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EU Sanctions Against Russia: A Study of Their Evolution

Disinformation, Subversion, and the Challenge of Resilience for Democracies

Divergence amid Unity: Hungary's Approach to EU Migration Policy

European Studies Review

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Introduction

The re-election of Donald Trump as President of the United States has ushered in a new *America First era* —one more disruptive and transactional than before. As in his first term, the Trump administration seeks to roll back the United States' (U.S.) alliances and global commitments in exchange for concessions to the United States. This time, however, the withdrawal is swifter, deeper, and more radical.

In less than six months in office, the U.S. has once again withdrawn from organisations such as the World Health Organisation (WHO), defunded the United States Agency for International Development (USAID), raised tariffs by at least 10%, caused diplomatic disruptions with statements suggesting the incorporation of Danish territory, once more cast doubt on the American commitment to NATO's Article 5 on collective defence, and negotiated a peace plan to end Russia's war against Ukraine without Ukrainian or European participation.[2]

For some analysts, as in the previous administration, this reflects an effective bargaining strategy aimed at securing greater returns for the country in exchange for providing public goods.[3] This article, however, argues the opposite: the changes Washington is proposing are so drastic that not only will it fail to obtain the expected gains, but it will also weaken the complex network of alliances and international institutions that enabled U.S. hegemony since 1945. Its retrenchment, far from consolidating American material primacy, will erode its privileged relative position in the system, paving the way for a more fragmented order.

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2 The White House, *Withdrawing the United States from the World Health Organization* (The White House: 2025), https://www.whitehouse.gov/presidential-actions/2025/01/withdrawing-the-united-states-from-the-worldhealth-organization/; Corine Lesnes, "Billions of USAID aid have been officially canceled," *Le Monde,* July 22, 2025, https://www.lemonde.fr/en/international/article/2025/07/22/billions-of-usaid-aid-have-been-officially-canceled_6743590_4.html; Richard Partington, "'Liberation day': what are tariffs and why do they matter?," *The Guardian*, April 2, 2025, https://www.theguardian.com/business/2025/apr/02/liberation-day-what-is-a-tariff-and-why-they-matter-donald-trump; Jon Wertheim, "Why Trump wants Greenland, and what people who call the world's largest island home have to say about it," *CBS News,* April 13, 2025, https://www.cbsnews.com/news/why-trump-wants-greenland-60-minutes-transcript/; Laura Kayali & Victor Jack; "Frontline NATO countries put on brave face as Trump casts doubt on collective defense," *Politico,* June 25, 2025, https://www.politico.eu/article/frontline-nato-countries-put-brave-face-donald-trump-waves-collective-defense/; Nicholas Vinocur, "Europe to Trump: Stand up for Ukraine when you talk to Putin," *Politico*, August 12, 2025, https://www.politico.eu/article/eu-leaders-pressure-trump-ahead-of-his-talks-with-putin-on-ending-ukraine-war/.

3 Richard O. Cunningham, "Leverage Is Everything: Understanding the Trump Administration's Linkage between Trade Agreements and Unilateral Import Restrictions," *Case Western Reserve Journal of International Law* 51 (2019): 49–76, https://scholarlycommons.law.case.edu/jil/vol51/iss1/8.

In this context, the EU faces the challenge of rethinking its security — historically delegated to NATO and, by extension, to the United States — as well as the transatlantic trade relationship. Drawing on the successful experience of the Brexit negotiations and on emerging initiatives such as the Security Action for Europe (SAFE) and the Multi-party Interim Appeal Arbitration Arrangement (MPIA), I argue that the Union has the institutional capacity to withstand U.S. retrenchment and develop its strategic autonomy.

This is also an opportunity for the EU to strengthen the liberal international order and position itself as one of the leading powers in this transitional multipolarity, but only if it is willing to act with agency and bear the costs of such a role.

The Liberal Order as a Relational Framework: Hegemony and Decline

In 2018, John Ikenberry asked what future awaited the liberal order after shocks such as Trump's election, Brexit, Russian irredentism, and other challenges to international law and trade. Is this merely a passing crisis of Western leadership, the emergence of a post-Western liberalism, or the beginning of a more protectionist order wary of sovereignty?[4]

This paper starts from the same dilemma and, like Ikenberry, holds that the international order is not doomed to disappear. Its continuity and redefinition will depend on the ability of actors such as the EU to uphold its principles, adapt them to new conditions, and bear the costs of their preservation.

For many analysts, the liberal international order is a US-built architecture sustained primarily by American support.[5] From this perspective, current developments suggest we are moving towards a non-liberal international order, more protective of national sovereignty and mercantilist in nature. Ikenberry, however, is less pessimistic. For him, the liberal international project has undergone continuous crises and transformations since the eighteenth century and is not a *"blueprint for an ideal world order"* but rather a *"methodology or machinery for responding to the dangers of modernity."*[6]

Understanding the international order not in normative but in methodological terms offers another analytical lens. Multilateralism is that methodology — what John Ruggie called the coordination of relations through generalised principles of conduct.[7] This multilateralism builds the order but does not define it; it is the states that determine the scope, values, density, and depth of the future order. It is up to the EU and other states that have benefited from the liberal order to sustain it or make it evolve.

Therefore, if liberalism is understood as a methodology rather than as an order defined by its hegemon, the withdrawal of the U.S does not necessarily mean its disappearance. In fact, it opens the

4 John Ikenberry, "The End of the International Liberal Order?," *International Affairs* 94, no. 1 (2018): 7–23, https://doi.org/10.1093/ia/iix241.

5 John J. Mearsheimer, "Bound to Fail: The Rise and Fall of the Liberal International Order," *International Security* 43, no. 4 (2019): 7–50, https://doi.org/10.1162/isec_a_00342

6 *Ibid*.

7 John Ruggie, "Multilateralism: The Anatomy of an Institution," *International Organization* 46, no. 3 (1992): 561–598, https://www.jstor.org/stable/2706989.

possibility for other actors to assume responsibility for sustaining and adapting it. Institutions and regimes may lose strength with an American retreat, but they can survive if like-minded actors step up to the plate. This opens a window for the EU to both preserve and upgrade the liberal order in response to modern challenges.

Moreover, the U.S.' power is not unlimited. As Daniel Nexon and Thomas Wright argue, hegemony is sustained in part through the acceptance of the hegemonic system by those states that benefit from it. From an imperial perspective, these authors maintain that a hegemon's domination over its subordinates rests on a *"contractual"* relationship that subordinate states do not revise out of habit, legitimacy, or fear.[8]

By imposing tariffs, defunding multilateral institutions, and excluding its allies from key decisions, the U.S. erodes the legitimacy of that contract. As a result, the incentives that once deterred other states from renegotiating their relationship with the hegemon vanish. The weakening of U.S. hegemony leaves space for the EU to develop the autonomy it needs, not only to defend itself but also to shape the transition of the order.

Similarly, Arturo Santa Cruz shows how the socialisation of power through legitimizing institutional channels has been a far more effective way for the U.S. to influence and constrain the behaviour of third states than unilateral action. Indeed, unilateralism under the Bush administration diminished Washington's image and weakened its ability to influence the system.[9]

Since its dawn, American hegemony has relied on America's alliances and U.S.-built and sustained institutions. Without those railguards, American primacy is not as strong. It isn't coincidental that China's and others' rise began in the early twenty-first century when the U.S image was tarnished by its incursions in the Middle East. In other words, retrenchment does not consolidate American dominance but weakens it by removing the relational pillars that sustain hegemony.

Because of this erosion, the EU should not allow itself to be intimidated by Trump's grandstanding. With a GDP north of €17 trillion and the world's third-largest population, it has both the material weight and the institutional capacity to resist the U.S. retreat.[10] A weaker America means two things for Europe: first, that Washington has less leverage to impose its preferences; and second, that Brussels cannot rely on American protection to the same extent as before. Recognising this dual reality is the first step for the EU to act with greater autonomy and begin shaping the evolution of the international order.

The next section will argue that the EU possesses the capabilities to face the challenge posed by U.S. retrenchment. However, this capability places it before a dilemma: it can either stand by and

8 Daniel Nexon and Thomas Wright, "What's at Stake in the American Empire Debate," *American Political Science Review* 101, no. 2 (2007): 253–271, https://doi.org/10.1017/S0003055407070220.

9 Arturo Santa Cruz, "La Hegemonía Estadounidense es lo que el Presidente Hace de Ella: Política Exterior y Multilateralismo Durante las Administraciones Obama," *Estudios Internacionales* 49, no. 187 (2017): 85–107, https://doi.org/10.5354/0719-3769.2017.47029.

10 European Union, "Facts and Figures on the European Union," *European Union*, [accessed on August 15, 2025] https://european-union.europa.eu/principles-countries-history/facts-and-figures-european-union_en.

adapt to a less liberal international order, in which its values are sidelined, or it can take a leading role in defending and reformulating the principles that have defined it since its inception. If the EU chooses to exercise its institutional agency, it can not only withstand retrenchment but also help redefine the order's transition.

Navigating U.S. Retrenchment: EU Resilience Versus Autonomy

Brexit was the EU's ultimate stress test in the second decade of the twenty-first century, after its poor handling of the Eurozone and refugee crises. The withdrawal of a Member State, especially one as significant as the United Kingdom, seemed to many the beginning of the end for the EU. Yet the Union managed to minimise Brexit's costs, safeguard its integrity, and begin to develop as a more robust and resilient political entity.[11]

The risk of losing the American security umbrella, being sidelined from strategic discussions in its immediate environment, and the redefinition of the trade relationship are challenges as serious as Brexit. But, as Brigid Laffan and Stefan Telle demonstrate in *The EU's Response to Brexit*, and as the response to the COVID-19 pandemic also shows, the EU can collectively navigate existential challenges.[12]

For these authors, the EU's effective response to Brexit —avoiding unexpected costs, maintaining Member State unity, and achieving its initial objectives without crossing red lines— was possible because it framed the challenge as a common problem requiring a unified response, and created the institutional capacity to address it.

