisible" and "frictionless" as possible but companies doubt a solution to frontier with Republic of Ireland can be found in time. [*Financial Times*, February 19, 2018]

Baltic states demand bigger EU budget

The Baltic states leaders want to expand the EU budget after Britain leaves the European Union and create new own resources. They added no cuts should be made to research, innovation and youth policy. [*EUobserver*, February 16, 2018]

Albania's Edi Rama floats joint president idea in Kosovo

As Kosovo and Albania currently share embassies and diplomatic missions around the world, and will have a joint foreign policy in the future, Albanian Prime Minister Edi Rama suggested a joint president for Albania and Kosovo. *[Deutsche Welle*, February 19, 2018]

DOMESTIC POLITICS

<u>Italians First': Anti-immigrant sentiment becomes focus ahead of country's election</u> In the race between a centre-left coalition, the anti-establishment 5-Star Movement and a right-wing collation, the slogan can be heard repeatedly. The centre-left coalition represents the only frontier against such anti-immigrant fears. [*Independent*, February 19, 2018]

Merkel-led coalition: Decisive times as SPD members vote on pact

More than 450,000 Social Democratic party members will decide whether to enter another grand coalition under Chancellor Angela Merkel. Past referendums have been formalities, but this time the result is far from assured. [*Deutsche Welle*, February 19, 2018]

Macron under fire over plans to reform Islam in France

Macron has announced he is working on structuring Islam in France in an effort to reduce the influence of Arab countries, fight extremism, better explain Islam and preserve national cohesion and calles into question the state's religious neutrality. [*Express*, February 14, 2018]

Catalan businessmen urge to form a Government before the investment stoppage

Several Catalan businessman have urged pro-independence parties to form a stable government so as to remove holds on business opportunities that the political situation has frozen. [*El País*, February 12, 2018]

Madrid's plan to push Spanish language in Catalan schools prompts anger

Catalan politicians and educational groups expressed outrage after the government said it was considering using direct rule to bring the Spanish language back to schools in the autonomous community, igniting a touch paper in the independence crisis. [*The Telegraph*, February 16, 2018]

JEWISH COMMUNITIES

Polish Jews Fear Eruption of anti-Semitism

The eruption of anti-Semitic comments and hostile rhetoric in public debates amid a diplomatic dispute with Israel over a new Holocaust speech law has caused the Jewish community to fear it could eventually trigger anti-Semitic violence. [*Haaretz*, February 18, 2018]

Iceland law to outlaw male circumcision sparks row over religious freedom

Iceland is poised to become the first European country to outlaw male circumcision amid signs that the ritual common to Judaism may be a new battleground over religious freedom and a proxy for anti-Semitism. [*The Guardian*, February 18, 2018]