



# EUROPE THAT WINS

## *The occasion of the crisis*

Speech and contributions by the President,  
Prof. RENATO BRUNETTA

On the occasion of the Conference of the  
European Conservatives and Reformists Group

*“Identity is a strategic resource.  
Values and traditions strengthen Europe’s  
competitiveness and cohesion”*

Viterbo, March 5, 2026



**CONFERENCE**  
**“IDENTITY IS A STRATEGIC RESOURCE.**  
**VALUES AND TRADITIONS STRENGTHEN EUROPE’S**  
**COMPETITIVENESS AND COHESION”**

**EUROPEAN CONSERVATIVES AND REFORMISTS GROUP**

*Viterbo, March 5, 2026*

**DOSSIER: EUROPE THAT WINS**

*The occasion of the crisis*

- I. SPEECH FROM THE PRESIDENT OF CNEL, RENATO BRUNETTA
  
- II. SELECTION OF ARTICLES BY THE PRESIDENT OF CNEL, DECEMBER 2025 – FEBRUARY 2026

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## Speech by the President of CNEL, Renato Brunetta

*Viterbo, March 5, 2026*

- We are immersed in a global landscape that changes hour by hour. To try to decipher this geopolitical chaos, a particularly fitting metaphor comes to our aid: Steve Jobs' idea of "connecting the dots." As he said, "you can't connect the dots looking forward; you can only connect them looking backward."
- To help orient our compass, I would like to propose that we follow together a Glossary of our time.

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- The first key word in this glossary is **Connection**.
  
- The dots, if observed individually, seem to outline a horizon of decline for the EU. Yet, by connecting them, a positive scenario for our continent could emerge.
  
- But only if Europe takes the final leap, stopping the perception of itself merely as a market and finally becoming a true protagonist on the global stage.
  
  
- The second key word is **Memory**.
  
- Europe was born in Marcinelle. On August 8, 1956, Europe was forged in blood, labor, and death: 262 miners lost their lives, including 136 Italian emigrants.
  
- It reminds us of the migration challenge, which requires regular flows and civilized pathways that must increasingly become the compass of our continent.
  
- The establishment of a **European Day dedicated to the memory of victims of workplace accidents and to the protection of workers** would truly represent a “foundational act.” Our country is working toward this goal, and in particular Vice-President Sberna, whom I thank.

- But for us, memory is also a way to analyze the transformations of the present. For this reason, in view of next May 1st, the CNEL has chosen to dedicate the day to **Artificial Intelligence**.
  
- We will not speak only about “generative” AI, but above all about **“participatory” AI**. We want to promote a horizontal vision of innovation, where technology becomes a shared process.
  
- In this challenge, **collective bargaining** once again proves to be the most important democratic infrastructure, where labor affirms its dignity before the algorithm.
  
- The third word is **Pragmatism**.
  
- For too long we have asked whether the European Union should be a Confederation or a Federation. At the moment, the EU is neither of these two things.
  
- The reality of events and international urgencies are forcing our hand, pushing us toward a choice that goes beyond this binary logic, as indicated by President Mario Draghi one month ago at the University of Leuven.

- Draghi calls for a “**pragmatic federalism**”, that is, a federalism that envisages a gradual and more rational distribution of competences rather than an indiscriminate transfer of sovereignty.
- In short, today history imposes on us an unprecedented European path, one not codified on paper. But, quoting Hegel, “What is real is rational, and what is rational is real.” What happens in the world has an intrinsic logic, even if we do not always perceive it immediately.
- This brings us directly to the fourth word of our glossary: **Imperfection.**
- If we try to broaden our perspective and ask who is truly winning on the global stage, the answer may surprise us. Are the United States winning? Or Russia? Or China? None of these actors is truly winning.
- It is Europe that is winning.
- It wins above all because our model, based on a **democratic and pluralistic capitalism**, remains by far the most attractive political and economic ecosystem.

