Politics & Economics Bulletin 24.03.2017



Turkey summons Russian chargé d'affairs over PYD attack on Turkey

Hurriyet Daily News, 23.03.2017



Turkey summoned Russia's chargé d'affaires to the Foreign Ministry to express Ankara's reaction after killing of Turkish soldier by alleged PYD elements on the Syrian border.

Ankara said it was also Russia's responsibility to monitor violations of the cease-fire in Syria, warning that it would retaliate in kind in the event that such attacks continue. Ankara also conveyed Turkey's concerns over Russia's military presence in Syrian Kurdish-controlled areas. "It was announced that they should do whatever necessary to prevent similar incidents from happening and that if it is experienced [again], there will be retaliation in kind.

It is an attack on Turkey from a region that is said to be under YPG-PYD control. However, the Russian chargé d'affaires was summoned because Russia is responsible for monitoring violations in this region. Through the visit of Russian chargé d'affaires, our views about the involvement of Russian military elements in Afrin were repeated," Foreign Ministry spokesperson Hüseyin Müftüo lu said in a press briefing.

The ministry also hinted that Russia had not informed Turkey before deploying Russian military elements in Afrin. Moscow said the deployment was initiated as part of cease-fire monitoring activities in line with a Dec. 30, 2016, truce deal brokered by Turkey and Russia.

"Coordination between Turkey and Russia, which are the guarantor countries of the ceasefire, will be the most effective method before any arbitration on the ground for truce-related issues," Müftüo lu said.

Müftüo lu also expressed Turkey's unease after Russian generals were photographed wearing symbols of the PYD's armed wing, the People's Protection Units (YPG), on their uniform and at a photograph showing them participating in Nevruz celebrations in front of pictures of Abdullah Ocalan, the leader of the outlawed Kurdistan Workers' Party (PKK). Turkey considers those Syrian Kurdish forces as extensions of the outlawed PKK.

The spokesperson said Turkey also expected Russia to take steps to close the PYD's Moscow office. The Turkish military fired into the northwestern Syrian border region of Afrin after a soldier was killed by cross-border fire. The YPG said Russian forces headed to the area.

He also said the inclusion of YPG fighters in the U.S.-led operation to take Raqqa from Islamic State of Iraq and the Levant (ISIL) was unacceptable. Turkish forces were ready to take part in collaboration with the U.S.-led coalition, he said.



Elaborating on the increasing cooperation of Syrian Kurdish militia with both Russia and the U.S., the spokesperson said the "situation on the ground might be seen differently, but the facts will be accepted by all parties."

During a recent visit by President Recep Tayyip Erdo an to Moscow, both sides pledged to increase bilateral trade, but Russian restrictions on Turkish goods have created impediments to attaining bilateral goals, the spokesperson stated. "Turkey is retaining its view to lifting restrictions" on the export of goods between the two countries, he said, adding that steps needed to be taken to resolve any problems.

Turkey not convinced with Russian denial for military base in Afrin

Hurriyet Daily News, 22.03.2017



Russia's Defense Ministry has denied reports that Moscow is building a military base in Afrin, but Ankara is not convinced by Russia's comments on the matter, even as it has shied away from publicly responding to Moscow over its developing alliance with Syrian Kurds.

Russia did not inform Turkey about such a military deployment, a Turkish official told the Hürriyet Daily News. Turkish intelligence found out that a Russian convoy of four vehicles arrived in Afrin through the Menagh region to the south of Azez, according to the official.

Russian officials denied reports that it was constructing a base in the area held by the People's Protection Units (YPG), saying it was constructing a center to foster reconciliation in Syria.

But the current peace monitoring centers, which were established at the Hmeimim air base in Syria for Russia and in Ankara for Turkey as part of a Dec. 30, 2016, cease-fire deal, are capable of monitoring the situation on the ground, another Turkish official told the Hürriyet Daily News, underlining that there were currently no clashes in Afrin requiring a monitoring mission.

Turkey has not yet established a cease-fire monitoring center in Syria due to security concerns, the official said. The Russian deployment might be aimed at averting any clashes between Syrian opposition groups and the YPG's political wing, the Democratic Union Party (PYD), according to assessments in Ankara.

Turkey earlier expressed its unease to Moscow at the Russian military's cooperation with the YPG, the official said. Russia is setting up a military base in northwestern Syria in an agreement with the Syrian Kurdish YPG and will begin training YPG fighters as part of the fight against terrorism, the milita's spokesman said.



