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This Think Tank Review* covers articles and reports published in January relating to different political and policy topics. ([twitter LINK](#))

The **European Green Deal** is a central component of this Commission's work programme and the specifics of it are emerging. It is the subject of many think tank articles this month which look at the EU's leadership in the area of climate protection, the current state of play and how businesses can contribute to the goals of the Green Deal.

In **competitiveness** questions are asked about what recent failures in merger projects tell us about EU competition law and whether European industry is suffering as a consequence of it.

Ursula von der Leyen has identified a 'social Europe' as a priority. Under the section for **EPSCO** the need for social investment is assessed and there is a call to advance the social EU through the EU budget, thus helping to create 'a fairer and more equal Union'.

The implementation of GDPR is looked at under **justice and home affairs**, while another article addresses how companies perceive GDPR to be effecting their competitiveness. The energy transition is the subject of a number of articles under **transport, telecommunications and energy**.

In the area of **foreign affairs** the *Iran nuclear deal* (JCPOA) and its questionable viability is discussed four years on from its implementation. Suggestions are made for the future of Europe's engagement with *Africa*, in light of the move to a more 'geopolitical Commission' and the question is raised of the impact of *China's* Belt and Road Initiative on the EU's Eastern neighbourhood. As for the *Western Balkans*, the importance EU influence and the risks of waning public trust in the region are discussed.

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COMPETITIVENESS (INTERNAL MARKET, INDUSTRY, RESEARCH AND SPACE)

SVENSKA INSTITUTET FÖR
EUROPAPOLITISKA STUDIER (SWEDISH
INSTITUTE FOR EUROPEAN POLICY
STUDIES)

European industrial policy and state aid: a competence mismatch?

by Jörgen Hettne [@JorgenHettne](#)

This analysis argues that the EU presently suffers from a competence mismatch – the absence of a coherent European industrial policy – which risks making European companies weak globally. The EU would benefit from an industrial policy which is adaptive to geopolitical changes in the world, such as the Chinese Belt and Road initiative and the present US mercantilist approach to trade policy as well as Brexit. A more aggressive European industrial policy might be needed at times when the rule-based international trade system is not working. (12 p.)

WIENER INSTITUT FÜR INTERNATIONALE
WIRTSCHAFTSVERGLEICHE (THE VIENNA
INSTITUTE FOR INTERNATIONAL
ECONOMIC STUDIES)

The European Union's industrial policy: what are the main challenges?

by Michael Landesmann and Roman Stöllinger

This policy report takes a stance on industrial policy in the EU in light of the revived interest in the subject and the most pressing challenges ahead. In the current global

context these challenges are: to keep pace at the technology frontier with the technologically most advanced economies; to meet the challenge of fast catching-up emerging economies; to contribute to the convergence and cohesion processes within the EU; and to deal with climate change and environmental sustainability issues more generally. (26 p.)

FONDATION ROBERT SCHUMAN

Politique de concurrence et politique industrielle: pour une réforme du droit européen

by Bruno Deffains, Olivier d'Ormesson and Thomas Perroud [@PerroudThomas](#)

A debate has emerged recently in Europe on the terms and objectives of competition policy. The failures of certain merger projects, such as Alstom / Siemens, raise questions about the suitability of existing systems and whether they are outdated and, above all, about the place of competition law in relation to other public policy objectives. European competition law does not sufficiently take into account the competition that European companies face from third countries, which do not respect the same principles. (FR - 52 p.)

ECONOMIC AND FINANCIAL AFFAIRS

BRUEGEL

Market versus policy Europeanisation: has an imbalance grown over time?

by Leonardo Cadamuro and Francesco Papadia [@FrancescoPapad1](#)

This contribution tests the hypothesis that an imbalance has grown in Europe over the last few decades because markets have integrated to a greater extent than European-level policymaking, potentially creating difficulties for the democratic process in managing the economy. (13 p.)

ÖSTERREICHISCHE GESELLSCHAFT FÜR EUROPAPOLITIK (AUSTRIAN SOCIETY FOR EUROPEAN POLITICS)

Rules versus flexibility and the future of European monetary policy

by Ewald Nowotny

In European economic policy, the “battle of ideas” is a battle between a German tradition of both rule-based politics and individual liability and a French approach of flexible cost-benefit considerations and solidarity. In this battle of ideas, the ECB is forced to make compromises between these approaches. This was easier during the massive financial crisis after 2008 – when the need for pragmatic action was obvious to almost everybody but it is more difficult to reach compromises in times that may be seen as more normal. (7 p.)

HERTIE SCHOOL / JACQUES DELORS CENTRE

We don't need no institution

by Lucas Guttenberg [@lucasguttenberg](#)

Does the eurozone need a “treasury”? According to this author the answer is no: the eurozone needs a common fiscal policy to complement the ECB's monetary policy. The EU institutional framework is well-equipped to perform these functions. Hence, the focus of political energy should be on getting the right policies and instruments in place, not on building new shiny institutions. (5 p.)

EMPLOYMENT / SOCIAL POLICY / HEALTH AND CONSUMER AFFAIRS

FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

Social investment now! Advancing social EU through the EU budget

by Anton Hemerijck, Robin Huguenot-Noel
[@r_huguenotnoel](#), Francesco Corti [@f_corti1992](#)
et al.

In her July 2019 opening statement to the Parliament, Ursula von der Leyen identified social Europe as one of her main

objectives. President von der Leyen not only projected an ambitious EU climate change agenda but also pointed to the need to “creating a fairer and more equal Union”, “leaving nobody behind”. (52 p.)