- To defend this model we must embrace the word **Autonomy**.
- The return of a Trump administration in the United States acts on us like a powerful catalyst: it forces Europe to have no more excuses.
- An emblematic example is the agreement with **Mercosur**: the creation of the largest free trade area in the world, with 720 million consumers. The EU–Mercosur agreement, also thanks to the work of the Meloni government, has become a radically different agreement compared to even just one year ago.
- This is accompanied by the agreement with **India**, a milestone awaited for twenty years that connects us to another immense free trade area of two billion people.
- Another example is the approval by the European Commission, yesterday, of the proposal for a regulation on the **Industrial Accelerator Act**, with the introduction of targeted regulatory requirements on “Made in EU.”
- Another word in our journey is **Construction Site**.
- As Jean Monnet taught us, “Europe has been forged in crises and will be the sum of the solutions adopted for those crises.”

- The need to mediate among 27 different souls forces us to integrate different interests, producing decisions that may be less spectacular in the immediate term but certainly more democratic and solid in the long run.
- As Prime Minister Giorgia Meloni said a few days ago, on major issues shared solutions are much harder to achieve, but they are the most effective ones.
- We must have the courage to take the steps that are possible today, with the partners who are available today, in the sectors where urgency requires it.
- The instrument to do this already exists, and it is called **enhanced cooperation**.
- It allows us to maintain unanimity in the formal procedure, while proceeding by majority in the vital substance of decisions.
- The final word in our glossary is **Courage**.
- The courage of pragmatism, of launching a new European “**constituent moment**,” and of restarting an ambitious process of EU enlargement.

- Accelerating Ukraine's entry into the Union represents an unprecedented strategic catalyst: it would mean integrating the largest army on the continent and launching an economic reconstruction equivalent to three Marshall Plans, capable of generating development for all.
- From this momentum, Europe must then have the strength to expand its stability far beyond its current borders, with variable geometries and ambitions.
- The future of our Union, therefore, is an **open and vibrant construction site**. It is up to us, through our thinking and our actions, to continue connecting the dots, transforming today's crises into the prospects of peace, security, and prosperity for our future.



## SELECTION OF ARTICLES BY THE PRESIDENT OF CNEL DECEMBER 2025 – FEBRUARY 2026

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# THE EU IS WINNING, BUT IT NEEDS DRAGHI

Il Foglio, February 9, 2026

*by Renato Brunetta*

Many of the categories with which we have interpreted the world over the past thirty years are disappearing or undergoing radical transformation. The idea of a stable global order, trust in multilateral institutions, the belief that crises were exceptions rather than the rule — all of this now seems to be crumbling. Mario Draghi, when receiving his honorary doctorate from the University of Leuven, stated it without ambiguity: the global order is “now defunct.”

Within this sharp and lucid diagnosis lies a paradox worth noting: while the international system fragments, the European Union — long described by many as the sick man of world politics — is demonstrating resilience greater than that of traditional powers. Europe does not succeed despite its flaws. Europe succeeds because of its flaws. Its slowness, complexity, and imperfect, hybrid nature are becoming, in an unstable world, a competitive advantage. But how can we make sense of this?

Looking at recent developments in international politics, one gets the impression of a global competition that proceeds chaotically, reacting to events as they occur. Yet, a quick glance at Hegel’s *Lectures* (recalled from school days) reminds us that events follow a rational process: “What is rational is real, and what is real is rational.” Despite conflicts, contradictions, and inefficiencies arising from imbalances, the history of every political organization proceeds, Hegel observed, because humans progressively become more aware of their freedom.

Hegel was profoundly optimistic, as he believed in the progress of freedom: history moves forward; it does not follow a circle. When, in 1992, Francis

Fukuyama wrote his most famous work, that same idea of linear history, as Hegel had prescribed, seemed to be “finished.” Fukuyama, a political scientist, wrote in 1992, after the fall of the Berlin Wall (1989), at a time when the global order appeared to have reached equilibrium.

This apparent calm on the horizon, with technological progress, the strengthening of economic capitalism, the spread of liberal and democratic states, and especially the affirmation of multilateralism as a successful method for managing and resolving international crises, led Fukuyama to reject the pessimistic, cyclical conception of history — the idea of endless, irrational cycles of construction and destruction from which humanity never learns. Let us start from these premises and connect the “dots” of today’s story.

If Hegel was too optimistic, and even Fukuyama later acknowledged (in *The Future of History*, 2012) that the course of events had disproved his initial intuition, perhaps we should pay attention to another figure. Not a philosopher or intellectual, but an entrepreneur.