The framework of *issue framing* — establishing a shared understanding of a complex problem— and the development of institutional capacity that they use allows us to analyse the current strategic context and initiatives such as SAFE.

Hours after the U.S. suspended support for Ukraine, European Commission President Ursula von der Leyen announced the *Rearm Europe* plan, expected to mobilise up to €800 billion in defence spending over the coming years. She stated: *"Europe is ready to massively increase its defence spending —both to respond to the urgency of acting in the short term and supporting Ukraine, and to address the long-term need to take greater responsibility for our own European security."*[13]

The EU is thus framing the problem of U.S. retrenchment as an opportunity to take control of its own security —a narrative echoed by the President of the European Council, who described SAFE's adoption as *"an important step towards a strong Europe,"* and by the High Representative for Foreign Affairs, who argued that the EU *"has reimagined its paradigm as a peace project underpinned by hard defence."*[14]

11 Brigid Laffan and Stefan Telle, *The EU's Response to Brexit* (Palgrave Macmillan, 2023).
12 *Ibid.*
13 Giorgio Sorgi, "EU Pushes Emergency Plan to Send €150B in Defense Loans to Governments," *Politico*, March 4, 2025, https://www.politico.eu/article/ursula-von-der-leyen-proposes-new-150b-common-defense-fund-military-spending/.
14 Jacopo Barigazzi, "EU Ambassadors Agree on €150B Defense Lending Scheme," *Politico*, May 21, 2025, https://www.politico.eu/article/eu-ambassadors-agree-on-e150b-defense-lending-scheme/; Ryan O'Neill, "EU's Kallas Welcomes Trump's 'Tough Love' on Arms Spending," *Politico*, May 31, 2025, https://www.politico.eu/article/kaja-kallas-trump-hegseth-military-spending-europe-war-defense/.

As with the Brexit negotiations, there is a common framing of the problem accepted by Member States, which —in Laffan and Telle's terms— constitutes a clear instance of *issue framing* enabling collective action. This is evident in the SAFE vote in the European Council, where only Hungary abstained, and in the initiative's potential support within NATO to raise defence spending to 5% for each Member State.[15]

Beyond effective communication, the EU is also committed to generating institutional capacity through the expansion and adaptation of its structures. In late May, Member States approved Union-level borrowing of €150 billion to provide loans to Member States and associated partners for arms purchases under the SAFE programme. These expenditures will be covered by the National Escape Clause, allowing temporary exemption from excessive deficit penalties. Moreover, the Commission approved Poland's request to redirect its post-COVID recovery funds to defence spending.[16]

We can thus see how, as with Brexit, the EU is framing U.S. retrenchment as a common challenge requiring a joint response —and Member States are accepting this frame. Only time will tell whether these programmes will succeed in achieving European objectives —in the short term, preventing Ukraine's defeat— but it cannot be denied that the Union's response has been swift and robust, laying the groundwork for an exercise in strategic autonomy. What remains to be seen is whether the EU will use this autonomy to influence the global order's transition, something for which there still seems to be little political will.

As Nathalie Tocci argues in *European Strategic Autonomy: What It Is, Why We Need It, How to Achieve It*, an autonomous EU is one that *"can live by its laws and rules, protecting them internally and organising itself multilaterally within the rules-based international order it has helped to define."*[17] Strategic autonomy should therefore not be understood merely in internal terms, akin to state sovereignty, but as an active international role in its neighbourhood and in the global multilateral arena.

Essentially, an autonomous Europe is one that bears the costs of providing public goods and, recalling the first section of this article, one that helps shape, define, and evolve the international liberal order. American retrenchment is an opportunity for the EU to exercise agency and sustain global liberalism. The previous discussion on SAFE has already shown that the Union has the institutional capacity to act. What remains to be seen is whether or not the EU is willing to exercise that capacity outside its borders, in the way that strategic autonomy demands.

SAFE and support for Ukraine can, in some ways, be considered the active roles in the neighbourhood that strategic autonomy calls for. However, this is not enough. The multilateral dimension of strategic autonomy should not be underestimated

15 Lara Kayali, "NATO's Rutte: 'We're All on the Eastern Flank Now,'" *Politico*, June 9, 2025, https://www.politico.eu/article/natos-rutte-to-urge-quantum-leap-in-defense-readiness-as-putin-lurks/.

16 Barigazzi, *EU Ambassadors Agree on €150B Defense Lending Scheme*; Ryan O'Neill, "EU's Kallas Welcomes Trump's 'Tough Love' on Arms Spending," *Politico*, May 31, 2025, https://www.politico.eu/article/kaja-kallas-trump-hegseth-military-spending-europe-war-defense/; Giorgio Sorgi, "EU Is Set to Approve Shifting Poland's Post-Covid Funds to Defense," *Politico*, May 26, 2025, https://www.politico.eu/article/eu-poland-post-covid-funding-defense-nato-military-technology-ukraine-war/.

17 Nathalie Tocci, *European Strategic Autonomy: What It Is, Why We Need It, How to Achieve It* (Istituto Affari Internazionali, 2021), 3.

— and is something the EU does not appear to be developing.

Apart from the MPIA, a provisional agreement to address the World Trade Organization's arbitration crisis, the EU has not used U.S. retrenchment under either Trump administration as an opportunity to redefine or sustain the international order.

In the first section of this article we described how America's retrenchment wouldn't strengthen its capabilities but rather weaken them, as the country's hegemony was built upon the international liberal order. This, in our opinion, opens an opportunity for the EU to revise its relationship with the U.S. and carve a larger role for itself in global governance.

Despite this, the EU has caved to the U.S. demands in late July when a trade deal between the bloc and Washington was reached. The deal would see European companies invest upwards of €600 billion in the U.S. and have EU members shell out another €750 billion for American gas and oil in return for keeping American tariffs at 15%.[18]

Another example of this might be a new 5% budgetary commitment in NATO, but with many European capitals ready to increase defence spending, one could argue that both parties may have been inclined to this. However, the Union has not only been ineffective, or unwilling, when dealing with Trump. The following paragraphs are examples of the EU sidelining itself from global governance and relinquishing the responsibilities of a global power willing to set the rules.

Firstly, several Member States and the EU have cut their official development assistance, just as the U.S. has done. This not only undermines the EU's legitimacy as a partner and runs counter to the principles underlying strategic autonomy, but also leaves space, particularly in Africa, for Russia and China, which the EU considers systemic rivals.[19]

Secondly, the escalation of the Israeli-Palestinian conflict after 7th of October 2023 and the subsequent genocide in Gaza shows that EU inaction can carry high human costs. It was not until mid-2025 that the EU diplomatic corps determined that Israel was violating the human rights clauses in its agreement with the Union.[20]

Similarly, as with US-Russia talks on the war in Ukraine, the EU is being sidelined in new nuclear negotiations with Iran — despite its active role in the talks that led to the 2015 nuclear deal. Had the EU played a more energetic role in the region in recent years, this might not have been the case.[21]

18 Giorgio Leali, "French PM Slams EU-US Trade Deal as 'Submission' to Trump," *Politico*, July 28, 2025, https://www.politico.eu/article/french-pm-francois-bayrou-castigates-eu-us-trade-deal-act-of-submission/.

19 CONCORD, "The EU's Short-Sighted Aid Cuts Are a Choice – So Is the Way Forward!," *European Confederation of Relief and Development NGOs*, April 16, 2025, https://concordeurope.org/2025/04/16/the-eus-short-sighted-aid-cuts-are-a-choice-so-is-the-way-forward/.

20 Jacopo Barigazzi, "Israel in Breach of EU Deal over Gaza Human Rights, Report Signals," *Politico*, June 20, 2025, https://www.politico.eu/article/israel-breach-eu-deal-over-gaza-human-rights-report-kaja-kallas-palestine-belgium-obligation/.

21 Gabriele Fortuna, "La UE, Ausente de las Negociaciones Nucleares con Irán en Ginebra," *EuroNews*, June 19, 2025, https://es.euronews.com/my-europe/2025/06/19/la-ue-ausente-de-las-negociaciones-nucleares-con-iran-en-ginebra.

Conclusion

The developments outlined in the previous section show that the EU has the institutional capacity to continue operating in this transitional order and the willingness to do so. Yet that willingness seems to fade when crossing the seas.

Member States are reluctant to bear the costs of providing the public goods necessary to sustain the order that made the EU possible. The result is the intervention of its systemic rivals in its neighbourhood, the loss of credibility as a partner for the Global South, and relegation to the status of a middle power unable to sit at the table where decisions are made.

The idea of Strategic Autonomy, which has inspired policy-makers in Brussels, is clear on the need for the Union to take an active international role in order to preserve its sovereignty. If the EU or its Member States are unwilling to bear the costs of this strategy, Europe will be further excluded from strategic decision-making and will watch the world turn in a direction antithetical to the values on which it was founded.

The EU must reverse its own sidelining. While SAFE has been a good start, other actions are needed. Going through the EU-MERCOSUR deal would reinvigorate a laggard free trade regime and scrapping the deal with the U.S would show that the EU cannot be coerced. Stepping in and filling in the holes made by USAID's withdrawal would also be an appropriate strategy for its relationship with the Global South, although it lacks the gravitas of the Chinese Belt and Road Initiative. If strategic autonomy is a genuine aspiration for the EU, then it needs to compete with China and the U.S. in the shaping of global governance, which will require much more than its institutional capacity: willpower and money.

September 2025

Europe in Orbit, Europe in Question: A Space Power in Waiting

Alejandro Leal

Introduction: Spatiotemporality

In 1957, two historic events took place: the launch of Sputnik, which initiated the space age, and the signing of the Treaty of Rome, which laid the foundation of the European Union (EU). Though these events arose from different historical contexts, both symbolise the beginning of two transformative journeys, one into outer space and the other toward a united Europe.