WIENER INSTITUT FÜR INTERNATIONALE WIRTSCHAFTSVERGLEICHE (THE VIENNA INSTITUTE FOR INTERNATIONAL ECONOMIC STUDIES)

Comparing wage levels and developments in Europe: mind the data source

by Joris M. Schröder and Monika Schwarzhappel

Wages directly affect the wellbeing and living conditions of the working population, household consumption and domestic demand, but also a country's competitiveness. This paper seeks to compare the available data sources regarding coverage, concepts and the measurements used. (22 p.)

WIENER INSTITUT FÜR INTERNATIONALE WIRTSCHAFTSVERGLEICHE (THE VIENNA INSTITUTE FOR INTERNATIONAL ECONOMIC STUDIES)

Immigration and offshoring: two forces of globalisation and their impact on employment and the bargaining power of occupational groups

by Michael Landesmann and Sandra M. Leitner

This paper estimates conditional demand models and examines the impact of immigration and different measures of offshoring on the labour demand and demand elasticities of native workers in four different types of occupational groups: managers/professionals, clerical workers, craft (skilled) workers and manual workers. The analysis is conducted using data for four EU economies: Austria, Belgium, France and Spain. The results point to important and occupation-specific direct and indirect effects of immigration and offshoring. (42 p.)

ENVIRONMENTAL ISSUES

NOTRE EUROPE INSTITUT JACQUES DELORS

What businesses can do for the European Green Deal

by Thomas Pellerin-Carlin [@ThPellerin](#)

Last month, the EU launched its most significant endeavour since the creation of the single market: the European Green Deal. The Green Deal and its 47 related actions will shape the energy, transport, industry, finance, construction, food, tourism, and digital industries and markets for decades to come. This offers an opportunity for business leaders to engage in transformative climate and innovation actions that deliver key social and economic impacts and meet the urgency of the climate crisis in this decade. (5 p.)

ÖSTERREICHISCHE GESELLSCHAFT FÜR EUROPAPOLITIK (AUSTRIAN SOCIETY FOR EUROPEAN POLITICS)

How to implement a WTO-compatible full border carbon adjustment as an important part of the European Green Deal

by Alexander Krenek [@KrenekAlexander](#)

As the US is exiting from the Paris agreement altogether and is actively reducing environmental standards, calls for implementing a border carbon adjustment (BCA) to complement the EU emission trading system are becoming louder. In its recently released plans for a European Green Deal, the Commission announced it would propose a BCA mechanism for the EU. In theory a BCA would be a perfect mechanism to enable unilateral carbon pricing while avoiding a loss of competitiveness and the resulting carbon leakage vis-à-vis third countries. (9 p.)

EUISS TERRA NOVA

Climat: l'Europe a brûlé ses vaisseaux

by Jean Pisani-Ferry [@pisaniferry](#)

At the December summit, the EU leaders, with one exception (Poland), officially adopted the objective of achieving climate

neutrality by 2050, that is, to reduce their net greenhouse gas emissions to zero. Ursula von der Leyen, with her "Green Deal", invests a large part of her political credit in the ecological transition. If she doesn't keep her commitments, its legitimacy will be weakened. The Green Deal has become the new purpose of Europe. (FR - 4 p.)

FRIEDRICH-EBERT-STIFTUNG (FRIEDRICH EBERT FOUNDATION)

EU als Vorreiterin im Klimaschutz Zwischen Herausforderungen und Potenzialen

by Julia Balanowski

The EU has strategically anchored its claim to leadership in global climate protection through diplomatic guidance and exemplary policy-making. The current EU climate and energy policy and its governance system are suitable as a framework for a climate-neutral EU transformation path. The discrepancy between the ambition level of the member states in climate protection and the goals at EU level poses a difficulty. Nonetheless, despite numerous global political challenges, it is still possible for the EU to take the lead in global climate protection. (DE - 27 p.)

E3G

The just transition fund: 4 benchmarks for success

by Rebekka Popp [@RebekkaPopp](#) and Pieter de Pous [@Pieter_de_Pous](#)

In July 2019 Commission President von der Leyen announced in her political guidelines the creation of a "Just Transition Fund". This fund has since become an important element of the negotiations on the EU's budget and climate policy. This briefing sets out four benchmarks for designing the governance structure of the fund to make sure the EU moves faster towards climate neutrality. (10 p.)

JUSTICE AND HOME AFFAIRS

KONRAD-ADENAUER-STIFTUNG

Merkel in Istanbul: Stand und Entwicklung des EU-Türkei Flüchtlingsabkommens

by Walter Glos and Friedrich Püttmann [@Friedrich_Cle](#)

Shortly after the Libya conference in Berlin, Merkel and Erdoğan met again in Istanbul. According to the press conference, this was mainly about the future of European-Turkish cooperation in migration policy. In short, what will happen if the EUR 6 billion of EU support for Turkey agreed under the EU-Turkey declaration is paid out in full? It is clear that Europe must continue to support Turkey financially in taking care of the Syrian refugees. (DE - 6 p.)

INSTITUTE MONTAIGNE/TERRA NOVA

Les trois Europes migratoires

by Nicolas Bauquet [@NicolasBauquet](#), Arthur Blancherets-Dirols, Roman Krakovsky [@krakoko93](#) et al.

This article looks at both immigration and emigration within the EU and divides member states into three groupings, each viewing migration differently. It finds that those countries most hostile to immigration are those that are losing so many of their own young populations to emigration. It provides timely and interesting insight into the nuances of the migration debate between member states. (FR - 28 p.)

CENTRUM FÜR EUROPÄISCHE POLITIK (CENTRE FOR EUROPEAN POLICY)

Better implementation of the GDPR

by Alessandro Gasparotti and Anja Hoffmann

According to this brief, it is appropriate that the Commission continues to support the implementation and uniform application of the general data protection regulation (GDPR) in order to avoid legal uncertainty and distortions of competition. In particular, the practices of the independent national data protection authorities (DPAs) to issue sanctions should be harmonised in order to minimise variations in the enforcement of the GDPR. (4 p.)

