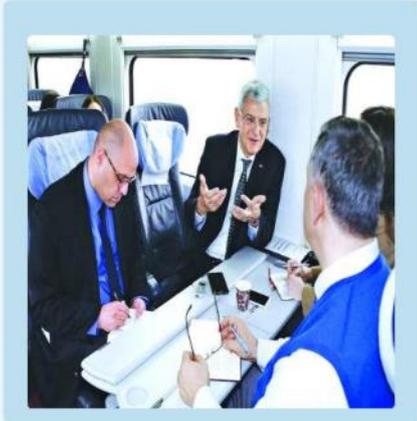


## Ankara: EU must keep its promises to Turkey

Hurriyet Daily News, 08.01.2016



The responsibility for re-energizing Turkey's accession process will belong to the EU that the ongoing Cyprus talks fail to produce a breakthrough, EU minister has said, asking the bloc to keep its promises toward Ankara.

“In the event that the Cyprus problem cannot be resolved, the removal of the blockages imposed on chapters by the Greek Cyprus without an EU Council decision or in the absence of a legal basis belongs to the EU,” EU Minister Bozkır told. “A letter signed by Donald Tusk and Jean-Claude Juncker and sent to our pm stands as a commitment to the opening of these five chapters.

They don't say that these chapters can [only] be opened if the Cyprus problem is resolved,” he said. The letter Bozkır referred to was sent to the Turkish government as an annex to a Nov. 29, 2015, joint statement between Turkey and the EU and cited five chapters the EU Commission promised to prepare for opening in the first quarter of 2016.

The five chapters are under a Greek Cypriot veto, and there are concerns that the failure of Cypriot reunification talks would also have a negative impact on the Ankara-Brussels relationship. “Our position in keeping the Cyprus issue unrelated to our EU accession process remains. We will not allow any kind of involvement of the Cyprus problem in our accession process. There is this commitment of the EU. But in the event the Cyprus problem is resolved, then all these chapters will absolutely be opened automatically,” he said.

Turkish and Greek Cypriots have been negotiating for a sustainable solution to the decades-old problem with high hopes for a referendum to be staged in the coming months. The two parties' voting in favor of creating a new partnership state will have a drastic impact on the Turkish accession process as well.

The joint statement reached by Turkey and the EU also opens new avenues for the intensification of political and economic dialogue, the minister said, announcing that Turkish and EU leaders would first come together on Jan. 25 in Turkey. EU Foreign Minister Federica Mogherini, EU Commissioner Responsible for Enlargement Johannes Hahn, Turkish Foreign Minister Mevlüt Çavuşoğlu and Bozkır will come together in a four-way meeting. “We'll meet more frequently afterwards,” Bozkır said, adding that Turkey's foreign minister would also increase the number of visits to EU-related meetings. Another top meeting will be held in the field of energy as the Turkey-EU high-level Energy Cooperation Council will meet in Istanbul on Jan. 28-29. “This meeting will not only focus on the TANAP [Trans-Anatolian Pipeline Project] and the Turkish Stream but also on potential projects for the transportation of reserves from Turkmenistan, Qatar, Iran, northern Iraq and off Cyprus,” he said.

In the meantime, Turkey and eight EU countries with similar policies on migration issues will come together at a mini summit on Feb. 18 in Brussels. In parallel to the political dialogue with the EU, the Turkish minister also underlined the government's work to deepen the bonds of Turkey's people toward the EU with seminars and workshops held in different cities with the participation of civil society organizations.

One of the best ways to this end is to ensure more Turkish people benefit from EU funds and projects like Erasmus, he said, noting that around 300,000 Turkish people from all walks of life had been given Erasmus funds and thus could study in EU countries.

"Among them are students, apprentices and others which shows a wide social base has been benefiting from [the project]. With a resource of 700 million euros, we are planning to have another 500,000 Turkish people benefit from Erasmus by 2020," he added. Turkey's communication strategy does not only address the needs of providing information to the Turkish people in Turkey but also to the European public opinion on Turkey and its accession process.

"We have so many big, nongovernmental organizations like TÜSİAD [Turkish Industry and Business Association], TOBB [The Union of Chambers and Commodity Exchanges of Turkey], MÜSİAD [Independent Industrialists' and Businessmen's Association] and the İKV [Economic Development Foundation]. We are planning to hold conferences inside Turkey as well as in EU capitals other than Brussels," he said.

A new concept will be implemented during meetings in EU countries, Bozkır said, underlining that more foreigners than Turks would be invited to the conferences, which would bring high-level decision makers, businessmen and academics together.

## Turkey 'strongly condemns' North Korea nuclear test

Hurriyet Daily News, 08.01.2016



Turkey has joined in the condemnation of North Korea over its nuclear test, calling it "an unacceptable threat" to global peace and stability.

"Turkey is gravely concerned with this development which will be bound to affect peace and stability in the region and constitutes a clear violation of the UN SC Resolutions 1718, 1874, 2087 and 2094," the Turkish Foreign Ministry said. "As a country actively supports international efforts against the proliferation of weapons of mass destruction, Turkey regards this as an unacceptable threat toward international peace and stability and strongly condemns it.

We call upon North Korea to fastidiously abide by its international obligations,” the Foreign Ministry said. North Korea said it had successfully tested its first hydrogen bomb, triggering international concern and anger from countries including the United States and Japan, and even its sole major ally, China.