Steve Jobs had understood that the present can only be fully comprehended retrospectively, when fragments take shape. In its simplicity, the formula “connecting the dots” seems to satisfy this epistemological need. I would, however, add another interpretive key: the heterogenesis of ends. Processes that began as crises — war, geopolitical fragmentation, the return of national egoism — are producing effects opposite to those expected. The most striking unexpected result is that the Union, precisely because it is imperfect, is proving to be the actor best suited to manage the complexity of the present and perhaps the future.

Mario Draghi is right in calling for a “pragmatic” rethink of federalism: “Take the steps possible today, with the partners available today, in the areas where progress is possible now,” in his words. But Draghi must be read by “connecting the dots.” Allow me, then, to draw on another famous philosopher, Immanuel Kant. Draghi’s Europe belongs to the realm of *sollen*, of what ought to be. But what we have witnessed in recent weeks — from “enhanced cooperation” on Ukraine to Mercosur, to name just two examples

— belongs to the realm of *sein*, of what is. The reality is that pragmatism is already underway.

Let us reconstruct the context. The poker game of international relations is losing its shared rules. Russia and China have challenged principles once considered settled. Russia, on one hand, violated the principle of non-aggression by invading Ukraine (and earlier, Crimea). China, on the other, has disrupted global trade rules, leveraging its influence within the WTO. The United States, driven by a new competitive isolationism (MAGA), has chosen a “everyone against everyone” approach: no longer stable alliances, but 192 adversaries — one for each remaining UN member state. At this table, each player bets with their own chips: economic power, technology, military strength, demography, cultural influence, diplomatic relations.

At first glance, those with the most chips should win. The United States remains a superpower: high economic, technological, and military resources, an excellent strategic position, a strong global presence, and the dollar as a world currency. Trump thus wields both hard and soft power, even though the U.S. lives beyond its means and carries a public debt financed by the rest of the world.

Yet having the best cards does not guarantee victory in the world’s poker game. First, because any player can bluff. Vladimir Putin repeatedly leveraged the bluff of escalation, exploiting strategic ambiguity to shift the international balance in his favor. Second, playing outside the culture of diplomacy and international cooperation — bypassing major global institutions, from the IMF to the WTO, from WHO to the UN itself, whose political weakening reflects growing reluctance by states to fully support them — undermines all rules of the game and common sense.

If dialogue is no longer cooperative but disorderly, contractual, even brutal, one can understand events like Greenland, and the almost parallel case of

Venezuela. From here, one might, in the future, interpret China's potential claim to annex Taiwan. What is missing in all this? Strategic rationality.

An agent operating in total isolation exercises purely instrumental rationality. In interaction with others, the agent must not choose the best action in absolute terms, but the one that maximizes favourable outcomes, anticipating others' moves. In crises, such as those increasingly characterizing international relations, strategic rationality manifests in deterrence models to avoid negative payoffs for all, and in escalation-prevention models.

How can such crises be anticipated? By slowing decisions to restore the political capacity to contain a crisis before it becomes uncontrollable. Only when it becomes clear that isolated decisions produce worse outcomes for the majority will states be compelled to cooperate again.

This leads to a further dilemma: in such a game, do democracies or autocracies perform better? At first glance, autocracies may act faster, not having to negotiate with opposition or answer to public opinion (though this is only partially true). Democracies are structurally slower. Pluralism, parliamentary debate, and public scrutiny dilute decision-making impulses. But this slowness stabilizes. It reduces the likelihood of irreversible mistakes, forces integration of diverse interests, and produces less spectacular but more resilient decisions. Democratic states therefore offer greater guarantees of respect for international law. Power, internally and externally, is constrained by legal norms. However, electoral cycles push political leaders toward medium-term, politically palatable decisions rather than long-term strategies with deferred payoffs. Autocracies' centralized power allows short-term results, while democracies perform better over the long term.

In a new world order, increasingly dominated by national strength and egoism, the cooperative rationality of liberal democracies is at risk. President Mattarella recently reminded young diplomats that the current international context is particularly complex and unpredictable. He emphasized

cooperation among peoples, respect for human dignity, and protection of fundamental rights: losing these reference points risks, he warned, a descent into “barbarism in international life.”