INSTITUT DER DEUTSCHEN WIRTSCHAFT KÖLN (COLOGNE INSTITUTE FOR ECONOMIC RESEARCH)

Wettbewerbseffekte der Europäischen Datenschutzgrundverordnung

by Barbara Engels and Marc Scheuf

The GDPR increases the level of protection of personal data and standardises it throughout Europe. This report examines, on the basis of a survey, the effort German companies have made to date in implementing and complying with the GDPR and how they assess the effects of the GDPR on their own competitive position. This is particularly relevant because data is becoming an increasingly valuable resource. (DE - 23 p.)

TRANSPORT / TELECOMMUNICATIONS / ENERGY

E3G

The political economy of energy in Central and Eastern Europe: supporting the net zero transition

by Felix Heilmann [@HeilmannFelix](#), Rebekka Popp [@RebekkaPopp](#) and Ada Ámon [@AdaAmon23](#)

Central and Eastern European countries are often perceived as a uniform bloc opposing increased European climate action, such as the EU 2050 climate neutrality target. However, this report shows there are important differences in the state of the energy and climate transition in these countries - some are further ahead than others. (49 p.)

ISTITUTO AFFARI INTERNAZIONALI

Energy union watch: what future for Europe's climate and energy policy?

by Margherita Bianchi [@marghebianchi](#) and Lorenzo Colantoni [@colanlo](#)

This issue of the energy union watch comes after the closing of the VIII European institutional cycle and the beginning of a new one. Despite the changes expected in the European energy and climate policy under

President Ursula von der Leyen, the significant work done with the energy union in these past five years by the previous Commission is an important legacy for the new executive. (32 p.)

ATLANTIC COUNCIL

[The role of oil and gas companies in the energy transition](#)

by Robert J. Johnston, Reed Blakemore and Randolph Bell

As the third decade of the 21st century begins, the oil and gas industry faces opposition from a public greatly concerned with the environmental impact of fossil fuels, ever-more sceptical shareholders, and challenges from policy makers seeking to simultaneously meet decarbonisation goals and expected oil and gas demand. Amidst a global energy transition, the demand, financial, and social future of oil and gas companies is increasingly in question. (44 p.)

ATLANTIC COUNCIL

[European energy diversification: how alternative sources, routes, and clean technologies can bolster energy security and decarbonisation](#)

by Richard L. Morningstar

The EU's efforts to achieve a carbon-neutral economy present a unique and timely opportunity to strengthen European energy security. What is the EU currently doing to meet its decarbonisation goals, address the role of natural gas in Europe's low-carbon future, and explain the potential for new gas sources, alternative gas routes, and clean energy technologies to reduce carbon emissions? How can this be done while simultaneously increasing European energy security and opportunities for transatlantic cooperation? (16 p.)

CHATHAM HOUSE

[Net zero and beyond: what role for bioenergy with carbon capture and storage?](#)

by Duncan Brack [@DuncanBrack](#) and Richard King

Current climate efforts are not progressing quickly enough to prevent the world from overshooting the global emissions targets set in the Paris agreement; accordingly, attention is turning increasingly to options for removing carbon dioxide from the atmosphere. Alongside afforestation and reforestation, the main option under discussion is bioenergy with carbon capture and storage (BECCS): processes through which the carbon emissions from burning biomass for energy are captured before release into the atmosphere and stored in underground reservoirs. In reality, BECCS has many drawbacks. (25 p.)

OXFORD INSTITUTE FOR ENERGY STUDIES

[Quarterly gas review: analysis of prices and key themes for 2020](#)

by Mike Fulwood

This review aims to provide a different angle on trends in global gas pricing. It reviews the liquefied natural gas (LNG) 'tightness measure', looks at the Russian gas export price to Europe versus the marginal cost of US LNG and also reviews prices on Gazprom's electronic sales platform. As for Asia, it compares the Japanese LNG import price with the LNG spot price and also looks at Chinese domestic prices. (26 p.)



FOREIGN AND SECURITY POLICY / DEFENCE

STOCKHOLM INTERNATIONAL PEACE RESEARCH INSTITUTE

[The crisis of nuclear arms control and its impact on European security](#)

by Łukasz Kulesa [@lukasz_kulesa](#)

This paper examines the legacy of nuclear arms control, recent developments and the causes of the current crisis and analyses the impact on European security. It presents options on how the EU and its member states might become better engaged in rethinking the nuclear arms control architecture. (16 p.)

FRIENDS OF EUROPE

[A minefield of opportunity - Transatlantic defence in the Trump era](#)

by Paul Taylor

This report examines the strategic and political context surrounding transatlantic defence cooperation; the US defence market with its opportunities and limits; Europe's fragmented defence market; and EU efforts to reform it and US objections to it. It concludes with recommendations on how to remove barriers and increase incentives for transatlantic research and industrial collaboration. (90 p.)

ULKOPOLIITTINEN INSTITUUTTI (FINNISH INSTITUTE OF INTERNATIONAL AFFAIRS)

[Hard security dynamics in the Baltic Sea region: from turbulence to tense stability](#)

by Matti Pesu [@PesuMatti](#)

After a period of turbulence in 2014–2015 followed by Russia's actions in Ukraine, tense stability has emerged in the Baltic Sea area. The current regional security landscape is shaped by three interconnected security dynamics: Russian assertive behaviour, NATO's reassurance and deterrence measures, and Finland's and Sweden's closer integration into the Western deterrence network. (8 p.)