The U.N. Security Council agreed to roll out new measures to punish North Korea and vowed to begin work on a new U.N. draft resolution that would contain “further significant measures.” But Pyongyang is already under layers of sanctions imposed following its past missile launches and three nuclear tests, and analysts have questioned what real impact fresh penalties will really have.

## Turkey summons Iranian envoy over media linking Saudi executions to Erdoğan

Hurriyet Daily News, 08..01.2016



Turkey has summoned Iran’s ambassador to demand a halt to Iranian media reports linking the execution of a Shiite cleric by Saudi Arabia with last week’s visit to Riyadh by President Recep Tayyip Erdoğan.

“We strongly condemn the linking of our President Recep Tayyip Erdoğan’s recent visit to Saudi Arabia to the executions sentenced in the country in stories published in media outlets linked to Iranian official bodies,” the Turkish Foreign Ministry said in a written statement released, announcing that ambassador Ali Reza Bikdeli had been summoned to the ministry earlier in the day.

The statement also condemned remarks that directly accused President Erdoğan and said the publications aimed to create a negative image of him in the eyes of Iranian people. “It was stressed to the ambassador that the attacks on Saudi Arabian embassy and consulate in Tehran and Meshed were completely unacceptable and inexplicable,” the statement read.

Erdoğan returned from a two-day official visit from Riyadh. Saudi Arabia’s execution of Shiite cleric and activist Sheikh Nimr al-Nimr erupted into a full-blown diplomatic crisis as Riyadh, then Bahrain and Sudan, severed relations with Tehran, the world’s strongest Shiite power. In remarks delivered, Erdoğan did not condemn Saudi Arabia for its execution of 47 convicts, saying it was an “internal legal matter” of the kingdom. “The executions in Saudi Arabia are an internal legal matter. Whether you approve of the decision or not is a separate issue,” Erdoğan said in a televised speech, his first reaction to the controversy that has strained relations between Saudi Arabia and its regional rival, Iran. Turkey and Saudi Arabia, both considered as Sunni powers, share the same vision over the conflict in Syria where they believe only the ousting of President Bashar al-Assad can bring an end to almost five years of civil war. Meanwhile, tensions have increased between Turkey and Iran, which along with Russia is the key remaining ally of Assad.

# Turkey's foreign policy conundrum with Russia: What is to be done?

Turkish Policy Quarterly, 06.01.2016



Turkey's foreign policy in 2016 will continue to revolve around the Syrian quagmire. On the one hand, Turkey wishes to influence the talks between the Syrian state and the Syrian opposition which will be launched in order to prepare the framework for a transitional period in the country.

On the other hand, Turkey will have to look for ways to normalize its relations with Russia, which began to deteriorate when Russia became more actively involved in Syria. These issues present two sides of the same coin and appear to be the conundrum facing foreign policy makers in Ankara.

Past practices have proven that Turkish foreign policy, unfortunately, has not been formulated by Turkey's experts but rather by politically motivated personalities whose primary motivation for external politics lies in domestic interests.

When Russia intervened militarily against the Islamic State of Iraq and the Levant (ISIL) in Syria at the end of September 2015 and Russian fighter jets violated Turkey's airspace in the first days of October, it was obvious that relations between the two countries had reached a boiling point. Russia and Turkey appear to be on opposite camps in Syria; Russia, under the guise of fighting "terrorism," is targeting both ISIL targets and Syrian opposition forces that are fighting Assad, whereas Turkey is a strong supporter of Assad's opponents and is concerned about Russia's activities. Signs of a possible confrontation between Moscow and Ankara over their Syria policies were apparent as early as October 2015.

Russia, under the guise of fighting "terrorism," is targeting both ISIL targets and Syrian opposition forces that are fighting Assad. On 24 November 2015 Turkey shot down a Russian military aircraft, arguing that it had violated its sovereign air space in spite of repeated warnings. Turkey argued that it acted within its so-called "rules of engagement," which were established in 2012 when a Turkish fighter jet was shot down by the Syrian army.

Today, Turco-Russian relations are suffering from the political consequences of this incident. Russia has asked for an apology, compensation, and punishment of Alparslan Çelik (the person who shot the pilot down as he was parachuting to safety according to the Russians) in order to restore good bilateral relations.

However, Turkey has refused to offer an apology. Consequently, Russia has initiated a series of economic sanctions against Turkey, which will hurt Turkey's trade relations and tourism industry with Russia. Starting in 2016, Turkish citizens will be unable to travel to Russia without a visa as the bilateral visa-free regime has now been unilaterally cancelled by the Kremlin.



Similarly, Russian tour operators are banned from organizing programs to take Russian tourists to Turkey. Turkish constructors will also be negatively impacted due to the now limited business opportunities in Russia. The current impasse between Turkey and Russia is bound to worsen before it gets better, and is entirely counter to the mutually beneficial relationship they have so carefully developed over the last decade.

Could this incident be avoided? Apparently, both sides acted on the basis of false assumptions. Turkey seemed to believe that the seriousness of its warnings and ultimatums to the Russians about incursions into its airspace would be taken at its face value. Turkey therefore assumed that Russia would not dare continue its violations in order not to risk the eventuality of an incident with a NATO member country.

Russia, on its part, apparently believed that the so called airspace violations were minor, did not present any real threat to Turkey's security, and that Turkey would not dare shoot down a Russian plane at the risk of escalating Russia-NATO relations. Both assumptions were out of the context. The incident should have been viewed within the parameters of overall bilateral relations between the two countries.