Who can win in this environment? Reality provides the answer. Draghi suggests the best path for the Union is the one it is already pursuing. But federalism is not the final destination simply because it is underway. As Carl Joachim Friedrich noted, a federal state is not built overnight; sometimes the law follows practice and certifies it. In this sense, we are already experiencing a “federalising process,” where a political system transforms into a federation without formally adopting that status.

Our conclusion confirms our suspicion: even if Europe still held some cards, the strategy it is adopting in the global poker game is already proving successful.

Accused of being a leviathan, constrained by rules, the Union triumphs despite its slowness and apparent regulatory complexity. Consider digital regulation packages: they are reshaping the behaviour of giants like Google. Even the slow decision-making, often criticized as a flaw, is the price of democracy (Fabbrini).

The Union wins for two reasons: as an open space for dialogue and negotiation among equals, and for its economy. Institutionally, it has always grown as a complex organism, becoming a unique historical phenomenon. Jean Monnet emphasized that the Union advances through crises and thanks to crises. Hence, steps should not be forced too abruptly. In a world that disrupts old rules, European flexibility and its position as the largest space of freedom and democracy become competitive advantages.

Economically, the Union shows the highest market attractiveness and efficiency, hence the focus on competitiveness. In 2023, it was the world’s largest exporter and importer of goods and services. Trade policy should be read in this light. Mercosur, stalled for decades, is advancing. Deals with India,

ASEAN, Australia, and China are being renegotiated strategically. Previous agreements with Indonesia, Mexico, Chile, Japan, Canada, and even the UK (now reconsidering alignment with the single market) illustrate Europe's enduring economic and regulatory pull.

This Europe's attraction must now translate into geopolitical power. Multilateralism, the only rationally winning strategy, must be driven by Brussels. The key instruments are enhanced cooperation, variable geometry, and differentiated enlargement. Western Balkans, Ukraine, Turkey, Israel, and Palestine — integrated strategically — could create a space of over 700 million people with GDP exceeding that of the U.S.

Italy has often led crisis responses, constructing new frameworks (common debt) and revitalizing European industrial axes with Germany and France. Italy's manufacturing, technology, culture, and diplomacy form the pivot of this architecture.

Returning to the opening metaphor: the global game is a poker hand in which no one is guaranteed victory. The EU does not hold perfect cards. It has all the flaws noted earlier. Yet, in a world where old balances give way to unpredictable arrangements, these very flaws become assets.

It is the irresistible success of imperfection. The Old Continent's strength lies in its ability to transform apparent inefficiency into resilience. Unanimity cannot remain a fetish; consensus must be built around concrete missions through enhanced cooperation — the true legacy of Jean Monnet: evolutionary pragmatism.

If the EU wins today's hand, it will not be as a "perfect federation." It will win thanks to its currency, industry, democracy, quality of life, culture, ability to attract, rules, resilience, contradictions, structural egoism, geostrategic position, social capital, and even recent security choices. It will win, ultimately, because of its limits. Perhaps, by year-end, the one who drafted the Draghi agenda will be at the Commission's helm.

A dream? Perhaps not.

## THE “MIRACLE” OF ENHANCED COOPERATION

*Il Foglio*

DECEMBER 29, 2025

*by Renato Brunetta*

“An unprecedented, and in many ways disruptive, solution allowed the European Council at the last minute to bypass the political fractures that had emerged over support for Ukraine. This could become the EU’s model for the future. The European Union faced one of its most decisive tests of resilience. It was not just about approving yet another aid package for Ukraine, but about deciding, once again, through which instruments and according to which logic the Union should act as a mature geopolitical power.

The decision of December 18 was adopted unanimously, yet its outcome was the activation of a procedure, such as enhanced cooperation, that precisely circumvents the rigidity of unanimity. This now makes it easier to achieve consensus on many of the recommendations contained in the reports by Draghi and Letta.

Interpreting the structural consequences of the European Council’s decision at dawn on December 19 — after a night in which European leaders negotiated amid a confusing mixture of cooperative and non-cooperative games — one could hardly find a more fitting descriptive concept than “heterogenesis of ends.” The philosopher Wilhelm Wundt explained it clearly: collective action, especially when marked by conflicts, vetoes, and divergent rationalities, tends

to produce outcomes that do not coincide with the original intentions of its actors, sometimes even reversing them entirely.