However, these parallel developments raise a broader question: how does law respond when humanity enters new spatial arenas, whether the creation of a shared European project or the opening of outer space? This paper argues that law, far from being a neutral constraint, operates as an enabler of political and economic autonomy. By examining the EU's evolving role in outer space, the analysis features a spatial dialectic: integration and security are mutually shaping processes, and the EU's legal choices will determine its capacity to act as a credible and autonomous space power. The paper proceeds in three parts: firstly, it situates space law within broader legal traditions; secondly, it analyses competing models of space power and Europe's current institutional framework; thirdly, it assesses the EU's prospects for strategic autonomy through law and regulation.

From the outset, international law has sought to regulate access to shared domains. For example, the 1967 Outer Space Treaty declared space a *res communis*, a legal category meaning a realm beyond national appropriation and territorial sovereignty. This principle drew on precedents from the Antarctic Treaty, which established peaceful scientific cooperation in a demilitarised zone, and the United Nations Convention on the Law of the Sea, which safeguarded international navigation and shared resources in areas beyond national jurisdiction.

The analogy to the sea, often invoked, is revealing but incomplete. Hugo Grotius's *Mare Liberum* declared oceans free for navigation and trade.[2] But the law of the sea emerged only after centuries of legal mandates, maritime conflict, and technological disruption. Today, space law faces a similar pressure, yet without a spatiotemporal buffer. The slow pace of maritime travel allowed states and societies time to adapt to technological disruptions and codify norms. By contrast, space law must contend with a dynamic environment, where rockets, satellites, and

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2 Hugo Grotius, *The Free Sea*, translated by Ralph Van Deman, edited by James Brown Scott (Liberty Fund, 2001).

cyber technologies produce immediate effects, compressing the time available for legal and regulatory responses.

Rapid technological advancements are accelerating the pace of orbital activity, while the militarisation of satellites and the development of counter-space capabilities heighten strategic risks. Moreover, as new state and private actors multiply in orbit, the Treaty's cooperative foundations are increasingly tested by competing claims, commercial stakes, and security concerns.[3] This exposes a dissonance between the EU's aspiration to pursue a path grounded in international law and the need to confront geopolitical realities that demand strategic autonomy.

Another pressing concern in outer space is the Kessler Syndrome,[4] a scenario in which orbital debris triggers a series of cascading collisions. Over time, this process could render entire orbital regions unusable for decades, jeopardising critical services such as communications, navigation, and Earth observation. This situation represents more than just a physical risk. It is also a metaphor for political paralysis: the inability to act until it is too late. The EU's status as a space power will therefore depend on its capacity to confront these security challenges and shape the evolution of international space law.

Competing Models of Space Power: the European Way

Unlike cyberspace, the Arctic, or terrestrial domains, all stakeholders in outer space share a strong mutual interest in maintaining a stable and predictable system, making cooperation not just desirable, but necessary. Outer space risks becoming a tragedy of the commons, where short-term competition for access and resources undermines the long-term sustainability that is in everyone's interest.[5] The costs of accidents or conflicts cannot be contained within borders, so they are borne collectively. This dependence creates an incentive for collaboration.

Given these concerns, the EU must act with urgency and resolve. The United States, Russia, and China have already moved decisively, each treating space as vital to national security but pursuing different strategies. For instance, China's approach is top-down and centralised.[6] China's strategy, anchored in legal mandates and national doctrine, prioritises preparedness and counterspace capabilities to assert control in orbit. Similarly, Russia's approach to outer space is heavily state-driven. It emphasises military capabilities, strategic deterrence, and maintaining great-power status through control of critical orbital assets. [7]

Since the Cold War, the U.S. has followed a more evolutionary path, shaped by decades

3 Keith Metcalf, *Activities Space: Appropriation or Use* (PhD diss., Uppsala University, 1999), https://www.diva-portal.org/smash/record.jsf?pid=diva2%3A160661&dswid=-1304.
4 D. J. Kessler and B. G. Cour-Palais, "Collision Frequency of Artificial Satellites: The Creation of a Debris Belt," *Journal of Geophysical Research* 83, no. A6 (American Geophysical Union, 1978): 2637–2646.
5 Garrett Hardin, "The Tragedy of the Commons," *Science* 162, no. 3859 (American Association for the Advancement of Science, 1968): 1243–1248, https://faculty.lsu.edu/kharms/files/hardin_1968.pdf.
6 Mathieu Duchâtel, *China's Space Dream: No Limits, No End* (Institut Montaigne, 2025), https://www.institutmontaigne.org/ressources/pdfs/publications/china-trends-22-chinas-dream-space-no-end.pdf.
7 Marc Berkowitz and Chris Williams, *Russia's Space-Based, Nuclear-Armed Anti-Satellite Weapon: Implications and Response Options* (National Security Space Association, 2024), https://nssaspace.org/wp-content/uploads/2024/05/Russian-Nuclear-ASAT.pdf.

of gradual innovation where technological leadership and military necessity have progressively intertwined. For example, the U.S. recently formalised its military presence in space by establishing the U.S. Space Force and reactivating the U.S. Space Command. Unlike Russia's reliance on military-driven prestige projects or China's state-directed long-term planning, the American approach reflects an incremental accumulation of capabilities, sustained by its dynamic private sector and the dual-use nature of much of its space technology. This reflects a strategic hybrid approach, in which a robust commercial industrial base is considered essential to national defence.[8]

The EU's involvement in space began in the 1960s with the precursors to the European Space Agency (ESA), which was formally established in 1975. Since the 1990s, flagship programmes such as Galileo and Copernicus have significantly expanded Europe's presence in space.[9] Today, the European Commission is asserting a stronger regulatory and political role, while ESA continues to function as the intergovernmental hub for research, development, procurement, and technical expertise. Meanwhile, Europe's growing ecosystem of start-ups and Small and Medium Enterprises (SMEs) faces persistent challenges, including fragmented national regulations, limited financing, and barriers to scaling up.[10]

This paper argues that the EU should not replicate American, Russian, or Chinese approaches, but instead carve out its own model rooted in cooperation, autonomy, democratic legitimacy, and economic cohesion. Additionally, as private actors such as SpaceX in the U.S. and Galactic Energy in China push into activities with few historical precedents, the need for clear regulations, standards, and licensing frameworks becomes essential to provide stability and incentivise compliance. This is particularly crucial for Europe's space industry.

The European way lies in establishing a governance framework that enables strategic coordination across member states as it actively integrates its strong commercial and civilian space sectors into a shared security and defence architecture. Such a model would preserve its multilateral and democratic ethos while addressing fragmentation through a unified institutional structure, combining the political cohesion of the Chinese and Russian models with the innovation and adaptability of the American approach.

The ESA already plays a central role in fostering technical coordination and advancing cooperative projects across Europe. However, the 2025 EU Space Act introduces a governance layer that goes beyond ESA's remit by linking industrial policy, market regulation, and strategic autonomy. This makes the forthcoming agreement between ESA and the Union

8 The White House, *National Space Policy of the United States of America* (The White House, 2020), https://space.commerce.gov/policy/national-space-policy/.

9 Özgün Erler Bayır, Kevser Mermer Akmaz, and Özgür Aktaş, "New Space: The European Union's Evolving Space Policy and Changing European Space Ecosystem," *Studia Europejskie – Studies in European Affairs* 25, no. 4, (University of Warsaw, 2021): 113–132,https://journalse.com/new-space-the-european-unions-evolving-space-policy-and-changing-european-space-ecosystem/.

10 Zsolt G. Pataki, *EU Capabilities in Space*, (EPRS, 2025), https://www.espas.eu/files/EU%20capabilities%20in%20space-%20Zsolt%20Pataki.pdf.

critical for clarifying their relationship. In this way, a new governance framework becomes necessary not to replace ESA, but to ensure coherence, avoid fragmentation, and align technical innovation with Europe's broader strategic objectives.

Challenges in Outer Space and Legal Frameworks

One of the main takeaways from the 18th European Space Policy Institute (ESPI) Autumn Conference was the critical lack of political will and funding, both of which hinder the EU's ability to respond to growing space security threats. This shortfall undermines efforts to develop integrated dual-use architectures that combine military and civilian capabilities, delays the establishment of dedicated military space entities, and slows the pace of innovation needed to keep up with evolving challenges.[11]

For example, the U.S. leads in space budgets by a significant margin, with figures exceeding €70 billion in 2024, followed by China, whose total spending is estimated to be around €20 billion. The EU's space budget was around €2 billion for space infrastructure and part of a larger European upstream budget of approximately €11.4 billion. Russia's space budget is the lowest, at approximately €3.5 billion annually.[12]

To address this gap, the EU needs sustained investment in research and development, the expansion of the EU space budget, and a stronger industrial base capable of providing the critical technologies necessary to compete with the United States, China, and other rising space powers (Figure 1). However, the EU is heavily dependent on other countries for critical knowledge and technology components, with 78% of defence purchases since 2022 coming from non-EU producers.[13] More than 80% of the EU's digital infrastructure and technologies are currently imported.[14] This dependence is particularly acute in the space sector, where budgetary limitations force the EU to rely on foreign launchers, satellite components, and software systems. Therefore, achieving strategic autonomy and economic security requires the EU to develop its own technologies.

