

## THE EURO BRIEF

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**MARCH 01, 2018**

**YOUR LAST WEEK BRIEFING: EASTERN EUROPE COUNTRIES PREFER RUSSIA OVER EU, THE ITALIAN ELECTION COULD CAUSE CHAOS FOR EU AND A POLISH TEAM IS COMING TO ISRAEL TO REACH AN UNDERSTANDING OVER THE HOLOCAUST LAW.**

### **FOREIGN AFFAIRS**

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#### **EUROPE – US**

[EU doesn't buy U.S. claim that steel imports undermine security](#)

According to a senior EU official who questioned a key argument by the Trump administration in favor of the levies, it doesn't make sense for the U.S. to impose steel and aluminum tariffs on other NATO members in the name of national security. [Bloomberg, February 26, 2018]

[Brexit deal with US 'close to dead on arrival' if UK sticks to EU rules](#)

Britain's hopes of signing a post-Brexit trade deal with America would be close to "dead on arrival" if it continued to follow EU rules and joined any form of customs union, a former US negotiator has warned. [Telegraph, February 26, 2018]

#### **EUROPE – RUSSIA**

[Czech Republic in showdown with EU as it threatens to strike nuclear deal with Russia](#)

The Czech Republic government is risking the wrath of the European Commission over a potential new nuclear plant deal with Russia and raising security fears in Brussels about the growing influence of Russia over the Czech Republic. [Express, February 23, 2018]

### [Serbia says it will not sacrifice Russia ties for EU membership](#)

Serbia has told Russia it will not sacrifice the two countries' close relations to secure EU membership, as Moscow accused the EU and NATO of endangering continental stability by forcing states to choose between East and West. [*The Irish Times*, February 22, 2018]

### **EUROPE – EAST ASIA**

#### [China investment must not undermine EU joint policy, warns Merkel](#)

European Union member states that participate in Chinese government-led infrastructure initiatives should be aware of the risk of undermining the bloc's common foreign policy stance toward China, German Chancellor Angela Merkel said. [*Reuters*, February 27, 2018]

#### [Chinese ambassador calls for building China-Britain "Golden Era" 2.0](#)

Chinese Ambassador to Britain Liu Xiaoming said China and Britain have everything in place to upgrade business ties, expand cultural exchanges and boost cooperation on global issues and called for shifting bilateral relations to a higher gear and. [*Xinhua*, February 22, 2018]

### **EUROPE – MIDDLE EAST**

#### [Europe seeks gas supplies from Iran](#)

The European bloc is keen to get its hands on Iranian gas and has already held talks with Tehran on the issue. This means it is unlikely that the EU will budge on its opposition to Trump's demands for revising the Iran nuclear deal. [*Asia Times*, February 23, 2018]

#### [European borders facing threat of female jihadist returning from war zones](#)

A report by the European Border and Coast Guard Agency found that Islamist radicalization is no longer a male dominated phenomenon and women and children returning from war zones are an increasingly difficult threat to assess for security services across the continent. [*International Business Times*, February 26, 2018]

### **EUROPE – ISRAEL**

#### [EU and Arab League affirm Jerusalem must be joint capital](#)

European Union and Arab League countries insisted that Jerusalem must be the joint capital of Israel and a future Palestinian state and EU foreign policy Chief Federica Mogherini said that the special status and character of the city must be preserved. [*The Times of Israel*, February 26, 2018]

#### [Poland 'caving to Israeli pressure,' freezes Holocaust law](#)

A Polish team is expected to arrive in Jerusalem to try and reach an understanding with Israel on the controversial Polish Holocaust law in a positive sign that a way is being found out of the diplomatic crisis between the countries. [*The Jerusalem Post*, February 24, 2018]

## INTERNAL AFFAIRS

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### EU POLITICS

#### [Brexit: EU leaders debate financial impact of UK's departure](#)

After he was concerned about a "rift between east and west", the European Council President Donald Tusk said the EU leaders have agreed to spend more on common defense and security policy in their next long-term budget. [*BBC*, February 23, 2018]