The logical conclusion is that while Ankara and Moscow have differences of opinion on international problems, these diverging views should not bear an impact on their strong strategic partnership. However, the failure to compartmentalize the incident has resulted in a situation that does not bode well for the future Turco-Russian relations and will hardly facilitate the return of the status quo ante, i.e., the situation which prevailed prior to the 24th of November 2015.

The current impasse between Turkey and Russia is bound to worsen before it gets better, and is entirely counter to the mutually beneficial relationship they have so carefully developed over the last decade.

What is to be done? Turco-Russian relations are too important to be sacrificed for the narrow interests of domestic politics. Up until a couple of months ago, Putin and Erdoğan seemed to understand each other well and had developed a good working relationship on a number of issues, both in bilateral and multilateral contexts.

True, Russia's feelings have been hurt and Russia considers the shooting down of its plane as a betrayal of a valuable neighbor, if not of a trusted partner. Confidence plays a crucial role in state-to-state relations. Turkey, therefore, needs to regain the confidence of Russia and should be expected to behave with empathy since Russia has lost two soldiers because of the incident.

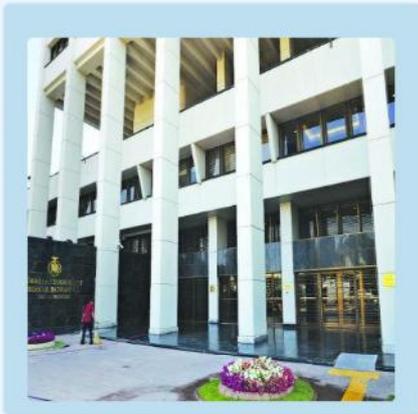
Although the November 24th incident between Russia and Turkey cannot be equated to the Mavi Marmara incident between Turkey and Israel per se, Turkey can draw some important conclusions if it believes in the importance of sustaining good relations with Russia.

In order to overcome the misunderstandings and find a mutually acceptable solution to the problem, both sides should try to dignify the merit of uninterrupted dialogue. Under the circumstances, it is difficult to achieve this through official channels, hence the importance of second-track diplomacy. In the field of diplomacy, a non-zero sum game approach is the key to successful and functional relations between countries.

Such an approach, however, should not end up with a lose-lose situation but rather a win-win outcome. Anchored in overlapping interests in the region, Turkey and Russia are well positioned to end the current enmity and restore their good relations, but first they must establish mutual empathy.

## Governor: Everybody should back Central Bank

Hurriyet Daily News, 08.01.2016



Central Bank Governor Erdem Başçı, whose office term will terminate soon, said everyone should back the bank as the institution represents the dignity of this country, in his speech to the parliament. He also signaled he won't say "no" to any offer to keep the post.

Başçı made a 4-hour long closed door presentation to members of the Planning and Budget Commission. Several market players have raised questions about the independence of the Central Bank in 2015 as high-level officials severely criticized its rate policy of a growth hike push amid a rising inflation rate.

Such moves triggered rallies in the stock markets and the forex markets over last year. Upon a question about the independence of the bank by deputies from the opposition parties, Başçı said, "Everyone needs to back us [the Central Bank] as the Central Bank is the dignity of this country." He also said a rate hike may be the case if needed, according to sources.

"If the decline in volatility witnessed with the start of global monetary policy normalization is lasting, monetary policy simplification steps could start from the next meeting," he said at the presentation, which was later posted on the bank's website, as reported by Reuters. By global "normalization," Başçı was referring to the U.S. Federal Reserve's decision to raise interest rates last month for the first time in nine years. The next meeting of Turkey's monetary policy committee is scheduled for Jan. 19. Başçı's office term will end on April 19 and it is a big unknown as to who will succeed him.

# Turkey, which sought middle ground, enters Saudi-Iranian dispute

New York Times, 08.01.2016



Turkey said it had summoned the Iranian ambassador to register its objections to reports in the Iranian media linked a visit by President Erdogan to Riyadh, Saudi Arabia, late last month with the kingdom's execution of a Shiite cleric.

The execution of the cleric, and the subsequent sacking of the Saudi Embassy in Tehran, ruptured relations between the Sunni monarchy in Saudi Arabia and Shiite-led Iran, setting the region on edge. Iranians throughout the country turned out to protest the sheikh's execution, chanting "Death to Al Saud," as well as the customary shouts of "Death to America" and "Death to Israel."

Turkey's Foreign Ministry said in a statement released late Thursday: "In a meeting today that took place with the Iranian ambassador at our ministry, we condemned the linking of our president's recent visit to Saudi Arabia to the executions carried out in the country in articles published on media outlets linked to Iranian official bodies. We asked for such broadcasts to be terminated immediately."

The diplomatic dust-up dragged Turkey into a crisis that has roiled the Middle East, rattled world financial markets and heightened sectarian tensions, the latest chapter in a longstanding power struggle between the regional players that has played out in the area's many proxy wars, from Syria to Yemen to Iraq.

Turkey, a Sunni-majority country, has pursued an aggressive foreign policy in the Middle East in recent years in a bid to expand its influence and to position itself as the region's leader of Sunni Islam. In doing so, it has sought to occupy a middle ground in the dispute between Saudi Arabia and Iran.

As a number of Sunni-led countries in the region, including Bahrain, Kuwait and the United Arab Emirates, sided with Saudi Arabia, Turkey sought to calm tensions by advocating dialogue and offering itself as a possible mediator.