EUROPEAN UNION INSTITUTE FOR SECURITY STUDIES

[Revitalising the NPT: preparing the EU for the tenth RevCon](#)

by Clara Portela [@DrClaraPortela](#)

The Prohibition of Nuclear Weapons Treaty review conference of April 2020 will take place against the backdrop of a deteriorating arms control environment and weakening multilateralism. The EU failed to articulate a common position at the previous review conference in 2015. In the run-up to the review conference 2020, the EU has funded seminars to help other delegations prepare for the meeting and pave the way towards finding common ground. The EU could consider modifying its modus operandi to bolster the more moderate faction in the increasingly polarised NPT community, and 'learn to live' with the NP Treaty. (8 p.)

INSTITUT FRANCAIS DES RELATIONS INTERNATIONALES

[Sanctions and the end of trans-Atlanticism. Iran, Russia, and the unintended division of the West](#)

by Rawi Abdelal and Aurelie Bros [@BrosAurelie](#)

Sanctions have become the dominant tool of statecraft of the US and other Western states, especially the EU, since the end of Cold War. But the systematic use of this instrument may produce unintended and

somewhat paradoxical geopolitical consequences. The sanctions imposed on Iran and Russia in the field of energy are particularly illustrative of this phenomenon. (29 p.)

EUROPEAN THINK-TANK NETWORK ON CHINA /INSTITUT FRANCAIS DES RELATIONS INTERNATIONALES

Europe in the face of US-China rivalry

by Mario Esteban [@wizma9](#) Miguel Otero-Iglesias, [@miotej](#), Una Aleksandra Bērziņa-Čerenkova et al. (eds.)

How to respond to increased US-Chinese geopolitical rivalry is one of the most heated questions currently being debated in Europe. European capitals are now confronted with two forces that are destabilising, in their own particular ways, the liberal, rules-based international order that helped to create the EU in the first place, and to which the EU has dedicated enormous efforts since the fall of the Berlin wall, 30 years ago. (190 p.)

COLLEGE OF EUROPE

Democracy and digital authoritarianism: an assessment of the EU's external engagement in the promotion and protection of internet freedom

by Susanna Garside

The past decade has seen a gradual global increase in digital authoritarianism. Internet shutdowns, online censorship, mass surveillance and violations of privacy rights have all become more frequent in parts of the world. The task of defending, promoting and protecting internet freedom is becoming increasingly relevant for the EU – for internal digital and cybersecurity policies as well as for the EU's external promotion of democracy and human rights. (44 p.)

TRADE

INSTITUT FÜR WELTWIRTSCHAFT KIEL (KIEL INSTITUTE FOR THE WORLD ECONOMY)

The US–China trade deal: how the EU and WTO lose from managed trade

by Sonali Chowdhry [@Sonali_Chowdhry](#) and Gabriel Felbermayr [@GFelbermayr](#)

The authors analyse the economic consequences of the economic and trade agreement (ETA) between China and the US. They show that compared to a 2021 benchmark without a US–China trade war and without the ETA, the EU is likely to lose about 11 bn USD in exports to China. The largest negative effects for the EU are expected in aircraft, vehicles, industrial machinery, optical and medical machinery, pharmaceuticals, and agricultural goods. They conclude that the ETA is very unlikely to be compatible with WTO law, because it violates the most-favoured-nations principle and fosters managed trade thus undermining the multilateral trading system. (14 p.)

DEVELOPMENT

FONDATION ROBERT SCHUMAN

Il est temps de réviser les objectifs de l'aide publique au Développement

by Louis Caudron

For sixty years, Western countries have spent significant sums to accelerate the development of so-called developing countries. According to the author, the results are not up to expectations and it is high time to ask the question of the relevance of this development aid policy. (FR - 6 p.)

AFRICA

ISTITUTO AFFARI INTERNAZIONALI

[A geopolitical commission in Africa: streamlining strategic thinking on trade and cooperation](#)

by Luca Barana [@LucaBarana](#)

The Commission lead by Ursula von der Leyen has outlined ambitious goals for the future, highlighting her objective to make the Commission more “geopolitical” so as to boost the EU’s standing as a “global actor”. Africa should feature as an important dimension of this goal. As traditional and emerging actors are stepping up their power ambitions in the continent, Europe requires a more focused and strategic engagement with Africa. (4 p.)

INTERNATIONAL CRISIS GROUP

[Managing trafficking in northern Niger](#)

The illicit movement of people and goods has recently become a central concern of the Nigerian state and its international partners. Since 2015, the EU and its member states have set a high priority on stopping “human trafficking” – by which they mean, in effect, all forms of illegal migration. (38 p.)

INTERNATIONAL CRISIS GROUP

[The price of peace: securing UN financing for AU peace operations](#)

A proposal to use UN assessed contributions as a means of providing sustainable and predictable financing for African Union (AU) peace support operations is perhaps the most contentious issue facing the two institutions. Since its founding in 2002, the AU has assumed greater responsibility for maintaining peace and security in Africa, including through peace support operations. (39 p.)

ASIA-OCEANIA

CLINGENDAEL (NETHERLANDS INSTITUTE OF INTERNATIONAL RELATIONS)

[Why the EU should pay more attention to Taiwan](#)

by Brigitte Dekker [@BrigitteDekker](#)

Taiwan has been a prototype for fast economic growth, modernisation and digitalisation during the last two decades and it holds a strong position in the world economy. It controls a 74 per cent market share in chip manufacturing. Amid the fourth industrial revolution – focused on digitalisation, emerging technologies and technology hubs – this a quite extraordinary position, which sparks the interest of other economies such as the EU, the US and China. (6 p.)