To achieve this, the EU must rethink its approach to defence and do more than reform its procurement and acquisition practices. This shift is already visible in the EU Space Strategy for Security and Defence (2023), which links outer space to the Union's security and resilience. Building on top of this, the EU Space Act (2025) represents the first step toward a comprehensive legal framework for space within the Union. Its objectives include harmonising fragmented national rules, setting common standards for safety, sustainability, and licensing, and fostering Europe's competitiveness. The Act also

11 H. L. Moeller, *Director's Perspective: Space for Security & Defence: Space for Peace, Protecting Europe and its Values* (European Space Policy Institute, 2024), https://www.espi.or.at/wp-content/uploads/2024/10/Perspective_October_i_v3.pdf.
12 Jerome Saulnier, Aleksandra Heflich, and Clement Evroux, *Towards EU Leadership in the Space Sector through Open Strategic Autonomy* (European Parliament Think Tank, 2023).
13 Camille Grand, "Opening Shots: What to Make of the European Defence Industrial Strategy," *European Council on Foreign Relations*, March 7, 2024, https://ecfr.eu/article/opening-shots-what-to-make-of-the-european-defence-industrial-strategy/.
14 European Commission, "How the DIGITAL Building Blocks Can Help Bring EuroStack's Vision of European Digital Sovereignty to Life," *European Commission Digital Building Blocks*, May 20, 2025, https://ec.europa.eu/digital-building-blocks.
15 Charlotte Croison, "Defense Spending Drives Government Space Budgets to Historic High," *Novaspace's Government Space Programs*, January 21, 2025, https://nova.space/press-release/defense-spending-drives-government-space-budgets-to-historic-high/.

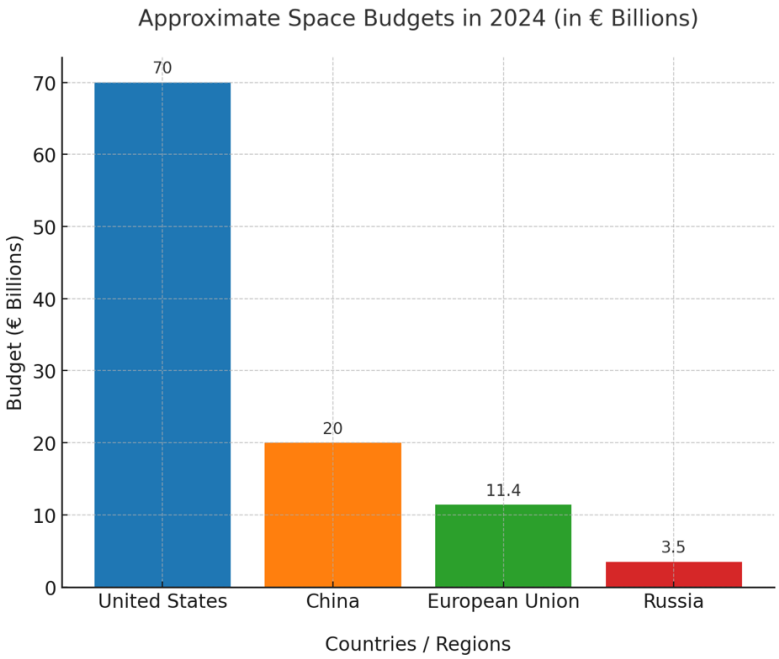

Figure 1. Approximate Space Budgets in 2024.[15]

proposed the creation of EU space law. This will establish rules to manage space traffic and provide a framework to ensure the safety of critical space infrastructure.

While the development of the EU Space Strategy for Security and Defence and the EU Space Act are welcome responses to this reality, the Act's long implementation timeline threatens to make the new rules obsolete before they even take effect. Given the rapid pace of technological change, innovations and geopolitical challenges may outpace the legal framework. The Act also lacks concrete incentives for high-value customers who need financial, contractual, or risk-sharing mechanisms to invest in EU space projects. In addition, its broad scope risks becoming overly bureaucratic and misaligned with industry standards and practices. The Act is designed more as a regulatory and collaborative framework than a commercial stimulus package. It is also unclear whether the targeted support packages will be sufficient to help businesses and Member States transition smoothly. Moreover, the Commission's push for autonomy and reduced dependence on non-EU technologies is vital, but without a comprehensive level playing field supporting industrial growth and market competitiveness, the EU risks lagging behind.[16] These concerns highlight the urgent need to turn today's ambitions into real investments.

Instruments for Enabling Interoperability and Autonomy

Success for the Union in this transformative period will require ambition and determination. European policymakers must prioritise interoperability among Member States to create a unified defence capability. This involves standardising space-based technologies, collaborating in cybersecurity training and operations,

16 Sara Dalledonne and Giulia Pavesi, "Bold Words, Blurred Lines: A Reflective Look at the EU Space Act," *European Space Policy Institute*, August 1, 2025, https://www.espi.or.at/briefs/bold-words-blurred-lines-a-reflective-look-at-the-eu-space-act/.

incentivising new actors with risk-sharing mechanisms, and ensuring access to space-based services to citizens. However, without interoperability, the EU risks building a patchwork of isolated capabilities rather than a cohesive, scalable industrial and commercial ecosystem. This would make it challenging for businesses and start-ups to compete globally or support strategic autonomy.

Interoperability involves designing technology, systems, and operational processes that work seamlessly together across Member States. This would enable EU countries and companies to combine their resources, eliminate unnecessary duplication and respond collectively to security, commercial or scientific challenges. In this context, ensuring interoperability across businesses and Member States becomes crucial. This would enable data exchange and the integration of national assets into a unified EU-wide space infrastructure. Building on this need, the EU Digital Identity (EUDI) Wallet provides a secure, interoperable framework for identity verification and data exchange, helping to advance European broader space ambitions.

The EUDI Wallet does this by streamlining collaboration between space agencies, startups, and industry, enabling faster integration of new technologies and cross-border missions. Currently, the EU space industry is quite fragmented. The EU Space Act, for instance, claims that "*13 different national approaches increase complexity and costs for businesses.*"[17] In practice, the EUDI Wallet could facilitate cross-border operations, streamline onboarding and verification processes, and reduce administrative burdens. Although questions remain about how it can be practically implemented in business contexts and integrated into existing systems, the wallet has great potential to improve secure collaboration in the space industry.

More importantly, space startups face far more pressing barriers, such as access to financing, launch costs, regulatory approvals for satellite operations, and export control compliance. While the EUDI Wallet could contribute to a trust and compliance ecosystem, especially for sensitive supply chain collaborations and shared R&D projects, it should be framed as one enabling tool among many, rather than a central driver of the sector's competitiveness.

However, in a sector involving an increasingly diverse group of public and private actors, this tool can help ensure trusted access, streamline authorisation processes, and enhance cybersecurity resilience across space operations. This integration supports the broader goals of supply chain security and cross-border cooperation, which are critical for a competitive and secure European space ecosystem.[18] It also simplifies procedures for start-ups and SMEs, reducing administrative burdens, facilitating compliance, and enhancing their ability to operate efficiently.[19]

17 European Commission, *Proposal for a Regulation on the Safety, Resilience and Sustainability of Space Activities in the Union*, COM(2025) 335 final, June 25, 2025, https://defence-industry-space.ec.europa.eu/eu-space-act_en.
18 Alejandro Leal, "EU Digital Identity Wallet: A Catalyst for Business Transformation," *KuppingerCole*, March 4, 2024, https://www.kuppingercole.com/blog/leal/eu-digital-identity-wallet.
19 European Commission, "Benefits," *European Commission*, October 10, 2024, https://ec.europa.eu/digital-building-blocks/sites/

Another instrument to ensure interoperability is the European Cooperation for Space Standardization (ECSS), strongly supported by ESA since 1994. The ECSS develops a coherent set of user-friendly standards for all European space activities, aiming to minimise life-cycle costs while enhancing quality, functional integrity, and compatibility across space projects.[20] This is achieved through common standards covering project management, engineering, quality, and sustainability for hardware and software design, development, testing, and qualification. The ECSS provides technical support during drafting and review, as well as administrative coordination among steering boards, technical authorities, and working groups. The ECSS is therefore likely to continue playing a key role in shaping the future of the EU's space activities.

The EU's approach to regulating space activities mirrors its regulatory successes in the digital realm, drawing on lessons from the GDPR and other single market legislation. For example, by using Article 114 TFEU as its legal basis,[21] the EU Space Act places space services firmly within the single market framework. This enables harmonised rules that apply not only to EU actors but also to non-EU operators active in Europe.[22]

Conclusion

Just as the GDPR established global privacy standards, the EU can leverage its regulatory influence —the so-called Brussels effect— to shape norms for AI and cyber-enabled space technologies. Thus, aligning forthcoming European space law with these principles, and by promoting autonomy, interoperability, and open standards, the EU can position itself as a credible and capable space power. Space becomes both a symbol and driver of European integration, reflecting shared values and a distinct European presence that cultivates soft power and strengthens the EU's appeal as a partner of choice for emerging space nations.

To leverage its unique strengths in space, policies must focus on harmonising regulations across Member States to create a coherent single market, supporting R&D in dual-use technologies, and strengthening the European industrial base to reduce dependence on non-EU providers. Incentivising high-value customers and integrating digital sovereignty tools like the EUDI Wallet can secure space infrastructure and supply chain operations. Prioritising sustainability and strict adherence to international law will reinforce the EU's role as a responsible space actor. Finally, accelerating implementation timelines, increasing funding, bolstering its defence industrial base, and fostering global

display/EUDIGITALIDENTITYWALLET/Benefits.

20 Britta Schade, *European Space Standardization: How Standards Support Space Applications for Europe* (CEN – European Committee for Standardization and CENELEC – European Committee for Electrotechnical Standardization, 2019), https://www.cencenelec.eu/media/CEN-CENELEC/Areas%20of%20Work/CEN%20sectors/Transport%20and%20Packaging/Air%20and%20spacecraft/cen-clc_space_brochure.pdf.

21 European Union, *Consolidated Version of the Treaty on the Functioning of the European Union*, 2008 OJ C115/94, art. 114 (ex art. 95 TEC), https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12008E114:en:HTML.