Prime Minister Ahmet Davutoglu of Turkey, while condemning the sacking of the Saudi Embassy, warned that the tensions were "further enhancing antagonism in the region." A spokesman for the Turkish government, Numan Kurtulmus, pointedly noted that Turkey does not have the death penalty — a veiled criticism of Saudi Arabia. The rift between Saudi Arabia and Iran presents a challenge to Turkey, however, one that potentially jeopardizes its quest to play the regional peacemaker.



While Turkey is trying to rebuild its relationship with Riyadh — fractured during the Arab Spring, when Turkey supported the Muslim Brotherhood in Egypt and Saudi Arabia opposed it — it also seeks to maintain some semblance of a relationship with Iran, despite the two countries supporting opposing sides of the civil war in Syria.

Turkey, like Saudi Arabia, has supported Sunni rebels seeking the ouster of President Bashar al-Assad of Syria, while Iran has been one of Mr. Assad's chief supporters. Turkey has gone to great lengths to compartmentalize its relationship with Iran, essentially walling off its rivalry over Syria while maintaining an important economic relationship. Turkey relies on Iran for natural gas imports, which have become more important in the wake of the breakdown in Ankara's relations with Russia, another important energy supplier, over Turkey's shooting down a Russian warplane in November.

As Turkey seeks to navigate the growing Saudi-Iranian dispute, it is also in the midst of a broader shift in its foreign policy, with events pulling it back to its traditional relationship with the West. The migration crisis has brought it closer to the European Union, which has sought Turkey's help in stemming the flow of refugees from Syria. The dispute over the Russian plane has forced Turkey to rely more heavily on its NATO allies. And Ankara is also in negotiations to restore diplomatic relations with Israel, which broke down in 2010 after Israeli commandos stormed an aid ship bound for the Gaza Strip from Turkey.

Still, even as Mr. Davutoglu and Mr. Kurtulmus have been measured in their comments on the Saudi-Iranian rift, Mr. Erdogan has seemed to be more pro-Saudi Arabia in his remarks. He has called out Iran for what he sees as a double standard: condemning the execution of the cleric while giving support to Mr. Assad, whose military campaign and indiscriminate bombings have been blamed for the deaths of tens of thousands of Syrian civilians.

"The same people who keep silent during mass killings are now trying to stir up the world over the execution of one person," Mr. Erdogan said this week. "You prove all kinds of aid is being sent there. To whom? To the murderer, Assad. You can never justify yourselves." Mr. Erdogan dismissed the criticism directed toward Saudi Arabia over the execution, calling it, "an internal legal matter." Despite Mr. Erdogan's comments seeming to alienate Iran, some analysts said that Turkey could be well positioned to mediate the dispute.

"Ankara is tied to both countries in strategic ways, which makes it an ideal player for mediation," said Erdem Aydin, an expert on Iran who works as a commentator for CNN Turk. "If Saudi Arabia is indispensable for Syria policy, then Iran is indispensable for its economy, in terms of natural gas imports, now especially, given the recent tension with Russia. Turkey in its capacity as a regional country that has historic and strategic ties to both countries can play a mediating role in this dispute."

Other analysts, though, say that Tehran would never consider Turkey as a reliable interlocutor, given its recent moves in support of Saudi Arabia. For instance, Turkey has largely supported the Saudi-led coalition's airstrikes in Yemen against rebels seen as supported by Iran, and Turkey has also agreed to join Saudi Arabia in a military alliance the kingdom recently announced. These steps "strengthen Turkey's image as a Sunni power pursuing a sectarian regional policy," said Gonul Tol, the director of the Center for Turkish Studies at the Middle East Institute in Washington. "It is hard to play a constructive role in defusing the region's sectarian tension with that image."

As Turkey has moved closer to Saudi Arabia, it has also joined the kingdom in voicing concerns about what it sees as Iran's destabilizing activities in the region, including supporting Mr. Assad and funding proxy forces in the region, from Hezbollah in Lebanon to Shiite militias in Iraq to the Houthi rebels in Yemen.

"Deeper ties with the Saudis is, in part, an attempt by Ankara to counterbalance Iran's growing clout in the region, especially in Syria and Iraq," Ms. Tol said. "But it is hardly a wise strategy if Turkey wants to play a constructive role in regional conflicts and defuse the sectarian tension."

## EU deal with Turkey failing to stem migrant flow

Financial Times, 07.01.2016



The number of refugees arriving in the EU from Turkey has not dropped sufficiently since Brussels agreed to provide Ankara with €3bn in aid in return for a crackdown, the EU's top official responsible for tackling the migration crisis has said.

Frans Timmermans, the EC's first vice-president, said that he would fly to Turkey to discuss the issue with Turkish authorities, adding that Ankara had to improve its efforts in order to live up to the terms of November's joint action plan. "We are all committed as part of the joint action plan to bring the figures substantially down."

It's quite clear that over the last couple of weeks the figures have remained relatively high," Mr Timmermans said at a news conference in Amsterdam with Dutch and EU leaders. "So there's still a lot of work to do there." His remarks come amid mounting concern in Berlin that its Turkey-focused strategy aimed at halting the influx, which brought more than 1m refugees to Germany last year, is not bearing fruit fast enough.

The strategy has come under renewed scrutiny following police reports from the German city of Cologne that men of "north African and Arabic" appearance assaulted dozens of women during the recent New Year's festivities. Anti-immigrant groups have seized on the incident, arguing that it showed the failure of German chancellor Angela Merkel's refugee policy.