Russian forces are present in the western-most Kurdish canton of Afrin "as a result of an agreement between our forces and the Russian army," YPG spokesman Redur Xelil announced in a published statement.

"The agreement was based on the framework of cooperation in the fight against terrorism and on the military training of our fighters by the Russian army. We have direct relations with Russia," Xelil said.

In the meantime, the Russian Defense Ministry denied reports that Moscow was building a military base in Afrin and that the agreement had included the training of combatants from Kurdish formations. "There are no plans to deploy new [Syria] military bases on the territory of the Syrian Arab Republic," the statement said March 20.

"According to the Russian-Turkish agreements dated Dec. 30, 2016, the units of the Russian Center for Reconciliation of the Opposing Sides on the territory of Syria conduct 24-hour monitoring of the cease-fire.

In order to prevent a violation of the cease-fire regime, a section of the Russian Center for Reconciliation of the Opposing Sides has been deployed in the contact area between detachment of the Kurdish militia and formations of the Free Syrian Army controlled by the Turkish party [near Afrin in Aleppo province]," the ministry said.

Russia has been improving its relations with the YPG despite the fact that Turkey is against any sort of collaboration with the Syrian Kurds as it sees the group as an offshoot of the outlawed Kurdistan Workers' Party (PKK).

Turkey opposes any form of participation by the PYD in the peace talks for Syrian crisis, but Moscow has expressed the need for the Syrian Kurds to participate in the Geneva and Astana talks. In a previous meeting in Astana, Russia proposed a Syrian constitution draft which envisages cultural autonomy for the Syrian Kurds.

Moreover, in early March, the Syrian Democratic Forces (SDF), a loose coalition consisting primarily of the YPG and an assortment of Sunni Arab, Turkmen, Yazidi and Assyrian ethnic militias, reached a deal with Russia to hand over some villages to the Syrian government to the west of Manbij in a bid to deter Turkey from attacking the city.

The YPG and its political affiliate, the PYD, aim to deepen their autonomy through the establishment of a federal government in northern Syria. Afrin is of one of three cantons, along with Kobane and Cizre, which Syrian Kurds want to link, but their goal was thwarted last summer when Turkey launched the Euphrates Shield Operation, taking control of Jarablus and al-Bab.



Turkish FM set to attend counter-ISIL coalition meeting in Washington

Reuters, 21.03.2017



Turkish Foreign Minister Mevlüt Çavu o lu is set to attend the Meeting of the Ministers of the Global Coalition to Counter the Islamic State of Iraq and the Levant (ISIL) in Washington, the Foreign Ministry said.

"Within the scope of the meeting, the stage of the struggle against ISIL will be assessed, along with additional steps that will be taken after in the light of experience," the ministry said. Çavu o lu is expected to hold bilateral talks with U.S. officials, deliver a speech at a think-tank conference, meet with U.S. media representatives and will receive some opinion leaders during his visit, read the statement.

Çavu o lu is also expected to meet with Turkish citizens in New York after his contacts in Washington. The meeting will be the first full meeting of the 68-member coalition since December 2014.

"We are at an important stage of the fight against ISIL and will use this Ministerial to accelerate international efforts to defeat ISIL in the remaining areas it holds in Iraq and Syria and maximize pressure on its branches, affiliates, and networks," the U.S. State Department announced early March.



Turkish Airlines mulls measures to avoid potential losses from laptop ban

Hurriyet Daily News, 24.03.2017



Turkish Airlines is set to take a number of steps to avoid potential losses from a U.S. and U.K. ban preventing passengers from keeping large electronic devices in the cabin, announcing plans to offer special storage and carriage services for the devices, the company's chief said.

The company has also accelerated its works to offer free Wi-Fi services during flights, according to company representatives. "When our passengers are boarding the plane, their electronic devices will be taken by authorized staff and put into special baggage after being wrapped in a foam case.

We ensure that our passengers' devices will not be harmed or lost," Turkish Airlines CEO Bilal Ek i told Anadolu Agency. Turkish Airlines also said March 24 that it would offer uninterrupted internet connection during flights starting in April.

Through a new app called "eXPhone," passengers on Boeing 777 and Airbus 330 planes will be able to check emails, update social media accounts and send and receive text messages, Anadolu Agency reported. The app will be accessible after the plane takes off.