22 Willem Van de Wiele, Julien Giglio, and May-Lin Lecomte, "Shooting for the Stars: An Ambitious New EU Space Act," *Willkie Farr & Gallagher LLP*, July 8, 2025, https://www.willkie.com/-/media/files/publications/2025/07/shooting-for-the-stars-an-ambitious-new-eu-space-act.pdf.

partnerships will be essential to maintain competitiveness and leadership in outer space.[23]

This paper has offered a structured examination of Europe's space policy, moving from the foundations of space law to the current institutional landscape, and finally assessed how legal and regulatory tools can support the EU's strategic autonomy. Revisiting the question posed at the outset: how does law respond when humanity enters new spatial arenas? The analysis has demonstrated that European initiatives such as the EU Space Strategy for Security and Defence, the EU Space Act and the adoption of the EU Digital Identity Wallet actively shape strategic autonomy, technological standards and secure collaboration through law and regulation.

The key takeaway is that, by providing constraints and structure, law creates the conditions for resilient, adaptable and responsible technological development. Rather than merely restricting activity, law enables stakeholders to innovate within a predictable and cooperative framework, thereby reinforcing the EU's capacity to act as a credible, autonomous and values-driven space power.

The question for the EU is not whether it has the technical capability to compete, but whether it has the political will to act. There is still time to close that gap. To lead in space is not to dominate it. It is to shape it, legally, technologically, and diplomatically. The alternative is to orbit, perpetually, in someone else's gravity.

23 Ester Sabatino, "EU's Grand Defence Industrial Plans Risk Fizzling for Lack of Money and Unclear Procedures," *International Institute for Strategic Studies*, March 18, 2024, https://www.iiss.org/online-analysis/military-balance/2024/03/eus-grand-defence-industrial-plans-risks-fizzling-for-lack-of-money-and-unclear-procedures/.

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Small Nation, Big Orbit: Why Luxembourg is Championing Space Defence

Myrto Vamvakoudi

Introduction

When most people think of space defence, they picture global powers such as the United States, China, or Russia —not a small landlocked nation tucked between Belgium, France, and Germany. Yet Luxembourg, better known for its financial sector than its military might, is steadily emerging as an unexpected but influential player in the space domain. Despite fielding one of the smallest armed forces in NATO and the European Union, comprising just over 1,100 personnel in a volunteer structure, the Grand Duchy is leveraging strategic vision and financial resources to position itself at the cutting-edge of space defence technology.[2] This raises an important question: why is Luxembourg investing heavily in space defence, despite its traditionally modest conventional military presence?

Luxembourg's Commitment to Space Defence

The country's commitment became concrete in 2022, when the Directorate of Defence within the Ministry of Foreign and European Affairs unveiled Luxembourg's first-ever Defence Space Strategy. The strategy set out clear objectives aimed at strengthening existing capabilities, developing new ones, and establishing the country as a credible and reliable partner in the space domain at the international level.[3] Presenting the strategy, then-Minister of Defence François Bausch emphasised, "*Space represents a military domain where our small country can become an important player.*"[4] This emphasis was further reinforced in the Luxembourg Defence Guidelines 2035, published in 2023, where space remained a key priority for capability development.[5] In the same year, the Luxembourg Parliament approved the next-generation Medium Earth Orbit (MEO) Global Services programme, a ten-year, €195 million effort to provide a fast, reliable, global communications network.[6]

More recently, Luxembourg has again

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2 Luz Castro, "Luxembourg Military Forces and National Army," *Luxtoday,* June 24, 2025, https://luxtoday.lu/en/knowledge/luxembourg-army.

3 Directorate of Defence (Luxembourg Ministry of Foreign Affairs), *Defence Space Strategy 2022* (Luxembourg Directorate of Defence, 2022), https://gouvernement.lu/dam-assets/documents/actualites/2022/02-fevrier/28-bausch-strategie-spatiale-defense/32022-0012-Strategie-spatiale-EN-24p-WEB.pdf.

4 Pierre Jans, "Luxembourg to Expand Its Space Defence," *RTL Today*, March 1, 2022, https://today.rtl.lu/news/luxembourg/a/1871613.html.

5 Directorate of Defence (Luxembourg Ministry of Foreign and European Affairs), *Luxembourg Defence Guidelines 2035* (Luxembourg Directorate of Defence, 2023), https://gouvernement.lu/dam-assets/documents/actualites/2023/05-mai/11-bausch-lignes-directrices-2035-defense/luxembourg-defence-guidelines-2035-en.pdf.

6 SES, "Luxembourg Parliament Approves MGS, Enabling NATO's Access to SES's O3b mPOWER System," *SES*, June 15, 2023, https://www.ses.com/press-release/luxembourg-parliament-approves-mgs-enabling-natos-access-sess-o3b-mpower-system

made headlines for its ambition to become a space and defence powerhouse. Following the launch of the GovSat-1 satellite in 2018, which has supported the Luxembourg Directorate of Defence, EU and NATO allies, and the U.S. Department of Defence, demand for secure military satellite communications (SATCOM) has only grown.[7] Reflecting this momentum, in July 2025, the European Society for Satellites (SES) and the Luxembourg Government announced the development of a second satellite, GovSat-2, under their 50/50 public-private joint venture. The aim is to expand protected and accessible satellite communications services for governments.[8] To support the project, the government pledged €301 million toward the satellite's development, along with an additional €200 million set aside as a strategic capacity reserve.[9] Also in 2025, Luxembourg successfully launched the Luxembourg Earth Observation System (LUXEOSys) satellite, which marked an important step in the implementation of the Luxembourg Defence Space Strategy.[10]

Responding to Security Vulnerabilities

Explaining Luxembourg's prioritisation of space defence requires understanding the growing importance of space in contemporary security thinking. One way to comprehend this shift is through the notion of "*securitisation*" from critical security studies, which highlights how leading spacefaring powers increasingly frame space as a vital domain for national security.[11] A second perspective is "*militarisation,*" the development and deployment of military technologies in orbit to establish a tangible military presence beyond Earth.[12] A further dimension, "*weaponisation,*" refers to the deployment of "*battlefield*" weapons in space.[13] Taken together, these trends demonstrate a clear intensification of state endeavours to extend strategic influence beyond our planet's atmosphere.

Within this evolving strategic environment, Luxembourg's large-scale investment in space defence can be explained by the intrinsic insecurities faced by small states, combined with the strategic opportunities offered by breakthrough technologies. As one of thirty-four European countries classified as "small", Luxembourg operates within asymmetrical power relationships that, as prominent small-state scholar Kristjánsson suggests, expose its inherent vulnerabilities and significantly shape its strategic decisions.[14] This is especially crucial in an era characterised by major

7 SES, "SES and the Luxembourg Government to Develop and Launch New Defence Satellite for GovSat," *SES,* July 24, 2025, https://www.ses.com/press-release/ses-and-luxembourg-government-develop-and-launch-new-defence-satellite-govsat.

8 Jess Bauldry, "Luxembourg Bets Big on Space Defence," *Forbes Luxembourg,* July 31, 2025, https://www.forbes.lu/luxembourg-bets-big-on-space-defence

9 Peter De Selding, "Luxembourg to Invest $350 Million in Govsat-2 Satellite Operated by JV with SES, plus $233 Million as Strategic Capacity Reserve," *Space Intel,* August 11, 2025, https://www.spaceintelreport.com/luxembourg-to-invest-350-million-in-govsat-2-satellite-operated-by-jv-with-ses-plus-233-million-as-strategic-capacity-reserve/.

10 Embassy of Luxembourg in Washington, "Luxembourg Earth Observation System: Successful Launch of the Satellite," *Embassy of Washington in Luxembourg,* August 28, 2025, https://washington.mae.lu/en/actualites/2025/august-28-luxembourg-earth-observation-system-successful-launch-of-the-satellite.html.

11 Columba Peoples, "The Securitization of Outer Space: Challenges for Arms Control," *Contemporary Security Policy* 32, no. 1 (2011): 76, https://doi.org/10.1080/13523260.2011.556846.

12 Richard Sheposh, "Militarization of Space," *EBSCO Knowledge Advantage*, 2025, https://www.ebsco.com/research-starters/military-history-and-science/militarization-space.

13 Association Aéronautique et Astronautique de France (3AF) Strategy and International Affairs Commission Writers' Group, "The Militarization and Weaponization of Space: Towards a European Space Deterrent," *Space Policy* 24, no. 2 (2008): 61, https://doi.org/10.1016/j.spacepol.2008.02.001.

14 Jakob Þór Kristjánsson, "Studying Small States: The Role of Security and Strategy as Concepts," *Nordicum-Mediterraneum* 17,

global shifts, changing dynamics of traditional superpower dominance, and the emergence of new threats extending beyond the traditional military realm. In this changing environment, small nations must move beyond conventional defence tools and adopt a more nuanced approach that emphasises flexibility and adaptability as fundamental elements for resilient security strategies.[15] Against this backdrop, Luxembourg is compelled to redefine its strategic posture, prioritising space defence innovation as a vital way to safeguard its sovereignty. It must also do so while adapting to 21st-century security challenges, where technological advancement is essential for small states to assert their interests.

Carving a Niche to Amplify Global Influence

Additionally, Luxembourg is building its reputation as a centre of excellence in the space defence sector to reaffirm its commitment to multilateralism and to secure a prominent role on the international stage.[16] To achieve this, an effective approach for small states is the adoption of a "*smart state*" strategy, a concept that refers to focusing resources on select foreign policy areas where they can excel and gain influence.[17] By specialising in key domains, such as space defence, Luxembourg can transform itself into a "smart state" with a worldwide impact disproportionate to its size.

This strategy aligns with the idea of "*niche diplomacy,*" where small states develop deep expertise in specific fields.[18] Such specialisation can encompass both hard power military capabilities and soft power assets, forming a comprehensive approach to international engagement.[19] By doing so, small countries not only position themselves as credible leaders in their chosen fields, but also bolster their strategic relevance by filling gaps within larger networks, thereby amplifying their bargaining power in international negotiations.