According to UN figures, the number of refugees arriving in Greece frequently exceeded 3,000 a day during the past two weeks. Although that is below the numbers of early December, it is still enough to overwhelm Greek and EU authorities. Many leaders also believe the dip is due to bad weather rather than Turkish efforts. "Our impression is that the drop is predominantly linked to the weather, namely a stormy sea in the Mediterranean," Thomas de Maizière, German interior minister, said.

Mr Timmermans, who was in Amsterdam to kick off the Netherlands' spell at the helm of the EU's six-month rotating presidency, said Brussels would need to work with Ankara at "improving the effectiveness of their operations". "We are a long way from being satisfied and we will continue our efforts to make sure we deliver the results we agreed with Turkey," he added. The drop is predominantly linked to the weather, so there's still a lot of work to do. But Ankara has long made clear the migrant flow to Europe might continue.

Ahmet Davutoglu, Turkey's prime minister, said when the deal was signed that he could offer "no guarantees", saying it would depend on events in Syria. Turkish officials say the funding promised by the EU was to sustain migrants within Turkey and is not contingent on stemming numbers.

Gerald Knaus, head of the European Stability Initiative, a think-tank, said it had been unrealistic to imagine the deal would bring down refugee numbers. "It was obvious to everybody three months ago that it wouldn't work. Both sides are to blame for that, because they didn't negotiate seriously," he said. The only solution, he added, would be if Turkey committed itself to taking back refugees who had left the country for Greece and whose asylum applications had been rejected.

## Turkey must withdraw 'unauthorized' forces in Iraq, Obama says

Hurriyet Daily News, 07.01.2016



Turkey should withdraw any military forces in Iraq that are "not authorized by the Iraqi government," U.S. President Barack Obama has told Iraqi Prime Minister Haider al-Abadi, according to the White House.

Relations between Turkey and Iraq have been tense since Dec. 4, 2015, when Turkey deployed additional troops, hundreds of commandos and a small mechanized unit to the Bashiqa camp, which lies near Mosul held by the ISIL. The move infuriated Iraq to the extent that it brought the issue before the United Nations Security Council, asking it to use its powers to force Turkey to pull its troops from Iraq.

Iraqi Foreign Minister Ibrahim al-Jaafari said, that Baghdad would continue to pursue peaceful means, but that if there was no other solution and if "fighting is imposed on us, we will consider it to protect our sovereignty." The Iraqi central government and their armed forces have failed to take effective measures in the face of attacks by ISIL, Davutoğlu said in a televised address to the nation. "In line with appeals from the Iraqi authorities, we are providing training and equipment support to both the Peshmerga and local volunteers from Mosul," Davutoğlu said, noting that the fall of a city like Mosul, the second largest province in the country, to ISIL has once more displayed the need for international support and cooperation along with local forces against threats posed by ISIL. "Our support will continue until Mosul is liberated," he added.

“On regional issues, Prime Minister al-Abadi and President Obama discussed their mutual concern over Saudi Arabia’s execution of Sheikh Nimr al-Nimr and the attacks against Saudi Arabia’s diplomatic facilities,” the White House said in a statement. “They agreed on the need for all regional parties to demonstrate restraint, avoid provocative rhetoric or behavior and avoid a worsening of sectarian tensions. They agreed on the importance that all parties maintain diplomatic engagement and dialogue,” it said.

## US-led coalition: ISIL territory shrinks in Iraq and Syria

Reuters, 05.01.2016



Islamic State of Iraq and the Levant’s (ISIL) territory shrank by 40 percent from its maximum expansion in Iraq, and by 20 percent in Syria in 2015, as international forces pushed it out of several cities, the U.S.-led coalition fighting it said.

There was no immediate comment from the hardline Islamist group on the estimates from the coalition, made up of countries including Britain, France and Jordan that have been bombing its positions. “We believe in Iraq it’s about 40 percent. And Syria, harder to get a good number, we think it’s around 20,” coalition spokesman U.S. Army Col. Steve Warren told.

“Taking together Iraq and Syria .. they lost 30 percent of the territory they once held,” he said. ISIL swept through a third of Iraq in 2014, seizing Mosul, the largest city in the north, and reaching the vicinity of Baghdad.

Counter-offensives by Iraqi and Kurdish armed forces supported by the U.S.-led coalition, and by Iran-backed Shi’ite militias have forced them out of several cities since, including Tikrit, north of Baghdad, and Ramadi, to the west. In Syria, ISIL is fighting the army of President Bashar al-Assad and other rebel groups opposed to his rule. It is facing air strikes by the U.S.-led coalition and by Russia which has sent warplanes to support its ally, the Syrian government. Iraqi Prime Minister Haider al-Abadi last month said 2016 will be the year of “final victory” on the hardline group.

# Agenda gap between EU, Turkey and the Middle East

Hurriyet Daily News, 02.01.2016



The European Union has set 10 priorities for 2016.

Those are to create/become: 1-A new boost for jobs, growth and investment (including the situation of working parents). 2-A connected digital single market. 3-A resilient energy union with a forward-looking climate change policy (to set an energy union package). 4-A deeper and fairer internal market (including a labor mobility package and a space strategy). 5-A deeper and fairer economic and monetary union (completion of the banking union). 6-A reasonable and balanced free trade agreement with the U.S. 7-An area of justice and fundamental rights (implementation of European agenda on security).

8-A new policy on migration (including a border management package). 9-A stronger global actor (to contribute to its global strategy). 10-A union of democratic change (transparency and accountability of EU bureaucracy).