ATLANTIC COUNCIL

[Transforming the power sector in developing countries: geopolitics, poverty, and climate change in Pakistan](#)

by Robert F. Ichord, Jr.

The 2019 visit of Pakistan Prime Minister Imran Khan to Washington and his meeting with US President Donald Trump focused attention on both the prospects for peace in Afghanistan and broader South Asia regional security issues. Energy security is an important aspect of the geopolitics of the region, and while it is common to focus on India as the third-largest primary energy user in the world after China and the US, Pakistan also is significant, given its growing economy and large population of 207 million. (20 p.)

ATLANTIC COUNCIL

[Transforming the power sector in developing countries: geopolitics, poverty, and climate change in Bangladesh](#)

by Robert F. Ichord, Jr.

Governments across South Asia face many challenges as they seek to improve the lives of the more than 1.8 billion people that live in the region. Increasing geopolitical competition- especially between and among China, Russia, and the US - is one factor that

is affecting progress. This “great power competition,” including over the South China Sea, is intertwined with regional rivalries and has important economic, military, technological, and environmental consequences. (20 p.)

ATLANTIC COUNCIL

[International grid integration: efficiencies, vulnerabilities, and strategic implications in Asia](#)

by Phillip Cornell [@pcornell10](#)

The new decade is poised to be one of fundamental change in the global electricity sector, with the widening cost advantages and spread of renewable energy. Trading power across international borders and facilitating more complex markets both deliver increasing cost savings and efficiency gains, especially with rising demand and growing shares of renewables in the power mix. That is the case across many developing Asian economies. (36 p.)

RAND EUROPE

[Democracy under siege: advancing cooperation and common values in the Indo-Pacific](#)

by Kharis Templeman [@kharisborloff](#)

Democracy is a relatively recent transplant to most of Asia. Over the past three decades, it has put down roots in many unlikely places, from Mongolia to Indonesia. At a time when democracy is in global retreat, the majority of these Asian regimes have demonstrated surprising resiliency, though many continue to suffer from glaring flaws: weak state capacity and accountability institutions, the absence of impartial rule of law, and uneven protection of political rights and civil liberties. (16 p.)

MIDDLE EAST / NORTH AFRICA (MENA)

INTERNATIONAL CRISIS GROUP

[The Iran nuclear deal at four: a requiem?](#)

The Iran nuclear deal, known as the joint comprehensive plan of action (JCPOA), enters its fifth year of implementation under siege from all sides. With the agreement’s remaining signatories failing to provide economic respite, Tehran has responded with incremental breaches of its nuclear commitments, which are hollowing out the JCPOA. (43 p.)

BARCELONA CENTRE FOR INTERNATIONAL AFFAIRS

[Tunisia is the sick man of North Africa](#)

by Francis Ghiles [@FrancisGhiles](#)

The challenge facing the next Tunisian government is to speak the naked and uncomfortable economic truth to the people and to combat the marginalization of the eastern and southern hinterland, poverty and corruption. Whatever government eventually emerges, it will face very strong economic, financial, social and regional headwinds. (5 p.)

ATLANTIC COUNCIL

[Energy sector diversification: meeting demographic challenges in the MENA region](#)

by Bina Hussein [@BinaHussein](#)

Countries in the MENA region are expected to witness a substantial growth in population over the next three decades. This report focuses on four nations that are predominantly reliant on the oil and gas sector: Saudi Arabia, the United Arab Emirates, Kuwait, and Algeria. In order to meet the growing job demand, these nations must both diversify their economies beyond the energy sector and expand their energy sectors beyond hydrocarbons. Doing so will create important employment opportunities in new industries. (24 p.)

STOCKHOLM INTERNATIONAL PEACE RESEARCH INSTITUTE

[The world food programme's contribution to improving the prospects for peace in Iraq](#)

by Gary Milante, David Branca and Rachel Goldwyn

The objectives of this case study are to understand world food programme's contribution to improving the prospects for peace, identify how WFP could enhance its contributions to improving such prospects and make recommendations on how all this could be measured. (35 p.)

COUNCIL ON FOREIGN RELATIONS

[War and pieces: political divides in Southern Yemen](#)

by Raiman al-Hamdani [@raimanhamdani](#) and Helen Lackner

Since the 2010s, a wide range of separatist movements have represented the main political demands in southern Yemen. The southern transitional council, the most prominent separatist group, claims to represent the south as a whole but it has limited control over parts of western governorates. The 2019 clash between the council and the internationally recognised government poses the most serious threat to the anti-Houthi coalition since the start of the Yemen conflict. (30 p.)

WESTERN BALKANS

EUROPEAN COUNCIL ON FOREIGN RELATIONS

[The power of perspective: why EU membership still matters in the Western Balkans](#)

by Beáta Huszka

Aspiring EU members must resolve outstanding disputes as part of the membership process. This has proved a powerful tool over the years. Resolving bilateral problems, including border disputes, is especially crucial in the WB, where they are numerous. Should the EU's influence wane, nationalist leaders will exacerbate tensions with neighbouring countries. (48 p.)

CHINA

SVENSKA INSTITUTET FÖR EUROPAPOLITISKA STUDIER (SWEDISH INSTITUTE FOR EUROPEAN POLICY STUDIES)

[Compatible interests? The EU and China's belt and road initiative](#)

by Svante E. Cornell [@SvanteCornell](#) and Niklas Swanström

This report delivers a thorough account of the Belt and Road Initiative's (BRI) planned infrastructure and financial setup. It analyses how these trade routes affect the EU's Eastern neighbourhood and Central Asia in relation to the rule of law and the regional political-economic development. It considers what pressure the BRI exerts on the EU system and whether the interests of China and the EU are compatible. (82 p.)