This is exactly what happened with the issue of support for Ukraine: it was resolved not by reconciling political fractures, but by bypassing them, giving rise to a novel and, in many ways, disruptive solution — a solution grounded in common sense. The process started from national egoisms and mutual distrust: the divisions within the Council were evident. Option a), regarding the use of Russian sovereign assets, appeared overly complex and, for many, incomprehensible, perhaps insufficiently considered. Ultimately, however, with a last-minute shift, option b), the common debt, was chosen — potentially opening the door to developments of enormous significance. This could impact the future constitutional and geopolitical balances of the Union, setting a historic precedent by using “enhanced cooperation” to create debt within the realm of security and military support.

This occurred at a particularly delicate moment, as fluctuations in U.S. policy raised renewed concerns among European leaders, lacking guarantees: with Donald Trump halting the supply of new military aid to Kyiv, and Vladimir Putin engaged in crafting the narrative of his own victory. The European Union therefore faced one of its most decisive resilience tests. It was not merely about approving yet another aid package for Ukraine, but about determining how, once again, to act as a mature geopolitical power.

In this light, Jean Monnet’s political testament remains remarkably relevant. The eminent French statesman and one of Europe’s founding fathers astutely observed that “Europe will be made in crises” and that it “will ultimately be

nothing more than the sum of the solutions applied to such crises.” Though often quoted, this insight continues to offer a surprisingly effective key to understanding the most recent developments in European integration — increasingly in the hands of “willing opportunists.” Through crisis after crisis, rupture after rupture, the events leading to the European Council’s decision on enhanced cooperation make this almost axiomatic.

Originally, the freezing of Russian assets was tied to the six-monthly renewal of sanctions, each requiring unanimity as a matter of Common Foreign and Security Policy (CFSP). This made the regime fragile, vulnerable to the veto of a single state. By a European Council decision on December 12, based on Article 122 of the Treaty on the Functioning of the EU (TFEU), member states agreed to freeze Russian assets — approximately €210 billion — on a permanent basis, removing the need for periodic renewal. This is the emergency clause, allowing the Council to adopt temporary and solidarity measures in crisis situations without involving the Parliament. Already used during the pandemic, it is now invoked to bypass the rule of unanimity in defence matters, despite economic and commercial challenges for the Union.

The seeds of later developments were visible then: Italy, Malta, Bulgaria, and Belgium, in their interpretative declaration of December 12 accompanying the Council decision, limited the scope of their consent, accepting the permanent freeze “in a spirit of cooperation.” This nuance is important even for non-specialists.

When debate shifted from freezing assets to using them to finance Ukraine, dissent emerged — risking political deadlock, as the alternative solution of

issuing European debt would have required unanimity. Among the main proponents of using Russian assets were Germany, under Chancellor Merz, supported by the so-called frugal states, who viewed it as the only politically viable option to continue financing Ukraine while avoiding European debt. Yet the use of the assets presented financial and legal challenges.

Belgium was the first to raise significant caveats. Prime Minister De Wever, supported by Parliament, conditioned approval on the guarantee that, in case of judicial claims, compensation, or seizures initiated by Russia (or related entities), negative consequences would fall on other member states or the EU budget, not Belgium. This high-stakes request met immediate opposition from a minority of member states, including Italy and France, as it could set a dangerous precedent of unlimited mutualization of legal risk. According to the *Financial Times*, Russia had already sued Euroclear, a Belgium-registered financial operator and custodian of most immobilized Russian assets in Europe, seeking their return and denouncing the European proposal to use frozen state assets to support Ukraine as “brazen theft.”

Markets, based on trust and self-fulfilling expectations, reacted cautiously. Concerns about politically motivated asset confiscation could trigger a chain reaction, undermining Euroclear and other custodians, destabilizing markets in a vicious cycle. Putin’s stance reinforced dissent within the Council, but ultimately a “two-speed” solution was found.