I list those EU priorities to show the gap between the agendas of the EU and the Middle East. In many countries of the Middle East, security is almost the only agenda. In some parts of civil war-hit countries like Syria, Iraq and Yemen, it is more than security - it is the basic instinct of staying alive. No budget planning for the next few years, no plans for working parents, no digital single market and no management of fading away borders. Just staying alive. Even in other countries in the region - from Israel to Iran, from Egypt to Saudi Arabia - security is by far the main concern.

It is no surprise that one of the EU's main concerns, and one of its top 10 priorities, is migration policy and border management. No one can blame people for migrating and trying to escape almost certain death for themselves and their family members. It is also no surprise that those desperate refugees escaping from war-torn Muslim-populated countries are trying to make their final destination EU countries - not Saudi Arabia or Iran, for example.

With the exemption of Turkey (and Jordan perhaps), immigrants are trying to find a new home not in Muslim countries run by theocracies but in EU countries, not because they are mostly Christian-populated but because they are run by democracies and the rule of law works better there.

With such a gap between the "hot" agenda of the Middle East and the "cool" agenda of the EU, fault lines and cracks are almost inevitable. This has come in the form of a new generation of terrorists agitated by the Islamic State of Iraq and the Levant (ISIL) as a by-product of the civil war in Syria, a curse of the gap between the agendas in two neighboring worlds. That is why public New Year celebrations in Brussels took place under the shadow of army troops and there was a state of emergency in Munich on the first day of 2016. And caught between the Middle East and the EU, there is Turkey.

Turkey's agenda is a mixture of both worlds. In parts of the predominantly Kurdish-populated areas near its Syrian, Iraqi and Iranian borders, the main concern is security, which has also gradually become a major concern in the big cities of western Turkey.

People did not rush to public places as they used to in previous years because of worries about possible acts of terror by the outlawed the Kurdistan Workers' Party (PKK) and ISIL. Only one day before New Year's Eve, two ISIL suspects were arrested with explosives in Ankara, where ISIL had previously carried out Turkey's most deadly attack on Oct. 10 last year, killing 103 people. The Syria conflict triggered a major conflict with Russia, Turkey's biggest energy supplier.

But Turkey has to maintain its economic growth in order to feed its young and educated workforce. For that, it has to find new markets to compensate the ones it has lost in the Middle East and Russia. Turkey has to upgrade the quality of its democracy not only to provide a better life for its citizens, but also to provide a better environment for foreign investors who also complain about the judicial system.

The ruling Justice and Development Party (AK Parti) and the main opposition Republican People's Party (CHP) – which together represent 75 percent of the voters - agree on the need for a more democratic constitution. That is one of the main items on Turkey's political agenda for 2016.

President Tayyip Erdoğan's agenda has an important nuance. He also wants a constitutional change, but his priority is to shift from Turkey's current parliamentary system to a presidential system with stronger executive powers and weaker checks and balances, with no bold lines between the judiciary and executive branches of government. For at least the first half of the year, that debate is likely to determine the political agenda of Turkey as a bridge between the Middle East and the EU.

## Iran's Rouhani: 'Cutting off heads' no response to criticism

AFP, 05.01.2016



Saudi Arabia cannot respond to criticism of its regime by cutting off heads, Iranian President Hassan Rouhani said following Riyadh's execution of a prominent Shiite cleric.

"One does not respond to criticism by cutting off heads," Rouhani said as he welcomed visiting Danish Foreign Minister Kristian Jensen. "I hope that European countries who always react on human rights matters will meet their duties." Iranian President Hassan Rouhani was referring to the execution for "terrorism" of Nimr al-Nimr, who had been behind anti-government protests among Saudi Arabia's Shiite Muslim minority.



Officials have never said how Nimr was put to death, but beheading by the sword is common in the conservative Sunni Muslim kingdom. At the same time, Rouhani said: “Saudi Arabia cannot cover its crime of having cut off the head of a cleric by cutting relations” with Iran.

Protesters angered over Nimr’s execution attacked and burned the Saudi embassy in Tehran and its consulate in the northeastern city of Mashhad, which prompted Riyadh to sever diplomatic relations with the Islamic republic.

Iranian government spokesman Mohammad Bagher Nobakht said the cutting of diplomatic ties would not hurt Iran or damage its development. Bahrain and Sudan also broke diplomatic relations with Iran, and a number of other Arab countries have recalled their envoys, in sympathy with Riyadh.

The deterioration of relations with Saudi Arabia “will have no impact on Iran’s national development,” Nobakht said, without elaborating. Instead, “it is Saudi Arabia that will suffer”, Nobakht said. The spokesman also reiterated Tehran’s harsh criticism of Nimr’s execution.

“We condemn the inhumane, barbaric and Daesh-like execution of the cleric Sheikh Nimr,” said Nobakht, using the Arabic acronym for the Islamic State of Iraq and the Levant (ISIL) group. Riyadh is trying to compensate for its political failures in regional conflicts, according to Nobakht.

“This is a reaction to their failures in Iraq, Syria, and... Yemen, which Saudi Arabia wants to compensate for”, he said, without elaborating. Saudi Arabia, the leading Sunni Muslim power in the Middle East, and Shiite power Iran have long competed for influence in the region. Even before Nimr’s execution, relations were strained over the two nations’ backing opposing factions in those three countries. Nobakht also criticised the attacks on the Saudi diplomatic missions, saying they were unbecoming of Iranians.