ISTITUTO AFFARI INTERNAZIONALI

[China's quest for global clean energy leadership](#)

by Barbara A. Finamore [@bfinamore](#)

The manufacture and deployment of clean energy technologies is a key element in China's quest to become a global technology leader. China has focused on renewable energy and cleaner, more efficient mobility systems to help transform its economic model from one based on highly-polluting, energy-intensive manufacturing to a high-tech system based on the production of goods and services at the top of the value chain. These technologies are also crucial for strengthening China's energy security, protecting its environment and safeguarding the global climate. (16 p.)

KONRAD-ADENAUER-STIFTUNG

[Fast and furious: Chinas Aufstieg im Nahen Osten und Nordafrika](#)

by Canan Atilgan

China has traditionally pursued a relatively reserved foreign policy in the MENA. That has changed dramatically in recent years. Within a few years, the country has established itself as a new global power in

the region. This is partly due to China's interest in securing access to energy and resources, expanding trade routes and opening up markets for its own export products. But it's also about more. The declared goal of President Xi Jinping is to make China the world's number one power by 2049 - the 100th year of the People's Republic. (DE - 5 p.)

OXFORD INSTITUTE FOR ENERGY STUDIES

China: key themes for 2020

by Michal Meidan [@michalmei](#)

In 2019, markets focused on China's slowing GDP growth and on the trade war with the US. In the meantime, bilateral relations soured, highlighting the structural nature of competition between the US and China with the Trump administration working, for example, to limit Huawei's role in Western telecom networks. Washington's 'zero tolerance' campaign on Iran included sanctions on Chinese traders and shippers just as sanctions on Venezuela further constrained China's crude supplies. (12 p.)

STOCKHOLM INTERNATIONAL PEACE RESEARCH INSTITUTE

Estimating the arms sales of Chinese companies

by Nan Tian [@NanTianSA](#) and Fei Su

The rise in Chinese arms exports and the increased variety of the types of weapon exported suggest that the country's state-owned arms industry is already at the forefront of many production sectors. The estimates suggest that China is the second-largest arms producer in the world, behind the US and ahead of Russia. (20 p.)

INDIA

FRIEDRICH-EBERT-STIFTUNG (FRIEDRICH EBERT FOUNDATION)/IT FOR CHANGE

Impact of digitalisation in the ports sector

by Anita Gurumurthy and Deepti Bharth

Technology has become the holy grail of progress having a social dimension attached to it. The platform economy has had severe effects on the bargaining power of suppliers and workers. Technological upgrades create productivity gains by efficiency which in turn requires reduced human labour. This poses a particular threat to emerging economies, like India, which need to create new jobs on massive scale for its young and growing population. Artificial Intelligence like any other technology is neither good nor bad. It is what we make out of it which defines the outcome of the game. (37 p.)

RUSSIA

RAHVUSVAHELINE KAITSEUURINGUTE KESKUS (INTERNATIONAL CENTRE FOR DEFENCE AND SECURITY)

When Russia goes to war: motives, means and indicators

by Konrad Muzyka [@konrad_muzyka](#)

Since Vladimir Putin declared the fall of the Soviet Union to be the greatest geopolitical catastrophe of the century, prompting concerns that Moscow would seek to rebuild its influence, Russia has deployed combat troops into Georgia and Ukraine, as well as into Syria. This analysis examines Russia's fundamental motives for going to war in the 'near abroad', describes how Russia might wage war in the Baltic states, and identifies some of the indicators that might suggest it is preparing to do so. (20 p.)

BRUEGEL/RUSSIAN JOURNAL OF ECONOMICS

Factors determining Russia's long-term growth rate

by Marek Dabrowski

In the decade of the 2010s, the pace of economic growth in Russia slowed down to an annual rate of below 2% and most forecasts suggest that this will be the new "normal" for the Russian economy, at least in the medium-term. This paper's main conclusion is that Russia's economy cannot grow at the pace recorded in the early and mid-2000s because of the different external environment, the different stage of development and serious demographic headwinds (26 p.)

UNITED KINGDOM / BREXIT

ULKOPOLIITTINEN INSTITUUTTI (FINNISH INSTITUTE OF INTERNATIONAL AFFAIRS)

EU sanctions and Brexit: losing the hard edge of European foreign policy?

by Juha Jokela and Ilari Aula

The EU needs to assume more responsibility in defending its interests and security. Brexit will constitute an additional challenge for the EU in this respect, and has led to calls to strengthen the efficiency of the Common Foreign and Security Policy, including EU sanctions, which currently form one of the toughest and most increasingly used tools in the EU's foreign policy toolbox. (7 p.)

ISTITUTO AFFARI INTERNAZIONALI

Il regno unito post-Brexit tra UE e USA

by Ettore Greco

This essay delves into the transatlantic dimension of Brexit. The author warns that EU and UK negotiators will soon face the almost impossible task of striking a new free trade agreement before the post-Brexit transition period ends in December 2020, not least given the incompatibility of the two parties' main priorities: the integrity of the single market for the EU and full regulatory sovereignty for the UK. The pressure from the US for the UK to ease regulations will

make things even more complicated, as US demands are incompatible with EU rules. (IT - 10 p.)

BRUEGEL/WELCOME TRUST

A post-Brexit agreement for research and innovation

by Michael Leigh [@MLEurope](#), Beth Thompson and Reinhilde Veugelers

This report sets out the lessons learned from a project to simulate a negotiation process between the UK and EU to create a post-Brexit research and innovation agreement. The negotiating scenario assumed that the UK had left the EU with a withdrawal agreement, and that the negotiation was taking place during a 'standstill' transition period. (44 p.)