In Luxembourg's case, despite comparatively modest spending, contributing to NATO's efforts in emerging domains by cultivating niche high-tech capabilities has made the country a valuable partner within the transatlantic alliance.[20] One notable example of Luxembourg's commitment is its allocation of approximately €6.7 million to the NATO Strategic Space Situational Awareness System (3SAS), a flagship project designed to enhance the alliance's ability to monitor and respond to threats in space, including space debris and hostile actions.[21] Moreover, Luxembourg provided the initial

no. 1 (2022), https://doi.org/10.33112/nm.17.1.2.

15 Tomorr Sinani and Bardhyl Hoxha, "The Security Strategy of Small States in the 21st Century and Beyond," *Academic Journal of Business, Administration, Law and Social Sciences* 11, no. 1(2025): 47–63. https://doi.org/10.2478/ajbals-2025-0004.

16 Directorate of Defence (Luxembourg Ministry of Foreign and European Affairs), *Luxembourg Defence Guidelines 2035* (Luxembourg Directorate of Defence, 2023), https://gouvernement.lu/dam-assets/documents/actualites/2023/05-mai/11-bausch-lignes-directrices-2035-defense/luxembourg-defence-guidelines-2035-en.pdf.

17 Wivel Anders, "From Small State to Smart State: Devising a Strategy for Influence in the European Union," Essay. In *Small States in Europe* (Routledge, 2010), 15.

18 Adam Lupel, Kaewkamol Pitakdumrongkit and Joel Ng, *Small States and the Multilateral System: Transforming Global Governance for a Better Future* (International Peace Institute, 2024), http://www.jstor.org/stable/resrep63412.

19 Heng Yee-Kuang, "Small States," *Oxford Research Encyclopedia of International Studies* (2020), https://doi.org/10.1093/acrefore/9780190846626.013.545.

20 Pierre Weimerskirch, "NATO Spending Report: Luxembourg Charts Own Course in Defence Innovation," *RTL Today,* April 25, 2025, https://today.rtl.lu/news/luxembourg/a/2297206.html.

21 NATO, "NATO and Luxembourg Boost Alliance Space Situational Awareness," *NATO,* June 15, 2021, https://www.nato.int/cps/

investment of €16.5 million that enabled NATO to launch the Alliance Persistent Surveillance from Space (APSS) initiative, which supports the collection, processing, exploitation, and dissemination of space-based intelligence across the alliance.[22] Additionally, Luxembourg participates in the STARLIFT programme, which aims to investigate ways to strengthen NATO's access to and use of space to deal with a range of challenges coming from operating from space.[23]

In a similar vein, Luxembourg also aims to play a meaningful role in space defence at the European Union level. In 2024, the Grand Duchy invested €24.1 million in research and development, exceeding the EU's 2% defence R&D spending benchmark.[24] The funding prioritised dual-use technologies, with specific allocations for space-related initiatives. Further reinforcing this dedication, Luxembourg launched a third call for defence R&D projects in July 2025. Backed by a budget of €11.25 million, this year's call specifically targets projects with a purely defence focus, moving beyond dual-use technologies, and prioritises areas such as space technologies.[25] Luxembourg is also an active European Space Agency member and participates in numerous high-profile ESA programmes.[26] Through this involvement, the country helps strengthen the EU's defence capabilities while advancing the Union's strategic autonomy objectives.

Rather than replicating the large-scale military-industrial complexes of major powers, Luxembourg demonstrates how smaller nations can carve out distinctive roles within alliances by focusing on specialised areas. In parallel, this approach supports the integration of Luxembourgish companies into EU and NATO defence value chains while building an agile, responsive ecosystem tailored both to the country's specific needs and the broader defence architecture of its allies.[27] In doing so, the country reinforces its position by embedding itself within broader multilateral institutional frameworks that offer protection, legitimacy, and opportunities for shared technological advancement.

Fusing Innovation with Economic Development

Another reason Luxembourg invests heavily in space —as reflected in the country's status as Europe's leading space investor, with space activities projected to account for up to 5% of the country's GDP by 2045— is the strong overlap between its defence strategy and economic policy.[28] The Luxembourg Space Agency

en/natohq/news_185365.htm.

22 NATO, "Alliance Persistent Surveillance from Space (APSS)," *NATO,* 2023, https://www.nato.int/nato_static_fl2014/assets/pdf/2023/2/pdf/230215-factsheet-apss.pdf.

23 NATO, "NATO Launches Five New Multinational Cooperation Initiatives That Enhance Deterrence and Defence," *NATO*, October 17, 2024, https://www.nato.int/cps/en/natohq/news_229664.htm.

24 Sylvain Barrette, "How Luxembourg Is Leveraging Dual-Use Tech for Defence," *Delano News,* July 8, 2025, https://delano.lu/article/luxembourg-defence-innovation-dual-use-tech-cyber-space.

25 Jean-Michel Gaudron, "Defence: New Joint Call for R&D Projects," *Luxinnovation*, July 10, 2025, https://luxinnovation.lu/news/defence-new-joint-call-for-r-d-projects.

26 Luxinnovation and Ministry of the Economy, "A Pioneer in Space," *InvestInLuxembourg,* 2017, https://www.investinluxembourg.lu/seoul/wp-content/uploads/sites/15/2017/11/Luxembourg_A-pioneer-in-SpaceEng.pdf.

27 Thelen Carlo, "Making Defence a Lever for Sovereignty, Innovation and Growth," *Carlo Thelen Blog*, May 6, 2025, https://www.carlothelenblog.lu/2025/05/06/making-defence-a-lever-for-sovereignty-innovation-and-growth/.

28 Adriano Anfuso, "Charting a New Course: Luxembourg in Space: A Small Country with Big Ambitions," *RTL Today,* June 3, 2025, https://today.rtl.lu/news/science-and-environment/a/2309737.html; Inês Trindade Pereira, "Who Was Europe's Top Investor in

(LSA) estimates that the space-resource utilisation industry could generate up to €170 billion in revenue between 2018 and 2045.[29] This implies that space is viewed not only through the lens of national security, but also as a critical engine of economic growth. It reflects Luxembourg's reliance on secure data flows and infrastructure: protecting satellite networks and communication systems is essential both for national security and to safeguard the continuity of economic activity.

To that end, Luxembourg has diverged from traditional, state-driven space strategies by adopting a distinctly commercial model. This approach began taking shape in 2016 with the launch of the SpaceResources.lu initiative, designed to establish a unique legal and business framework for private investment in space.[30] This continued in 2017, when Luxembourg became the second country globally, after the U.S., to pass a law granting commercial entities the legal right to resources they extract from space.[31] This regulatory framework intends to transform Luxembourg into a European space hub and creates a one-of-a-kind ecosystem for defence-focused investments that attract both EU and international capital.[32] Building on this foundation, the LSA took an original approach by focusing not on developing rockets and spacecrafts, but on driving economic growth, entrepreneurship, and innovation through attracting global space companies, start-ups, and other investment funds developing emerging disruptive technologies with both civilian and defense applications.[33] Complementing this effort, Luxinnovation, the country's national innovation agency, fosters public-private collaboration, creating a fertile ground for ideas to quickly transition from concept to market. Working with an industrial defence innovation community of over 110 entities, including companies and specialised research centers, Luxinnovation supports a strong focus on dual-use technologies, with around 60% of these entities involved in space-related activities.[34]

Moreover, the space defence sector plays a vital role in supporting economic diversification. As Luxembourg's economy has traditionally relied heavily on finance and steel, expansion into space technologies represents a strategic move to reduce dependency on these sectors and build a more future-proof economic base.[35] Developing the space sector is also an important driver of job creation and a means of attracting and retaining tech talent. According to the Defence Space Strategy, the introduction

Space in 2023?," *Euronews*, December 25, 2024, https://www.euronews.com/my-europe/2024/12/25/who-is-the-leading-investor-in-space-in-europe-in-2023.

29 Luxembourg Times, "Space Industry Expected to Generate up to €170BN by 2045," *Luxembourg Times*, December 20, 2018, https://www.luxtimes.lu/luxembourg/space-industry-expected-to-generate-up-to-170bn-by-2045/1313162.html.

30 Louis Brennan, "One of Europe's Smallest States Aims to Become a Space Superpower," *World Econo c Forum,* July 18, 2019, https://www.weforum.org/stories/2019/07/it-may-be-small-but-luxembourg-is-leading-the-way-for-space-innovation/.

31 Louis Brennan, "One of Europe's Smallest States Aims to Become a Space Superpower," *World Economic Forum,* July 18, 2019, https://www.weforum.org/stories/2019/07/it-may-be-small-but-luxembourg-is-leading-the-way-for-space-innovation/.

32 Evelyn Maher and Gaston Aguirre Draghi, "Luxembourg: A Strategic Hub for Defense Investment Funds in the EU," *BSP,* August 6, 2025, https://www.bsp.lu/lu/publications/newsletters-newsflashes/luxembourg-strategic-hub-defense-investment-funds-eu.

33 Adriano Anfuso, "Charting a New Course: Luxembourg in Space: A Small Country with Big Ambitions," *RTL Today*, June 3, 2025, https://today.rtl.lu/news/science-and-environment/a/2309737.html.

34 Lena Mårtensson, "European Support to Space Defence Innovation," *Luxinnovation,* March 24, 2025, https://luxinnovation.lu/news/european-support-to-space-defence-innovation.

35 The Government of the Grand Duchy of Luxembourg, "Portrait of the Luxembourg Economy," *Government of Luxembourg,* September 3, 2024, https://luxembourg.public.lu/en/invest/competitiveness/portrait-luxembourg-economy.html.

of a "space" profession within the defence sector can provide attractive professional opportunities while gradually strengthening the nation's expertise in this field.[36]

Ultimately, Luxembourg's integrated approach to space as both a defence priority and economic catalyst establishes the country as a global pioneer at the forefront of innovation and space commerce for dual-use technologies for decades to come.