#### [EU publishes plan to keep Northern Ireland in customs union](#)

The EU's chief negotiator, Michel Barnier, has conceded that border checks within the UK may be necessary in the future as Brussels published a draft withdrawal agreement under which the Northern Ireland would effectively stay in the single market and customs union after Brexit. [*The Guardian*, February 28, 2018]

#### [Italian election: EU's Juncker admits he is preparing for 'the worst'](#)

EU president Jean-Claude Juncker has admitted the Italian election could cause chaos for Brussels and said he is preparing for the worst case scenario with the prospect of a "non-operational government" a real possibility. [*Express*, February 23, 2018]

#### [Latvia-sized hole in European banking supervision](#)

A scandal on the EU's periphery just threw up an unexpected challenge to the bloc's efforts to create a safer banking union. The EU's watchdogs didn't foresee the collapse of Latvia's ABLV Bank due to money-laundering allegations. [*Politico*, February 26, 2018]

#### [Macron's EU debate idea gains momentum after Poland joins in](#)

French President Emmanuel Macron has won support from 25 of the EU's remaining 27 states for his idea to hold democratic debates on the future of Europe later this year, with Hungary and the Netherlands still needing convincing. [*Reuters*, February 21, 2018]

#### [Why the Netherlands is rejecting referendums](#)

To the extent that is constitutionally possible, the ruling Dutch center-right coalition is clamping down on referendums as its worst nightmare is that political pressures lead one day to a referendum on EU membership and the people vote for "Nexit". [*Financial Times*, February 26, 2018]

#### [German court allows city ban on diesel cars](#)

Germany's top administrative court has ruled that it is legal for cities to ban diesel cars. The government opposes the bans, but is under pressure and legal action from the EU to do more to combat air pollution. [*Deutsche Welle*, February 27, 2018]

#### [Citing "political crimes" Switzerland casts doubt on extradition of Catalan separatist leader](#)

The Swiss government said that it will not in principle extradite a leading figure of the Catalan separatist movement to Spain, where she is facing a rebellion and sedition probe over the illegal independence bid. [*El País*, February 21, 2018]

## **DOMESTIC POLITICS**

### [Fascists throw support behind hard-Right party in Silvio Berlusconi's alliance](#)

The neo-fascist movement CasaPound has thrown its support behind The League, a party in Berlusconi's centre-Right bloc, in what moderate politicians described as a potential "horror film scenario" for the outcome of Italy's election on March 4. [*Telegraph*, February 26, 2018]

### [FDP, AfD, Greens, Left - Germany is looking for the new People's Party](#)

Whether the SPD ever be able to rebuild its old status, is still questionable. The current weakness of the party leaves a gap for other political parties to offer their agenda for a better future for Germany. [*Die Welt*, February 28, 2018]

### [French government unveils tougher asylum rules in new bill](#)

Emmanuel Macron's government will propose toughening France's immigration and asylum laws amid vocal criticism from human rights groups in a move that will test the unity of his left-and-right majority. [*France24*, February 21, 2018]

### [Hungary: surprise defeat for Viktor Orbán in bellwether byelection](#)

Hungary's ruling party has suffered a shock defeat in a local byelection, spelling potential challenges ahead for the prime minister, Viktor Orbán, with only weeks to go before a general election. [*The Guardian*, February 26, 2018]

## **JEWISH COMMUNITIES**

### [EU's Tusk warns Poland must stop anti-Semitic remarks](#)

European Council President Donald Tusk, a former Polish prime minister, said Poland's ruling party must do everything it can to stop anti-Semitic remarks that are hurting Poland's standing in the world and putting its interests at risk. [*Business Insider*, February 23, 2018]

### [Human rights group considers travel warning for Jews visiting Poland](#)

The Simon Wiesenthal Center is considering issuing a warning urging Jews not to travel to Poland following its strained relations with Israel and said that if the anti-Semitism unleashed continues unabated, Jews will face increasing threats. [*The Jewish Chronicle*, February 27, 2018]