NOTRE EUROPE INSTITUT JACQUES DELORS

Le Brexit n'a pas séduit les opinions publiques européennes, au contraire

by Thierry Chopin [@Th_Chopin](#)

Brexit is not good news for the EU: it represents a weakening in terms of economic, political and strategic weight for the EU. However, from the point of view of national governments, it is remarkable that the 27 presented a "united front" against the British divisions. The balance of power was clearly in favour of the EU, which can be explained by several factors such as an acute awareness of the absolute need to preserve the integrity of the internal market and the fact that the EU is less dependent on trade with the UK than vice versa. (FR - 5 p.)

FOUNDATION ROBERT SCHUMAN

Accomplir le Brexit, un processus continu

by Ramona Bloj and Eric Maurice [@er1cmau](#)

The withdrawal of the UK from the EU at midnight Brussels time on January 31 is above all a symbolic event, because the British will continue to follow the rules of the Union during the transition period provided for in the withdrawal agreement, until December 31, 2020. (FR - 8 p.)

UNITED STATES OF AMERICA

ISTITUTO AFFARI INTERNAZIONALI

What to expect from the United States: a look ahead at US foreign policy

by Ian O. Lesser

The Trump presidency has brought an extraordinary measure of uncertainty to US international policy, from trade to security. The outcome of the 2020 elections may change a great deal, not least in terms of style. But there is a risk that key aspects of the Trump policy agenda may outlast his presidency. Even under a new administration, a “reset” may be hard to achieve as others international actors have adjusted their own policies. (9 p.)

NOTRE EUROPE INSTITUT JACQUES DELORS

Les subventions au cœur de la guerre commerciale: un accord clé pour le multilatéralisme

by Elvire Fabry [@elvirefabry](#)

The agreement signed by the US and China in January 2020 captured all the media attention. At the start of the presidential election year, Donald Trump trumpets that his phase one deal demonstrates the effectiveness of his aggressive protectionist trade policy. His desire to reduce a trade deficit which has increased sharply under his presidency first focuses on shares gained on the basis of price threats. (FR - 5 p.)

ATLANTIC COUNCIL

International co-financing of nuclear reactors between the United States and its allies

by Jennifer T. Gordon [@JenniferThea11](#)

The US and its allies in civil nuclear cooperation have struggled in recent years to compete against state-owned nuclear enterprise exports. Since nuclear energy agreements establish decades' long relationships between the vendor and purchasing countries, and the US and its allies wish to export their high safety and

non-proliferation standards along with technologies, it is vital that the US regains its position of global leadership on nuclear energy exports. (16 p.)



GERMANY

E3G

Is Germany ready for the future? The case for action in a climate changed world

by Felix Heilmann [@HeilmannFelix](#), Alexander Reitzenstein [@AlexReitzenst](#), Kate Levick [@KateLLevick](#) et al.

Germany, the largest economy in Europe, with a strong financial sector closely tied to the real economy, faces massive, potentially disruptive changes in the coming years. Specifically, these are the challenges of digitalisation, the geopolitical context, the macroeconomic slowdown and the climate crisis. (81 p.)

INSTITUT DER DEUTSCHEN WIRTSCHAFT KÖLN (COLOGNE INSTITUTE FOR ECONOMIC RESEARCH)

Bürokratieabbau und bessere Rechtsetzung: Wer macht was in EU, Bund und Ländern?

by Klaus-Heiner Röhl

This paper analyses the relevant institutions and administrative measures for curbing bureaucracy in the EU, the German federal administration and at German Länder level. The analysis of administrative burdens for companies in Germany and the institutions to reduce them has so far been largely based on the State level focused on federal legislation; a summary of responsibilities according to state levels is missing. (DE - 32)

ESTONIA

RAHVUSVAHELINE KAITSEURINGUTE KESKUS (INTERNATIONAL CENTRE FOR DEFENCE AND SECURITY)

Estonia's partners in the EU coalition machinery: maximising influence in the EU through coalition-building

by Kristi Raik [@KristiRaik](#) and Josef Janning [@JJ52](#)

This policy paper examines Estonia's partners in the EU with the aim of identifying ways to enhance its influence on policy-making. Effective coalition-building is also important for the EU as a whole, since it can improve the Union's capacity to take decisions and act. (15 p.)

EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT

Africa and EU-Africa partnership insights: input for Estonia's new Africa strategy

by Nadia Ashraf and Jeske van Seters

The report gives an overview of the current and future economic, social and political landscape of the African continent to highlight major opportunities and challenges for sustainable development. It also presents information on development cooperation activities of EU institutions, member states and other main donors in Africa. The focus is particularly on sectors of interest to Estonia: agro-industries, forest industries, ICT and renewable energy. (32 p.)

GREECE

ΕΛΛΗΝΙΚΟ ΊΔΡΥΜΑ ΕΥΡΩΠΑΪΚΗΣ ΚΑΙ ΕΞΩΤΕΡΙΚΗΣ ΠΟΛΙΤΙΚΗΣ (HELLENIC FOUNDATION FOR EUROPEAN FOREIGN POLICY)

It's time for a new deal

by Constantine Michalopoulos

Despite the good growth prospects of the Greek economy, there is a sense of disappointment, as the recovery has not been very strong and pre-crisis income levels will not be regained for another decade. There is a need for a new deal with

the European Institutions: the Europeans should be more relaxed about getting repaid and be willing to accept a Greek government commitment to a significantly lower primary budget surplus for the next years. The Greek government should commit to a commensurate increase in domestic investment through reforms of the banking sector and greater public sector investment spending. (7 p.)