They “had no justification in accordance with religious teachings or the point of view of international rules”, and were “beneath the Iranian people”, he said. Rouhani and other Iranian officials condemned the attacks, and more than 40 people have been arrested in connection with them. Nobakht also compared Riyadh’s “immature reaction” to the attacks with Iran’s “restraint” after 464 of the country’s pilgrims were killed in a stampede at the annual hajj near Mecca in September.

# EU ‘not bashing Poland’ over rule of law, Juncker says

AFP, 05.01.2016



European Commission chief Jean-Claude Juncker denied that Brussels was unfairly targeting Poland over its government’s controversial changes to the judiciary and media.

In an unprecedented move, the European Commission is set to debate the state of rule of law in Poland, the first step in a potentially punitive process aimed at buttressing democracy and rights in the 28 EU states. “Let’s not overdramatize. It’s an important issue but we have to have friendly and good relations with Poland. Our approach is very constructive - we are not bashing Poland,” Juncker told a press conference in Amsterdam.

“Poland is an important and a full member of the EU. We are at the beginning of the procedure. Now we are in discussion with Poland and I don’t want to speculate about further consequences. I don’t think we will come to that point.”

The EU move comes on the heels of legal moves giving Poland’s conservative and euroskeptic government the power to directly appoint the heads of public broadcasters and a controversial law reforming the country’s constitutional court. Polish President Andrzej Duda, who is backed by the Law and Justice (PiS) party that came to power in October after eight years in opposition, will visit Brussels for talks.

# German minister says deportations possible in Cologne case

The AP, 07.01.2016



Asylum-seekers could be deported if they're found to have participated in a string of New Year sexual assaults in Cologne, Germany's justice minister said.

Although there is little solid information who committed the assaults, police say witnesses have described the perpetrators as being of "Arab or North African origin." That has been seized on by some opponents of Germany's welcoming stance refugees, after the country registered nearly 1.1 million asylum-seekers. Officials have cautioned it's important not to cast suspicion on refugees in general.

Still, Justice Minister Heiko Maas said in an interview with the Funke newspaper group that "deportations would certainly be conceivable." He said the law allows for people to be deported during asylum proceedings if they're sentenced to a year or more in prison. "The courts will have to decide on the level of sentences, but that penalty is in principle absolutely possible for sexual offenses," he said.

At least 106 women have come forward to file criminal complaints of sexual assault and robbery during the New Year's Eve festivities, authorities say, including two accounts of rape. Interior Minister Thomas de Maiziere said Wednesday that "anyone who commits serious crimes, whatever status he is in, must reckon with being deported from Germany."

"If it turns out that refugees were the perpetrators, then they forfeited their right to be guests," Andreas Scheuer, the general secretary of the conservative Christian Social Union - the smallest party in Chancellor Angela Merkel's coalition government - was quoted as telling the daily Bild.

# Spanish PM sees no alternative to new elections in Catalonia

Reuters, 05.01.2016



Spain's acting PM Rajoy said he saw no alternative to a repeat of elections in Catalonia after the region's pro-independence bloc fractured over who to name as the new government's leader.

Catalonia has been unable to form a government since a regional election in September due to disagreements between coalition parties. If a new candidate is not chosen before Jan. 9, new regional elections will be called automatically. The failure to form a government echoes a political stalemate following an inconclusive national election and increases the likelihood all Spaniards will return to the ballot box.

"I sincerely don't know what could possibly happen in the next five days, but I believe that the best that could happen is that (acting regional head Artur) Mas drops his independence drive and, as that doesn't seem possible, there's no alternative to elections," Rajoy said in a radio interview.

The protracted efforts to choose a Catalan leader has dampened a separatist movement that at its peak drew one million people onto the streets of Barcelona, and has highlighted divisions between supporters. A minority party in the regional coalition, CUP, said it would not support the business-friendly Mas in his bid for another term, a red line for partners Junts pel Si.

Junts pel Si (Together for Yes), which pulled together the centre-right CDC party and leftist ERC party to present a united pro-independence front for September's election, said it would stand by Mas, in power since 2010, as their candidate. A senior official of the CDC said the CUP had acted as an "ally of the Spanish state" in rejecting Mas. The leader of the ERC also said, without referring directly to Mas, that no one should resign.

"There are five days left (before the Jan. 9 deadline) and there should be no talk of resigning, we must keep negotiating until the end," Oriol Junqueras said at a news conference. The prospect of new elections in Catalonia, most likely in March, increases the likelihood of a second national election this year as the receding threat of a strong Catalan government seeking a split from Spain will reduce pressure on Rajoy's centre-right People's Party (PP) and the opposition Socialists to form a grand coalition to stand up to a separatist Catalan administration.

Bond markets reacted positively to the bloc's division, with Catalonia's five-year bond yield falling to a three-week low, a few basis points away from its lowest level in around five months. "Short-term the disagreement is a positive as it delays any independence plans, and potentially pushes for new elections," said Alberto Gallo, head of global macro credit research at RBS.

# Obama to force through gun control measures

AFP, 31.12.2015



President Barack Obama will introduce a raft of executive actions to try to reduce US gun violence, bypassing Congress and launching a bitter 2016 election year fight.

Kicking off his last year in the White House with a defiant show of executive power, Obama will ignore Congressional opposition and take a series of unilateral steps to regulate gun sales and curb illicit purchases. Attorney General Loretta Lynch said the measures would tighten rules on who must register as a gun dealer, narrow the “gun show” loophole that allow buyers to dodge background checks and a crackdown on “straw purchases”.