Conclusion

The benefits of Luxembourg investing in the rapidly advancing frontier of space are numerous: enhancing national security, strengthening geopolitical influence within international alliances, encouraging technological innovation, and driving economic development. In this context, Luxembourg's significant commitment to space defence is far from paradoxical. Instead, it represents a well-calculated approach by a small state, with an otherwise limited conventional defence presence, operating within a complex global security landscape.

While Luxembourg may appear to be "punching above its weight", its proactive involvement in space defence is not merely a symbolic gesture of ambition. Rather, it is a vital effort to ensure the nation's survival, maintain its relevance, and amplify its influence in the 21st century. In an era where space capabilities increasingly define power dynamics, Luxembourg's strategy reflects a pragmatic recognition that technological advancement and defence innovation are pivotal for safeguarding its interests and securing a meaningful role on the global stage.

36 Directorate of Defence (Luxembourg Ministry of Foreign and European Affairs), *Luxembourg Defence Guidelines 2035* (Luxembourg Directorate of Defence, 2023), https://gouvernement.lu/dam-assets/documents/actualites/2023/05-mai/11-bausch-lignes-directrices-2035-defense/luxembourg-defence-guidelines-2035-en.pdf.

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EU Sanctions Against Russia: A Study of Their Evolution

Lorenzo Avesani

Introduction

The use of sanctions —also known as restrictive measures— by the European Union has undergone a profound transformation, evolving from a diplomatic tool into a central pillar of its external action. Sanctions serve as coercive instruments to safeguard regional security, uphold fundamental values, and project geopolitical influence. The analysis argues that the deterioration of EU-Russia relations, culminating in the current war in Ukraine, has driven the evolution of the EU's sanctioning practice into a strategic tool. This transformation demonstrates the EU's capacity for rapid and coordinated action, while addressing longstanding weaknesses in its sanctioning architecture, particularly in enforcement, internal cohesion, and institutional roles.

The analysis proceeds in four sections. The first part outlines the historical and legal development of EU sanctions policy within the Common Foreign and Security Policy (CFSP). The second part defines how Russia became a stress test by assessing the EU response in 2014. The third part describes the material and institutional consequences of the post-2022 sanctions regime, highlighting its unprecedented scale and the new challenges of circumvention, financial governance, and asset seizure. The final part explores the long-term implications of this shift by focusing on trends in EU governance and decision-making.

European Restrictive Measures: A Very Short Introduction

The EU developed sanctioning power in the 1980s during the transformation of European political cooperation. The 1979 Soviet invasion of Afghanistan pushed the EU to act autonomously on imposing sanction regimes as the United Nations proved unresponsive to the crisis.[2] Despite being used in the 1980s, the European Economic Community institutionalised restrictive measures in the 1992 Maastricht Treaty within the CFSP framework. Later, the Lisbon Treaty in 2007 and the adoption of three guiding documents —the 2004 Fundamental Principles, the 2018 Guidelines, and the 2022 EU Best Practices— expanded the scope, procedures and purposes of the EU sanction policy.[3] The extensiveness of sanctions

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2 Martin Russell, "EU sanctions: A key foreign and security policy instrument," *EPRS: European Parliamentary Research Service*, (2018), https://www.europarl.europa.eu/RegData/etudes/BRIE/2018/621870/EPRS_BRI(2018)621870_EN.pdf.

3 Francesco Giumelli, *Le sanzioni internazionali. Storia, obiettivi ed efficacia [International Sanctions: History, Objectives, and Effectiveness]* (Il Mulino: 2023).

regimes created a cumulative effect: sanctions became an essential economic tool to meet Treaty-based goals such as assuring regional security, safeguarding fundamental values and developing a wider leadership in the European neighbourhood, within its external relations policies.[4]

The EU's sanctions mechanism operates through a multi-stage, legally grounded process designed to ensure both flexibility and coherence within the Common Foreign and Security Policy (CFSP) framework.[5] The process begins with a formal proposal by either the High Representative for Foreign Affairs and Security Policy or an individual Member State. Specialised working groups —either geographical or thematic— and the Political and Security Committee review the proposal as the Committee of Permanent Representatives finalises the draft for approval. The Council of the EU must then adopt the sanctions unanimously.

When restrictive measures involve asset freezes or trade restrictions, they require both a Council Decision under CFSP and a Council Regulation under EU law. These acts are published in the Official Journal of the European Union and apply uniformly across all Member States. The European Commission oversees national implementation, ensuring that Member States effectively enforce, monitor, and report compliance. Sanctions may be modified, extended, or lifted in response to evolving political circumstances or as a result of legal challenges before the Court of Justice of the EU. Current restrictive measures include travel bans, arms embargoes, asset freezes, prohibitions on making funds available, and broader economic or diplomatic sanctions.[6]

From Ambiguity to Hostility

The relations with Russia emerged as a revealing test case for EU sanction policy. The gradual unravelling of the Four Common Spaces —the EU-Russia cooperation framework set in 2005— prepared the ground for Russian political unresponsiveness to EU sanctions. The cooperation failed to establish a roadmap capable of generating institutionalised interdependence and binding commitments between the parties.[7] As a result, the weak framework contributed to Russia's strategic calculus that EU responses would be limited. Then, as Russia invaded Georgia in 2008, the EU condemned Moscow by suspending the cooperation temporarily. However, the suspension was lifted even before the end of the conflict due to internal disagreements.[8] Indeed, resetting the EU-Russia dialogue was seen as necessary since "*they were strongly interested in and dependent on each other and could not avoid further dialogue.*"[9]

4 Paul James Cardwell, "The legalisation of European Union foreign policy and the use of sanctions," *Cambridge Yearbook of European Legal Studies* 17, (2015): 287–310, https://doi.org/10.1017/cel.2015.11.
5 European Council and Council of the European Union, "The EU sanctions process explained," [Accessed July 25, 2025], https://www.consilium.europa.eu/en/infographics/the-eu-sanctions-process-explained/.
6 European Council and Council of the European Union, "Types of sanctions the EU adopts," [Accessed July 25, 2025] https://www.consilium.europa.eu/en/policies/sanctions-different-types/.
7 Michael Emerson, "EU-Russia–Four Common Spaces and the Proliferation of the Fuzzy," *Centre for European Policy Studies*, 71 (2005): 1–4, ETH Zürich.
8 Andrey Makarychev and Alexander Sergunin, "Multipolarity, Intersubjectivity, and Models of International Society: Experiences of Russia–EU (Mis)communication," *Center for Global Politics* 1, (2012): 1–29, Ssoar.
9 *Ibid.,* 21.

The 2014 Russian annexation of Crimea shifted the EU's attitude. The European Council froze cooperation with Moscow as the Council of the EU imposed sanctions to deter Russian military aggression. On 17 March, Brussels adopted the first sanctions package freezing funds, economic resources and transactions, imposing travel bans on Russian and Ukrainian individuals involved in the destabilising operations in Crimea and Eastern Ukraine.[10] In June, the EU launched a comprehensive trade embargo on Crimea as a sign of its non-recognition policy.[11] In July, the downing of MH-17 Malaysian Airlines urged the EU to tighten the restrictions on dual-use goods, technical assistance and intellectual properties.[12] The restrictive measures had been continuously renewed as the Minsk Agreements failed to deliver a ceasefire between Ukraine and the pro-Russian separatist forces. Russia retaliated by imposing a one-year embargo on the imports of food and dairy products.

This moment was significant because Brussels adopted restrictive measures against a country with a developed and interconnected economy, causing repercussions on the sanctioning sender —the EU.[13] As a result, Member States showed internal divisions based on contrasting interests.[14] Hawkish states, led by the United Kingdom, pushed for a tougher response due to security concerns and negative historical legacy —especially Poland and the Baltic states. Instead, dovish countries —*e.g.,* Italy, Greece and Hungary— feared potential economic losses and risks related to energy supply. Germany and France showed scepticism towards sanctions as they sought a diplomatic solution to avoid endangering the relations with Moscow. However, the MH-17 incident turned their position into a hard-line support of sanctions.[15] Their shifting stance influenced the position of smaller countries that raised no opposition to the EU sanctions. By doing so, the EU achieved internal political unity despite the slowness of consensus-building.

The impact of restrictive measures, namely material consequences, on the Russian economy was ambiguous. On the one hand, restrictive measures had the most relevant consequences on the financial sector. Russian defence, energy, and building industries lost significant capital flows. The local industrial sector repaid its external debt obligations forcibly, which caused a massive capital outflow and reduced capital resources for the broader economy.[16] On the other hand, the slow decision-making and the limited range of European restrictive measures reduced

10 Council Regulation (EU) 2014/269 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine, OJ 2014 L. 78/6, 1–10, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0269.

11 Council Decision (EU) 2014/386 of 23 June 2014 concerning restrictions on goods originating in Crimea or Sevastopol, in response to the illegal annexation of Crimea and Sevastopol, OJ 2014 L. 183/70, 1–2, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014D0386.

12 Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, OJ 2014 L. 229/1, 1–11, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0833.

13 Francesco Giumelli, "Quando sono utili le sanzioni internazionali? L'Italia, la Russia e l'Unione Europea [When are international sanctions useful? Italy, Russia, and the European Union]," *Osservatorio di Politica Internazionale*, 142 (2018): 1–27, Studi per il Parlamento.

14 Maria Shagina, "EU Sanctions Policy Towards Post-Soviet Conflicts: Cases of Crimea, Eastern Ukraine, South Ossetia and Abkhazia," *Revista UNISCI*, no. 43 (2017): 73–87, http://dx.doi.org/10.5209/RUNI.54781.