Germany, together with the Commission, promoted the idea of a Reparation Loan, incorporating most of Belgium’s guarantees. During the December 18 Council, the option appeared impractical, considered by some countries as

unbalanced and costly. Only at the end, with Prime Minister Meloni playing a key role, was consensus reached, bringing France on board — hesitant but not opposed — and weakening the Merz-von der Leyen axis. Direct use of Russian assets was set aside, and a backup path was chosen: a €90 billion loan to Ukraine for 2026–2027, with the European Commission tasked with raising funds on financial markets. The debt would be guaranteed by the EU budget, through available headroom, not by Russian assets, and repaid by Kyiv once reparations were received. In case of non-repayment, European taxpayers would bear the cost.

The crucial fact emerging from this decision is that consensus was never truly achieved. Hungary, the Czech Republic, and Slovakia would have vetoed the initial solution. Using Article 212 TFEU, these countries opted out, formally consenting but not participating in the guarantee of the €90 billion debt. This prevented 24 member states, representing nearly all EU GDP, population, and territory, from being blocked by a politically noisy but economically marginal minority.

Here lies the heterogenesis of ends: the December 18 decision was adopted unanimously, yet its outcome activated a procedure — enhanced cooperation — that circumvents the rigidity of unanimity.

This is a step of constitutional significance: unanimity in procedure, majority in substance. Could this be the EU's future model for managing dissent within its institutions? Enhanced cooperation has been used fewer than ten times, usually in marginal areas such as the unitary patent, applicable law for divorce, financial transaction tax, or marital property regimes. Only the European

Public Prosecutor's Office (EPPO) touched a more sensitive area. This time, the EU crossed a new threshold, entering a sphere intimately linked to security, foreign policy, and Europe's strategic survival — unprecedented territory.

As confirmed by the European Court of Justice in 2013, enhanced cooperation is fully legitimate if decisions cannot be reached in the foreseeable future. Procedurally, efforts should continue to involve as many states as possible. This sudden shift should not remain a historical contingency but could become a replicable positive development, allowing the EU to face challenges realistically.

This does not mean federalist ambitions are destroyed — again, recall Jean Monnet. Similar mechanisms exist in the United States, via the “compact clause,” allowing some states to coordinate actions with federal approval. Whether as exceptions, opt-outs, or reluctant states lagging behind, the EU can and should use enhanced cooperation and variable geometries to implement the Draghi and Letta Plans. The decision of December 19 may facilitate consensus on many recommendations in those reports.

Enhanced cooperation should not leave dissenting states behind without addressing the reasons for their dissent. Rather, it should generate positive externalities even for non-participating states, allowing them to join later. One could imagine a “+1” or “+2” cooperation extending outward to strategic third countries, like the UK or Canada. To overcome vetoes, Europe must differentiate and go beyond itself.

This principle applies to enlargement: future members could join without full veto rights initially, accelerating accession for Ukraine, Moldova, and perhaps Albania. What might appear as a “night of non-cooperative games” is, in fact, a historical mode of EU progress. Comparable, in a way, to conclaves, where behind closed doors, tough negotiations occur, yet outcomes align with a guiding principle. In the EU, transformation happens through crises, not despite them.

If the Europe of the near future embraces variable geometries, differentiated responsibilities, and new member states without veto rights, then this last 2025 Council should be remembered as a truly foundational moment: not a triumph of virtue, but an unexpected outcome produced by the balance of opportunism and compromise, cooperation and non-cooperation. Here, in both good and bad, lies the “miracle” of Europe. Once again, solutions often come from Italy — this time, from the combined Draghi and Letta Plans, under the intelligent and courageous guidance of Giorgia Meloni’s Italy.”

## FOR EUROPE, A NEW “WHATEVER IT TAKES”

Il Sole 24 Ore

DECEMBER 17, 2025

*by Renato Brunetta and Pasquale Lucio Scandizzo*

After Berlin, Nothing Will Ever Be the Same.

After Berlin, nothing appears as it once did. A window is opening for a peace closer than ever, and the time of waiting is giving way to the responsibility of choice. Perhaps it is the moment for the right balances — not the fragile ones of a temporary truce, but those of lasting peace, reconstruction, and the patient — yet indispensable — mending of the threads severed by war.