It would also encourage the Pentagon, with its vast buying power, to procure weapons from manufacturers who use “gun safety technology” such as fingerprint scanners. Obama will discuss the new measures -- which Republicans who control Congress, weapons makers and gun enthusiasts have already lambasted as an infringement of constitutional freedoms -- in the East Room of the White House.

Around 30,000 people die in gun violence every year in America, most by suicide. During Obama’s seven years as president, he has often shown flashes of anger and frustration at Congress’s refusal to tighten gun controls, most notably after the mass slaughter of Connecticut schoolchildren, South Carolina churchgoers and Colorado movie watchers.

The measures will stop well short of introducing universal background checks or registering or collecting some of the more than 300 million guns already thought to be in circulation in the United States, moves that would likely need Congressional approval.

On the eve of the announcement, Obama admitted his executive actions were “not going to solve every violent crime in this country. It’s not going to prevent every mass shooting. It’s not going to keep every gun out of the hands of a criminal.” “It will,” he said, “potentially, save lives in this country” and spare families heartache.

But even in taking limited measures, by acting alone and against the will of Congress, Obama has invited political and legal maelstrom. Several Republican presidential candidates and the speaker of the House of Representatives, Paul Ryan, lined up to accuse Obama of “dismissiveness” toward Americans who value the constitutional right to bear arms. “We all are pained by the recent atrocities in our country, but no change the president is reportedly considering would have prevented them,” said Ryan. “We have seen consistently that an underlying cause of these attacks has been mental illness.” “This is a dangerous level of executive overreach, and the country will not stand for it,” Ryan warned.



Republicans have long positioned themselves as the champion of gun owners, who make up a sizeable voting bloc in many areas that could decide 2016 election races. Polls have shown most Americans back tougher gun laws. But that support has ebbed recently amid concerns about the Islamic State of Iraq and the Levant (ISIL) and the wider threat from terrorism.

Obama's plans could put pressure on some of his Democratic allies who face tough election battles in toss-up states and conservative congressional districts this autumn. Republicans may also try to block funding for parts of the package designed to more aggressively enforce existing laws, including the hiring of 200 additional federal agents at the Bureau of Alcohol, Tobacco, Firearms and Explosives. But politicians from both parties are sure to embrace the issue one way or another, using it to galvanize support and donations among supporters.

Obama will take part in a primetime town-hall style debate on gun control to try to boost his case. The event, broadcast by CNN, will take place at George Mason University in Fairfax, Virginia. A more serious challenge to the new rules may come through the courts. Obama's lawyers have spent months "scrubbing" existing laws to see where rules could be tightened, while surviving inevitable court challenges.

"A lot of the work that has gone on behind the scenes to take a look at what the president can do using his executive authority has been grounded in the knowledge that the gun lobby and the Republicans in Congress who regularly do their bidding are going to look for ways to try to stop it," said White House spokesman Josh Earnest. Ahead of the announcement Obama insisted the measures would fall "well within my legal authority."

But similar executive efforts by Obama to bring millions of illegal immigrants out of the shadows by shielding them from deportation have prompted a slew of lawsuits and left a key Obama policy goal in the hands of the Supreme Court.



# Announcements & Reports

## ► *Getting Eurozone Deposit Insurance Right Promises Benefits*

**Source** : Bruegel  
**Weblink** : <http://bruegel.org/2016/01/getting-eurozone-deposit-insurance-right-promises-benefits/>

## ► *Global Economic Governance: Italy's Role in the G7 and G20*

**Source** : Bruegel  
**Weblink** : <http://bruegel.org/2015/12/global-economic-governance-italys-role-in-the-g7-and-g20/>

## ► *China's Reaction to North Korea's Nuclear Test*

**Source** : CSIS  
**Weblink** : <http://csis.org/publication/chinas-reaction-north-koreas-nuclear-test>

## ► *CIO-Enabled Innovation Playbook: Lessons For The Public Sector*

**Source** : Brookings  
**Weblink** : <http://www.brookings.edu/blogs/techtank/posts/2015/12/23-innovation-playbook-public-sector-desouza>

# Upcoming Events

## ► *Stability and Human Security in Afghanistan in 2016*

**Date** : 10 January 2015  
**Place** : Washington DC, The US  
**Website** : <http://www.brookings.edu/events/2016/01/04-stability-and-security-in-afghanistan>

## ► *The New Silk Road: What is in it For Europe*

**Date** : 14 January 2015  
**Place** : Shanghai - China  
**Website** : <http://bruegel.org/events/the-new-silk-road-what-is-in-it-for-europe/>



### ► *Competitive Gains in the Economic and Monetary Union*

**Date** : 18 January 2015  
**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** : 24 January 2015  
**Place** : London - UK  
**Website** : <http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives>

### ► *Emerging Markets and Europe: Time for Different Relationships?*

**Date** : 26 January 2015  
**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 January 2015  
**Place** : Brussels - Belgium  
**Website** : <http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/>

### ► *Challenges for Growth in Europe*

**Date** : 28 January 2015  
**Place** : Brussels - Belgium  
**Website** : <http://www.bruegel.org/nc/events/event-detail/event/521-challenges-for-growth-in-europe/>

### ► *Global Governance of Public Goods: Asian and European Perspectives*

**Date** : 28 January 2015  
**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** : 29 January 2015  
**Place** : Berlin - Germany  
**Website** : <http://www.bruegel.org/nc/events/event-detail/event/541-the-future-of-the-welfare-state/>