SPAIN

FEDEA

[Biomasa en España. Generación de valor añadido y análisis prospectivo](#)

by Margarita de Gregorio

Despite the enormous potential of existing biomass resources in Spain and its capacity to contribute substantially to the objectives of environmental and socioeconomic policies, the biomass sector has not registered the success of other renewable technologies. This paper analyses the situation of the biomass sector in Spain. The work suggests a wide range of measures to take advantage of the opportunities to develop the biomass sector in Spain and to favour its consolidation in the next decade as the basis of a new productive model: the bioeconomy. (ES - 28 p.)

FRANCE

INSTITUTE MONTAIGNE

[Répondre à l'urgence climatique et environnementale: rapport du conseil parisien de l'urgence climatique](#)

by Philippe Zaouati [@philippezaouati](#) and Anne Le More [@annelemore](#)

In November 2019, the EP declared a climate and environmental emergency. The climate emergency is one of the greatest issues facing civilisation. This article looks at steps being taken in the city of Paris, which gave its name to the international accords, to tackle the emergency. (FR - 40 p.)

EUISS TERRA NOVA

[Les enfants à table: accélérer la transition alimentaire dans les cantines scolaires](#)

by Elyne Etienne [@Elyne_Etienne](#) and Alizee Ostrowski [@alizeeostrowski](#)

The food transition is a great opportunity to bring together actors of all territories by promoting healthy food and by respecting an ecological balance. The loi Egalim passed by the French Parliament in 2018, has made several achievements in this area, by targeting collective catering companies, which must achieve the following objectives: serve 50% quality products, limit food waste, reduce the use of plastic, and introducing a vegetarian menu. To do this, it is imperative to have a global vision of all the challenges, and to include all the actors in the food industry. (FR - 117 p.)

HUNGARY

[FRIEDRICH-EBERT-STIFTUNG \(FRIEDRICH EBERT FOUNDATION\)](#)

[Hungarian politics in 2019](#)

by Gábor Györi, András Biró-Nagy [@BiroNagyAndras](#) and Miklós Sebök

This report reviews the year from the perspective of the Hungarian government and the impact of the two elections on Viktor Orbán's Fidesz party. It looks at the opposition parties, their state and prospects after tasting success at the local elections for the first time in more than 10 years. It focuses on foreign affairs and takes a detailed look at how Fidesz's policies have shaped the economy. It discusses also some key developments of the Hungarian society – media landscape, increasing government control over culture and science. (79 p.)

NETHERLANDS

RAND EUROPE

Relationships between the economy and national security: analysis and considerations for economic security policy in the Netherlands

by Lucia Retter, Erik Frinking, Stijn Hoorens
[@StijnHoorens](#) et al.

This study examines the relationship between the economy and national security in the Netherlands, with a focus on the characteristics and performance of the Dutch economy and the consequences of this for its national security. The study presents a conceptual framework for understanding the way in which macroeconomic variables may impact Dutch national security, as understood through critical infrastructure, sectors and processes. (182 p.)

AUSTRIA

ÖSTERREICHISCHE INSTITUT FÜR INTERNATIONALE POLITIK (AUSTRIAN INSTITUTE FOR INTERNATIONAL AFFAIRS) /INTERNATIONAL INSTITUTE FOR PEACE/RENNER INSTITUT

Der EU Aktionsplan zur Frauen, Frieden, Sicherheit Agenda – Chancen und Herausforderungen für die Umsetzung der Agenda in Österreich

by Karen Knipp-Rentrop, Saskia Stachowitsch
[@saskiastachow](#) and Josefa Maria Stiegler

This brief contains policy recommendations regarding the special effects of conflicts on women and their essential role in peace processes, as were first recorded in 2000 in UN Security Council resolution 1325. Since then, the UN women, peace and security agenda has defined issues of gender, equality and women's rights as central to achieving lasting peace and sustainable security. In 2007, the Austrian Federal Government adopted the first national action plan implementing resolution 1325. (DE - 10 p.)



MIGRATION POLICY INSTITUTE

[Rebuilding community after crisis: striking a new social contract for diverse societies](#)

by Demetrios G. Papademetriou and Meghan Benton
[@meghan_benton](#)

This report explores how unplanned migration spikes have unsettled the main institutions of liberal democracies and exposed the limits of integration strategies that are leaving many newcomers struggling to find their place in highly organized labour markets and skill-intensive economies. (36 p.)

MIGRATION POLICY INSTITUTE

[Beyond work: reducing social isolation for refugee women and other marginalized newcomers](#)

by Natalia Banulescu-Bogdan [@nataliabbogdan](#)

This report examines interventions that have broadened the lens of integration beyond the labour market for vulnerable newcomers in a number of OECD countries. It draws some preliminary observations on what works and why among the small-scale programs implemented to date, and also asks whether more could be done to factor them into the traditional machinery of integration. (31 p.)

EUROPEAN CENTRE FOR INTERNATIONAL POLITICAL ECONOMY

[Patterns of trade restrictiveness in online platforms: a first look](#)

by Martina F. Ferracane [@Martina_F](#) and Erik van der Marel [@ErikvanderMarel](#)

This paper develops a digital platform restrictiveness index for 64 countries. It identifies specific restrictions that affect online platforms with a focus on online search, e-commerce and social media. The results show that both OECD and non-OECD countries show high levels of trade restrictions on online platforms. (33 p.)

WORLD ECONOMIC FORUM

[Cybercrime prevention principles for Internet service providers](#)

While certain cyberattacks focus on specific organizations, the majority target the largest number of internet users possible. Such attacks are often relatively easy for cybercriminals to undertake and can cause serious harm. According to cybersecurity ventures, the impact of indiscriminate malicious activity online can be significant and carries an estimated global price tag of \$6 trillion in 2021. (32 p.)