Passengers will be charged for the use of the "eXPhone" according to respective service operators' roaming tariffs. The company has accelerated its works to offer free Wi-Fi services in cabins after the ban, Reuters reported March 24.

Ek i, however, noted that they were very aware that the potential losses of the ban could not be averted by offering free Wi-Fi or tablets. "We can consider these measures as well, but these will not lead to any permanent solution, as many people do not want to share their personal data on other electronic devices due to data security concerns," he added.

Turkish Airlines carried 1.45 million passengers to the United States in 2016 and 834,359 passengers to the United Kingdom, according to Reuters. In the first two months of this year, THY brought 156,542 passengers to the U.S. and 104,627 to the U.K.

The U.S. and British decisions to forbid devices larger than a cellphone in the cabin on flights from several Middle East and North African states could hit Istanbul hard, after years building up its position as an international hub. Ek i said the U.S. and U.K. decisions were shocking for them, adding that there were commercial reasons behind them. "With deep sorrow I accept these decisions, for which safety and security reasons were voiced but the main reasons were commercial," he added. The inclusion of Istanbul's Atatürk Airport was a big surprise, he said. "An authorized security services company is on duty there.



The company staff has already searched all goods carried by airline personnel and passengers thoroughly. Despite this and all other security measures, we were shocked when we saw Atatürk Airport was on the ban list. We believe that this decision will be reversed soon," added Ek i.

TAV CEO Sani ener said March 24 that the U.S. and U.K. decisions were mainly commercial. "This ban will be canceled, we believe," he said in a meeting in the northwestern province of Bursa. Turkey is negotiating with international aviation authorities on easing the conditions of the ban, Turkish Transportation Minister Ahmet Arslan said March 24.

"[To convince] these countries to reverse this decision, we have maintained our efforts to take additional technical measures if needed," he said, adding that Ankara would raise the ban to the International Civil Aviation Organization (ICAO).

US helicopters, special ops take part in Syrian militia airlift

AFP, 23.03.2017



Forces such as Apache helicopters, U.S. Marine artillery and special operation troops were part of a U.S.-led coalition operation to air drop Syrian militia into an area near the ISIL's stronghold Raqqa, a U.S. official said on March 22.

The air drop of Syrian Democratic Forces (SDF) near the town of Tabqa in northern Syria was the first time the coalition had carried out such a mission, Colonel Joseph Scrocca, , a spokesman for the US-led coalition helping local fighters, told reporters, according to Reuters. Tabqa Dam at the southern end of Lake Assad is about 55 kilometers west of Raqqa, which ISIL views as the capital of its supposed "caliphate."

The ISIL-held facility provides electricity to much of the region and its destruction would result in widespread flooding. Scrocca said U.S. support came overnight May 21-May 22 via Apache helicopter gunships, airlifts, air strikes and advice to the SDF, an Arab-Kurdish alliance. A U.S. Marine artillery battery is also helping out, AFP reported. In a first, U.S. forces helicoptered an unspecified number of Arab SDF troops to Taqba, meaning they are now behind ISIL lines as they try to secure the dam.

Scrocca said the area around it is effectively a "command and control center for terrorist attacks against the West" and home to numerous foreign fighter training camps. "Seizing Tabqa will give the SDF a strategic advantage and a launching point needed for the liberation" of Raqqa, Scrocca said. The SDF has been working for months to encircle Raqqa before pushing into the city proper. He said that about 75 to 80 percent of the forces air dropped were members of the Syrian Arab Coalition group and the remainder were from another part of the SDF, some of whom were Kurdish fighters.



"DOD: Last night, U.S. military forces supported multi-pronged offensive by Syrian Democratic Forces behind #ISIS lines to secure Tabqa Dam. U.S. military support included air movement & strikes, Apache close air support, Marine artillery, & special ops advice and assistance. Seizing Tabqa Dam will further isolate #Raqqa and deny #ISIS the ability to move fighters and supplies to defend dwindling strongholds," tweeted Brett McGurk, special presidential envoy for Global Coalition to Counter ISIL.

The U.S.-led coalition fighting ISIL in Syria faces "tough decisions" on how much it should support Kurdish fighters in an offensive to reclaim Raqqa from the jihadists, Senator John McCain, who heads the Senate Armed Services Committee, said on March 22.