Now it is necessary to transform the scenario and catalyse the use of Russian sovereign assets, not as a tool of reprisal, but as leverage for peace and, above all, for the future. What happens after the war matters more than what preceded it. Reintegration of Russia into the international financial system is not a concession: it is a strategic choice, the only credible bulwark against new — and always possible — adventures. It means offering, alongside military pressure and sanctions, a path of conditional reintegration. It is the most concrete way to defuse the spiral of isolation and radicalization that can only generate new conflicts. Global stability is at stake here. This is where lasting peace is built.

In this new framework, it must be said clearly, without pretence or diplomatic niceties: multilateralism as we have known it is over. At the same time, global competition cannot — and must not — be reduced simply to a U.S.–China

confrontation with everything else relegated to the background. Instead, a variable-geometry multilateralism is emerging, in which Europe can play a central institutional and political role, as demonstrated, for example, by the Mercosur agreements.

Within this context, Russia, though economically relatively small and fragile, cannot be considered a marginal actor. Its role in global geopolitics, regional destabilization capacity, energy resources, and above all its nuclear arsenal, continue to make it a critical element in European and global security architectures. It is precisely this combination of economic weakness and military strength that makes Russia less predictable and, at times, more dangerous, while its historical and cultural ties to Europe indicate it as a necessary long-term partner.

In this scenario, Europe risks being seen by proponents of a new global authoritarianism as a nuisance. Why? Because it is not a single power, yet it may be the last stronghold of international democracy. It is a union of 27 states. It does not decide, it does not speak with one voice, it has no common defence, no common foreign policy, no common fiscal capacity. For this reason, the United States — under Trump, and even before him — has always preferred to deal with individual member states rather than the Union as a whole.

Thus, the issue is political, not technical; strategic, not ideological. Europe must choose either it becomes a confederal power or accepts irrelevance. But beware: becoming a power does not mean becoming anti-American. That would be a catastrophic, suicidal mistake. Europe must not position itself against the United States but grow together with it — in a logic of equitable,

Western, democratic Atlanticism. Europe must signal to Washington — beyond provocations and simplifications — that it aspires to be an equal partner, not an antagonist. A global power with the U.S., not against the U.S. This is the dual track of true strategic intelligence: autonomy and alliance as factors of balance.

This requires a decisive choice on security. European security must be produced in Europe. The era of structural delegation to Washington is over. The EU must become a credible and respected player in defence, not as an inefficient sum of national military spending — which would produce fragmentation and waste — but through an integrated European defence, a common security industry, economies of scale, and dual-use investments. Programs like SAFE and the recourse to common debt point in this direction. This is, in effect, a “geopolitical NRRR” — not to respond to a health crisis like COVID, but to guarantee the Union’s strategic survival.

Within this framework falls the crucial European Council decision this week in Ukraine: the use of frozen Russian sovereign assets in Europe — over €200 billion immobilized, with €185 billion in Belgium. The choice is not merely technical. It is a matter of credibility and power, both military and political. These assets must become the financial guarantee to support Ukraine, allowing it to live, resist, and exist as a state. Confiscation is not needed tomorrow; their value can simply back a large European loan. International law permits this: the aggressor pays.

Legal obstacles and possible repercussions of the EU decision should not be underestimated. Yet the legal basis for freezing and potentially using Russian

assets, composed of central bank reserves, is robust. It rests on the principle of countermeasures in international law. European countries can credibly argue that Russia, through its invasion of Ukraine, committed a serious violation of the UN Charter and erga omnes obligations. Although not recognized by an international court judgment, proportionality grants third-party states that consider themselves harmed the right to adopt temporary, proportionate, and reversible preventive measures.

These measures aim to restore legality and provide grounds for compensating direct or indirect damages. This is not permanent confiscation — which would conflict with central bank sovereign immunity — but a suspension of the Russian central bank's rights until the legal situation is restored. Direct confiscation would raise serious legal issues and has no comparable precedent, so the EU and G7 partners favoured alternative instruments: freezing assets, creating financial compensation mechanisms, using accrued interest, and using the assets as collateral for loans to Ukraine. These are consistent with the U.S. REPO Act and similar national measures, avoiding transfer of ownership while reconciling support for Ukraine with respect for sovereign immunity.