He said the Trump administration was weighing the thorny issue of giving the Kurds heavy arms and a major role in the upcoming battle, which would infuriate key ally Turkey, who sees the People's Protection Unit (YPG), an offshoot of the outlawed Kurdistan Workers' Party (PKK). "The conundrum is that if you don't use the Kurds, [the battle] takes a lot longer," McCain told reporters.

"But if you do, you have an enormous challenge as far as relations with Turkey are concerned, including things like the use of ncirlik," he added, referring to the Turkish air base used heavily by the coalition to hit ISIL targets in northern Syria.

McCain said he met recently with Turkish President Recep Tayyip Erdo an, and the two spoke about the Kurdish issue. Meanwhile, U.S. Secretary of State Rex Tillerson said on March 22 the United States would set up "interim zones of stability" to help refugees return home in the next phase of the fight against ISIL and al-Qaeda in Syria and Iraq.

The top U.S. diplomat did not make clear where these zones were to be set up. He was addressing a meeting of 68 countries and organizations gathered in Washington to discuss accelerating the battle against ISIL.

"The United States will increase our pressure on ISIS and al-Qaeda and will work to establish interim zones of stability, through ceasefires, to allow refugees to return home," Tillerson told the gathering at the State Department, where the former oil executive was hosting his first major diplomatic event. Turkey has long promoted the establishment of a terror-free safe zone inside Syria for refugees to come back and settle in.



UN's troubled Syria peace talks restart in Geneva

Reuters, 23.03.2017



U.N.-backed Syria peace talks resumed in Geneva on March 23, with little hope of a breakthrough as no concessions were unlikely. The United Nations deputy Syria envoy Ramzy Ezzeldin Ramzy met government negotiators at a high-end hotel in the Swiss city, before heading to another hotel to see the opposition High Negotiations Committee (HNC).

"We have started today preliminary talks," Ramzy told reporters after his meeting with Syrian President Bashar al-Assad's representatives. "We hope we will be starting substantive discussions tomorrow."

Ramzy's boss, U.N. mediator Staffan de Mistura, was wrapping up a diplomatic tour of the key powers shaping the conflict, which included trips to Moscow, Riyadh and Ankara. He was in Ankara to hold on March 23 talks with Turkish Foreign Ministry's Undersecretary.

De Mistura was due back in Geneva on the evening of March 23 to take charge of the negotiations which have yielded little in four previous rounds. The U.N. is aiming for a political deal to end a sixyear conflict that has killed more than 320,000 people and displaced millions since it started in 2011 with protests against Assad's regime.

On the agenda for this round is governance - a political transition, the constitution and elections - as well as counter-terrorism at the request of Damascus. De Mistura tried to strike an optimistic note when the previous round ended last month, insisting that "everything is ready" for the talks to move forward while reiterating his view that there is no military solution to Syria's devastating civil war.



Brexit 'a failure and a tragedy', warns Jean-Claude Juncker

Independent, 24.03.2017



Brexit is "a failure and a tragedy", European Commission president Jean-Claude Juncker has said. The EU's most senior civil servant promised that Brussels will approach the negotiation of Britain's withdrawal in a "friendly" and "fair" way, but warned that European institutions were not "naive" about the process.

European Commission president Jean-Claude Juncker confirmed that the United Kingdom will be presented with a bill for leaving, but insisted that this did not represent a "punishment", but merely the settling of commitments made by the UK.

He did not put a figure on the bill, which reports suggest could amount to as much as 60 billion euros (£52 billion), to cover liabilities for projects which the UK previously agreed to help fund, as well as pensions for EU officials who served during the period of its membership. Speaking to the BBC, Mr Juncker said: "It will be a bill reflecting former commitments by the British Government and by the British Parliament.

"There will be no sanctions, no punishment, nothing of that kind." Prime Minister Theresa May is due formally to notify Brussels of Britain's intention to leave the EU in a letter to the European Council on March 29 - just four days after the EU's 60th anniversary celebrations in Rome on Saturday.

The letter will set in train a two-year process of negotiation leading to the reduction of the EU from 28 to 27 members on March 29, 2019. Asked how he felt about Brexit, Mr Juncker said: "It is a failure and a tragedy.

"I will be sad, as I was sad when the vote in the referendum took place in Britain. For me, it is a tragedy. "I am anything but in a hostile mood when it comes to Britain. We will negotiate in a friendly way, a fair way, and we are not naive."

Mr Juncker made clear he places high priority on protecting the status of the three million EU nationals resident in the UK and the one million Britons living on the continent. "I am strongly committed to preserving the rights of Europeans living in Britain and British people living on the European continent," he said. "This is not about bargaining, this is about respecting human dignity."



Trump won't allow you to use iPads or laptops on certain airlines. Here's why.

Washington Post, 21.03.2017



From Tuesday on, passengers traveling to the U.S. from 10 airports in eight Muslim-majority countries will not be allowed to have iPads, laptops or any communications device larger than a smartphone in the cabin of the plane.

If you are traveling from Egypt, Jordan, Kuwait, Morocco, Qatar, Saudi Arabia, Turkey, or the UAE on Egypt Air, Emirates, Etihad Airways, Kuwait Airways, Qatar Airways, Royal Air Maroc, Royal Jordanian Airlines, Saudi Arabian Airlines, or Turkish Airlines, and you want to use your iPads, laptops or any communications device larger than a smartphone on the flight, you are probably out of luck.

The six nations affected by President Trump's executive action on immigration are not actually countries where terrorists who have carried out fatal attacks the United States came from. So why is the United States doing this, and how can it get away with it?

The Trump administration says the new rules were introduced because of intelligence that shows terrorists are continuing to target airlines flying to the United States. An unidentified person familiar with the issue has told The Washington Post that officials have long been worried by a Syrian terrorist group that is trying to build bombs inside electronic devices that are hard to detect.

However, as Demitri Sevastopulo and Robert Wright at the Financial Times suggest, non-U. S. observers are skeptical of this explanation. They note that the United States has not been forthcoming about whether the ban is based on recent intelligence or long-standing concerns. There is also no explanation for why electronic devices in the cabin are a concern, and electronic devices in the baggage hold are not. It may not be about security.

Three of the airlines that have been targeted for these measures — Emirates, Etihad Airways and Qatar Airways — have long been accused by their U.S. competitors of receiving massive effective subsidies from their governments. These airlines have been quietly worried for months that President Trump was going to retaliate. This may be the retaliation.

These three airlines, as well as the other airlines targeted in the order, are likely to lose a major amount of business from their most lucrative customers — people who travel in business class and first class. Business travelers are disproportionately likely to want to work on the plane — the reason they are prepared to pay business-class or first-class fares is because it allows them to work in comfort. These travelers are unlikely to appreciate having to do all their work on smartphones, or not being able to work at all. The likely result is that many of them will stop flying on Gulf airlines, and start traveling on U.S. airlines instead.



As the Financial Times notes, the order doesn't affect only the airlines' direct flights to and from the United States — it attacks the "hub" airports that are at the core of their business models. These airlines not only fly passengers directly from the Gulf region to the United States — they also fly passengers from many other destinations, transferring them from one plane to another in the hubs.

This "hub and spoke" approach is a standard economic model for long-haul airlines, offering them large savings. However, it also creates big vulnerabilities. If competitors or unfriendly states can undermine or degrade the hub, they can inflict heavy economic damage.

As we have argued in the past, and talk about in forthcoming work, this can be understood as a variant form of "weaponized interdependence." We live in an interdependent world, where global networks span across countries, creating enormous benefits, but also great disparities of power. As networks grow, they tend to concentrate both influence and vulnerability in a few key locations, creating enormous opportunities for states, regulators and nonstate actors who have leverage over those locations.

In this context, the United States is plausibly leveraging its control over access to U.S. airports, which are central "nodes" in the global network of air travel between different destinations. It is using this control to attack the key vulnerabilities of other networked actors, by going after the central nodes in their networks (the hub airports) and potentially severely damaging them.

Gulf airlines have tried to defend themselves against political attacks from U.S. competitors by appealing to free trade principles. The problem is that standard free trade agreements, such as World Trade Organization rules, don't really apply to airlines (although they do apply to related sectors, such as the manufacture of airplanes).

This has allowed the Gulf airlines to enjoy massive subsidies, without having to worry too much about being sued in the WTO. However, it also makes it hard for Gulf states or the states of other affected airlines to take a WTO case against the new U.S. rules, even if these rules turn out to be motivated by protectionism and the desire to retaliate, rather than real underlying security questions.

If this were happening in a different sector, it would make for a pretty interesting case. States preserve carve-outs from international trade rules when they feel that their security is at stake. Would the United States prevail in a case like this, where there is a colorable security justification, but where there is also a very plausible argument that the real motivation doesn't have much to do with security?