Factually, the EU can be considered harmed: Russia has not only attacked Ukraine but inflicted significant economic damage on member states via energy pressure, cyberattacks, and influence operations. This strengthens the case for war reparations, albeit legally contested. Russia's serious breach of international law allows the EU to temporarily suspend certain obligations toward the Russian central bank, including protection of immunity for frozen assets.

Countermeasures must not be punitive; they must be revocable and not impair the rights of the other party. They must remain flexible to manage Russian reactions and open paths for cooperative solutions for peace and reconstruction, in both the short and long term. The Commission's mechanism respects these requirements, ensuring Russian claims on assets remain valid and are reinstated at the conflict's conclusion and after reparations are settled.

For this reason, the financial instrument rests on two levels of guarantee. The first level uses Russian assets without touching the principal, leveraging their value and interest to support a European loan to Ukraine. The second level has member states provide guarantees to ensure the loan's sustainability is not compromised, regardless of litigation or financial flows.

This two-tier architecture provides crucial support for the financial operation, transforming a war containment measure into a long-term investment for sustainable peace and Ukraine's democratic reconstruction. By ensuring continuity and predictability in reconstruction efforts, Europe creates the essential conditions for a negotiated exit from the conflict based on renewal, not attrition.

Ukraine's reconstruction cannot be seen as merely post-war; it is from the outset a key component of a European short- and long-term strategy, running parallel to military support, to shape a credible, just, and lasting peace that restores confidence to Ukrainian citizens and legitimacy to EU action.

Substantively, the operation can remain flexible and revocable because it is fully guaranteed by EU member states. More than a measure against Russia,

this financial tool is a legal lever allowing majority consent to back a European loan to Ukraine while avoiding veto power by a few dissenting states.

The greatest risks involve the EU's reputation, both among financial operators and, above all, its citizens. Violating the principle of non-interference with fiduciary assets, compounded by potential breach of sovereign immunity of central banks, could affect the euro as a reserve currency and the credibility of the European institutional system — precisely at a critical moment of dollar instability and fragmentation of the international monetary order.

This is a cost to accept, though mitigatable via member state joint guarantees and financial risk-reduction mechanisms. However, guarantees from individual states also raise issues, particularly as public opinion is already concerned about rising defence spending. The real danger is not the cost, but that it is portrayed as an unjustified burden rather than an investment in European security and institutional credibility.

Here, the true strategic factor is time. Ensuring Ukraine resources for two, three, or four years removes Moscow's attrition leverage. Russia loses manpower, resources, and domestic support. The energy embargo is effective; isolation weighs heavily; growth is zero; taxes are raised to fund the war economy; soldiers are underpaid. A predictable, long-term European support framework can incentivize Moscow to consider political solutions, reducing the expectation that Ukraine will capitulate from exhaustion. In this way, time can rebalance positions, strengthen incentives for negotiation, and create space for a negotiated outcome.

A Ukraine capable of resisting economically and militarily, thanks to the EU reparation loan, becomes the primary inducement for Russia to negotiate. This is why EU heads of state and government had to decide at the December 18 European Council: it marks the shift from a reflective Europe to a decisive Europe. From passivity to action. A political act of European sovereignty. Even with a peace agreement, EU power depends on the ability to rapidly reconstruct and integrate Ukraine.

The European leaders' December 15 declaration in negotiations with the U.S. for peace in Ukraine aligns perfectly: use the assets to invest in Ukraine's future prosperity, while ensuring Russia compensates for the damage caused.

This is the future of the Union. Concerns of individual member states over guarantees for leveraging Russian assets as collateral must be overcome. The EU's credibility depends on its ability to offer common solutions, including financial ones.

Because after Berlin, peace is no longer abstract but a tangible possibility, this opportunity must be seized to take a further "Hamiltonian" step for Europe — pooling financial resources and guarantees to support it. On this ground, Europe is called to prove it deserves the sacrifice of the Ukrainian people, who defend not only themselves but the very idea and security of Europe. This defence must include reintegrating Russia — not just in Europe's interest, but Russia's as well. A Russia no longer isolated, reintegrated into the multilateral system, is a potential guarantee of peace, stability, and progress. At this historic moment, time is power: Europe must decide whether to transform it into vision and responsibility.