Or would the WTO defer to the United States' proposed justification? It's very likely that the Trump administration will make more unilateral rules that are justified using the language of national security, but are plausibly motivated by protectionism, so we may find out.



Trump administration eyes \$1 billion in cuts to UN peacekeeping

Foreign Policy, 23.03.2017



White House is seeking to cut \$1 billion in funding for U.N. operations and to eliminate hundreds of millions of dollars for other U.N. programs that care for needy children and seek to lift the world's poorest out of a life of grinding poverty, according to two diplomatic sources briefed on the plan.

The proposal is certain to face strong pushback from congressional leaders, who warned that President Donald Trump's budget will never be passed. But it reflected the White House's clear desire to jettison America's traditional role as the champion of the downtrodden and embrace that of a military powerhouse to be feared.

The White House budget office informed State Department officials this week that the administration plans to eliminate all U.S. funding to the \$326 million International Organizations and Programs account, which provides more than \$130 million to UNICEF — a sizable chunk of the more than \$500 million the United States contributed to the U.N. agency in 2016 — and around \$70 million to the U.N. Development Programme.

They were also told to brace for a 40 percent cut to the State Department's U.N. peacekeeping budget. The United States contributed more than \$2 billion to the U.N.'s \$8 billion-plus peacekeeping budget last year.

In New York, Nikki Haley, the U.S. ambassador to the United Nations, is planning to host an April 6 meeting of the U.N. Security Council to discuss an ongoing U.S. review of the U.N.'s 16 peacekeeping missions. Haley, who will serve as the council's president for the month of April, will make the point that some of the U.N. missions may have outlived their usefulness and may need to be shuttered, reconfigured or shrunk, according to a confidential U.S. concept paper.

The paper, which was reviewed by Foreign Policy, urged Security Council members to "consider whether current peacekeeping operations continue to be the best-suited mechanisms for meeting the need of those on the ground and achieving the council's political objectives, or if changes are needed. That is, are current missions 'still fit for purpose'?"

The proposed U.N. cuts, which were drafted by the White House Office of Budget and Management, show that the Trump administration is seeking far deeper cuts to the U.N. in the international affairs budget than to the State Department or USAID. Last week, the White House released a preliminary budget projection — known as the skinny budget — that called for cuts of 28 percent to international organizations in the 2018 budget. But big chunks of that outlay — including \$3.1 billion in security assistance to Israel — are to be spared, and the White House has informed State Department officials that funding to NATO will also be left off the chopping block.



That means the U.N. and other international organizations will have to absorb a far higher share of cuts. And programs that combat climate change or provide reproductive health services are likely to be cut altogether.

The State Department and the White House declined to comment on the specific targets. A State Department official said simply that the 2018 "budget request will reduce funding requested for the U.N. and affiliated agencies. Beyond this, more details won't be available until the president's full FY 2018 Budget is rolled out later in the spring."

A White House official added that "the president's America First blueprint seeks to place more focus here at home and less abroad. That having been said, internal deliberations surrounding the full fiscal year 2018 budget are ongoing and final details will be announced in the mid-May release."

U.S. government agencies contributed nearly \$10.5 billion last year to a vast number of U.N. programs that vaccinate children, help keep the peace in conflict zones, care for refugees, feed the poor, and monitor the spread of nuclear, chemical, and biological weapons. Since the United States helped create the United Nations in the waning days of World War II, the body has been seen as a way to promote stability around the world and advance U.S. interests, including economic development, conflict prevention, and nonproliferation.

State Department officials had been informed by the White House budget office earlier this month that cuts to U.N. programs could run higher than 50 percent. The White House wants to redirect a large portion of that money to increase the U.S. defense budget by \$54 billion to \$639 billion for national defense.

The president's preliminary budget — titled "America First: A Budget Blueprint to Make America Great Again" — would, in contrast, preserve funding to combat some of the world's most lethal diseases, including HIV/AIDS, tuberculosis, and malaria, and it would honor a prior \$1 billion pledge to Gavi, an alliance committed to vaccinating hundreds of millions of children.

But it threatened "to reduce or end" funding for international organizations, including the United Nations, which purportedly don't serve U.S. foreign-policy interests. The goal is to create "the expectation that these organizations rein in costs and that the funding burden be shared more fairly among members."

As an initial step, the United States would insist on reducing its current share of the U.N.'s regular budget below its current mandated rate of 22 percent, and slash its share of the U.N. peacekeeping budget from just over 28 percent to 25 percent. In order to hit those targets, the United States would have to convince other powers to make up the difference. Otherwise, America would quickly fall into arrears, risking the possibility of losing its vote in the U.N. General Assembly.

U.S. economic and development assistance would be channeled primarily to countries that are of "greatest strategic importance to the United States." Asked by a reporter whether the White House was concerned that U.N. cuts might harm the world's most vulnerable, including more than 20 million facing famine in Nigeria, Somalia, South Sudan, and Yemen, Trump's budget chief, Mick Mulvaney, said: "We're absolutely reducing funding to the U.N. and to the various foreign aid programs, including those run by the U.N. and other agencies."



"That should come as a surprise to no one who watched the campaign," he added. "The president said specifically hundreds of times.... 'I'm going to spend less money on people oversees and more money on people back home,' and that's exactly what we're doing with this budget."

It is by no means sure that these cuts will be implemented. Key congressional leaders, including Senate Majority Leader Mitch McConnell (R-Ky.) and Sen. Lindsey Graham (R-S.C.), the chair of the appropriations subcommittee that oversees funding to the State Department, called it "dead on arrival." Aid advocates joined the chorus.

"These cuts are so disproportionate and out of the realm of reality that Congress needs to step in and take a more nuanced view," Peter Yeo, the president of the Better World Campaign, a U.N. advocacy group, told FP. Yeo said he is confident that Republicans and Democrats would push back against the cuts in congress.

"The people that make the decisions in the House and Senate, they know the U.N. accounts well and are very supportive," he said. "It's not a coincidence that they have nearly a decade of full funding at the U.N. The members who are in charge of appropriations have taken time to get smart on the issue."

But some U.N. diplomats are less sure, noting that many congressional leaders have expressed the greatest alarm around cuts to the State Department, not those to the United Nations. Legislation introduced in the House would withdraw U.S. funding for the United Nations, and Graham threatened to cut all U.S. funding to the U.N. in December, after the U.N. Security Council passed a resolution denouncing Israeli settlements.



Announcements & Reports

The case for a common European refugee policy

Source	: Bruegel
Weblink	http://bruegel.org/2017/03/the-case-for-a-common-european-refugee-policy/

Maintaining Arctic Cooperation with Russia

Source	1	Rand
Weblink	1	http://www.rand.org/pubs/research_reports/RR1731.html

The unprecedented expansion of the global middle class

Source	: Brookings
Weblink	https://www.brookings.edu/research/the-unprecedented-expansion-of-the-global-middle-class-2/

Upcoming Events

Competitive Gains in the Economic and Monetary Union

 Date
 : 25 April 2017

 Place
 : Brussels - Belgium

 Website
 : http://www.bruegel.org/nc/events/event/detail/event/534-competitive-gains-in-the-economic-and-monetary-union/

The Future of Capitalist Democracy: UK-Japan Perspectives

 Date
 : 25 April 2017

 Place
 : London - UK

 Website
 : http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives

13th Asia Europe Economic Forum (AEEF)

Date	2	26 April 2017
Place	:	Beijing - China
Website	2	http://bruegel.org/events/13th-asia-europe-economic-forum/

Emerging Markets and Europe: Time for Different Relationships?

Date	: 27 April 2017
Place	: Brussels - Belgium
Website	http://www.bruegel.org/nc/events/event-detail/event/524-emerging-markets-and-europe-time-for-different-relationships/



What future for Europe's Social Models?

Date: 27 April 2017Place: Brussels - BelgiumWebsite: http://www.bruegel.org/nc/events/event-detail.

http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/

Challenges for Growth in Europe

 Date
 : 27 April 2017

 Place
 : Brussels - Belgium

 Website
 : http://www.bruegel.org/nc/events/event/521-challenges-for-growth-in-europe/

Global Governance of Public Goods: Asian and European Perspectives

 Date
 : 28 April 2017

 Place
 : Paris - France

 Website
 : http://www.bruegel.org/nc/events/event-detail/event/529-global-governance-of-public-goods-asian-and-european-perspectives/

The Future of the Welfare State

 Date
 : 28 April 2017

 Place
 : Berlin - Germany

 Website
 : http://www.bruegel.org/nc/events/event/541-the-future-of-the-welfare-state/

Vision Europe Summit 2016

 Date
 : 28 April 2017

 Place
 : Lisbon - Portugal

 Website
 : http://bruegel.org/events/vision-europe-summit-2016/