15 *Ibid.*, 81.

16 Richard Connolly, "The impact of EU economic sanctions on Russia," In *On target? EU sanctions as security policy tool*, edited by Iana Dreyer and José Luengo-Cabrera, European Union Institute for Security Studies, 2018.

their economic and political impacts. Exogenous factors, namely stagnant oil prices, and contextual elements had a greater influence on the Russian economy. The uneven application of sanctions by the EU countries and firms helped Russian oil production rather than curbing it.[17] Indeed, further restrictions could have been even counterproductive for the economies of the EU Member States due to their reliance on Russian energy exports.[18] Moreover, sanctions did not halt Russia's strategic objective to hamper Ukraine's path to Euro-Atlantic integration. Nonetheless, restrictions raised the costs of military escalation and forestalled military effort.[19]

2022 and Beyond: A Sanctions Revolution?

Russia's war in Ukraine marked a game-changing turn in the European sanction policy since its economic pressure is unprecedented due to the scale of the security threat. Until now, Brussels has launched eighteen restrictive measures aimed at imposing economic and political costs on the Russian political elite responsible for the invasion.[20] The post-2022 measures differ from the previous restrictions in three aspects.

Firstly, restrictive measures have grown in scope and depth. Among them, energy has emerged as the most strategic sector where results have been most tangible. In contrast to 2014, Member States have demonstrated more commitment to reducing their dependence on Russian fossil fuels.[21] Despite internal frictions and uneasy compromises within the Council of the EU, Member States have managed to agree on restrictive measures on Russian energy sources. For instance, in 2022, EU countries deferred sanctions on Russian gas owing to the infrastructural and geographical specificities of their energy ties with Moscow, which resulted in divergent national preferences.[22] The end of gas transit via Ukraine at the beginning of 2025 encouraged EU members to reduce their imports despite no formal agreement on sanctioning Russian gas imports. Nonetheless, Hungary and Slovakia still pose a serious problem, as both states use their exemption to threaten vetoes on EU decisions regarding the renewal of sanctions against Russia.[23]

Secondly, restrictions in the financial sector lead to two consequences. Firstly, the disconnection of the majority of Russian banks from the SWIFT system affects approximately 80% of the Russian banking sector's assets.[24] The shutdown

17 Bud Coote, "Impact of sanctions on Russia's energy sector," *Atlantic Council*, 2018.
18 Kiegan Barron, "The Annexation of Crimea and EU Sanctions: An Ineffective Response," *The Arbutus Review* 13, no. 1 (2022): 120–131, https://doi.org/10.18357/tar131202220760.
19 Stanislav Secrieru, "Have EU sanctions changed Russia's behaviour in Ukraine?," In *On target? EU sanctions as security policy tool*, edited by Iana Dreyer and José Luengo-Cabrera. European Union Institute for Security Studies, 2018.
20 European Council and Council of the European Union, "Timeline - EU sanctions against Russia," [Accessed July 25, 2025] https://www.consilium.europa.eu/en/policies/sanctions-against-russia/timeline-sanctions-against-russia/.
21 Eva Vilà Sánchez, "The European Union's sanctions regime on the Russian Federation from 2014 to 2022," *Quaderns IEE: Revista de l'Institut d'Estudis Europeus* 2, no 1 (2023): 25–60, https://doi.org/10.5565/rev/quadernsiee.38.
22 Francesca Batzella, "Slowly but surely? Assessing EU actorness in energy sanctions against Russia," *Energy Policy,* (2024): 192, https://doi.org/10.1016/j.enpol.2024.114233.
23 Szymon Kardaś, "Breaking free: Why ending Russian gas transit via Ukraine strengthens EU energy security," *European Council of Foreign Relations*, January 10, 2025, https://ecfr.eu/article/breaking-free-why-ending-russian-gas-transit-via-ukraine-strengthens-eu-energy-security/; Ognian Shentov and Ruslan Stefanov (Eds.), "The Last Mile: Phasing out Russian oil and gas in Central Europe," *Centre for Research on Energy and Clean Air*, May 15, 2025. https://energyandcleanair.org/publication/the-last-mile-phasing-out-russian-oil-and-gas-in-central-europe/.
24 András Rácz, Ole Spillner and Guntram B. Wolff, "Why Sanctions Against Russia Work." *Intereconomics* 58, no. 1 (2023): 52-55,

has curtailed Russia's ability to channel revenues into the global financial system and engage with foreign investments. To prevent a disruptive outflow of funds, the Central Bank of the Russian Federation had to stabilise the ruble by restricting capital outflows, limit cash withdrawals and tighten access to foreign currency conversion.[25] Secondly, seizing the Russian frozen assets to support Ukraine represents a new —yet challenging— issue. As the current administration in the US does not guarantee unconditional support to Kyiv, the EU seeks to move Russian immobilised assets — estimated at 200 billion euros— and use them to support Ukrainian finances and reconstruction.[26] The proposal is controversial because it undermines the legal predictability of EU financial markets, opens legal proceedings, and discourages new investments. Nevertheless, a possible softer alternative is to bind frozen assets with a commitment to potential repayment within a future peace agreement.[27]

Thirdly, the post-2022 restrictive measures have highlighted circumvention as a crucial challenge to ensure the effectiveness of EU sanctions. The uneven implementation among Member States and the limited enforcement against third-party facilitators undermine the EU's credibility in defending its strategic interests through coercive means.[28] The legal framework — notably Article 3(h) of Council Regulation 269/2014— allows the EU to sanction entities based on reasonable suspicion of circumventing sanctions. In the short term, the EU can adopt a structured methodology grounded in red flags and private-sector compliance practices with minimal political and administrative cost.[29] This approach would reinforce the credibility of EU sanctions and enhance its leverage in sanctions diplomacy. One particularly vulnerable area is the military sector, where Brussels aims to limit Moscow's access to technologies used in warfare with arms embargoes and export controls. However, circumvention remains widespread. In 2023, the KSE Institute estimated that almost half of the Russian battlefield-related imports came from countries that imposed sanctions —highlighting the urgent need for more effective enforcement mechanisms.[30]

Trends to Monitor

The evolution of the EU's sanctions policy in response to the war in Ukraine reveals two key trends to watch in the medium to long term. Firstly, Brussels' renewed use of restrictive measures signals a need for a *European economic security*

https://doi.org/10.2478/ie-2023-0009.

25 Esmée de Bruin, Joop Voetelink, and Jeroen Klomp, "Does the Russia Sanctions Revolution Bring About Change?," In *Reflections on the Russia-Ukraine war*, edited by Maarten Rothman, Lonneke Peperkamp and Sebastiaan Rietjens (Leiden University Press, 2024).

26 Gregorio Sorgi, "EU devises scheme to squeeze more profit from Russian frozen assets," *Politico*, June 19 2025, https://www.politico.eu/article/eu-russia-frozen-assets-moscow-money-war-ukraine/.

27 Francesco Giumelli, "Asset russi da usare per l'Ucraina? Vantaggi, svantaggi e rischi secondo Giumelli," *Formiche*, July 8 2025, https://formiche.net/2025/07/asset-russi-ucraina-giumelli/#content.

28 Luigi Lonardo and Viktor Szép, "The use of sanctions to achieve EU strategic autonomy" *European Foreign Affairs Review* 28, no. 4 (2023): 363–378. https://doi.org/10.54648/eerr2023027.

29 Jan Dunin-Wasowicz and Gonzalo Saiz Erausquin, "Time to Act: Mobilising EU Sanctions against Facilitators of Circumvention." *Royal United Service Institute*, February 7 2024, https://www.rusi.org/explore-our-research/publications/commentary/time-act-mobilising-eu-sanctions-against-facilitators-circumvention.

30 Olena Bilousova, Benjamin Hilgenstock, Elina Ribakova, Nataliia Shapoval, Anna Vlasyuk and Vladislav Vlasiuk. "Challenges of export controls enforcement: How Russia continues to import components for is military production," KSE Institute, 2024.

doctrine.[31] Geopolitical fragmentation and globalisation have arguably increased the destructive potential of financial power, as vulnerabilities in critical sectors make the EU vulnerable to malign coercion and counter-sanctions. In 2023 and 2024, Brussels presented the European Economic Security Strategy, the Anti-coercion Instrument and proposed policy tools to strengthen economic coercive power, including export control, sharpening restrictive measures and reinforcing foreign direct investment screening.[32] However, policymakers have made limited progress in developing strategic thinking on these instruments. As sanctions increasingly influence financial and trade systems, the EU shall define clear goals, thresholds, and exit strategies to avoid long-term instability. A European *sanctions doctrine* would enhance coherence, prevent escalation, and clarify intentions to partners as Brussels is institutionalising economic deterrence and coercion to harness its full geopolitical potential.[33]

Secondly, the proliferation of EU restrictive measures after the Russian invasion of Ukraine is transforming EU governance and the role of the institutions, a transformation that involves two different aspects. On the one hand, an increasing number of European leaders —notably France and Germany— have argued for adopting a qualified majority vote (QMV) on CFSP to strengthen the pace and effectiveness of decision-making.[34] Moreover, the transactional behaviour of certain Member States weakened the EU's unity in responding to the annexation of Crimea. This lack of cohesion likely contributed to Russia's decision to escalate the conflict in 2022, as the unanimity voting system enables delays and deadlock — particularly due to Hungary's and Slovakia's accommodating stance toward Moscow. The immediate solution is the *passerelle* clause, which empowers the European Council to expand the use of QMV, but also requires a unanimous decision that is far from guaranteed.[35] Indeed, Member States will retain their role in providing political input under the Treaties, with the rotating Presidency of the Council of the EU further shaping sanctioning practice.

On the other hand, the European Commission is taking the lead on sanctioning practice. Although the final decision rests with the Council of the EU, the formulation and implementation of sanctions have become increasingly less driven by individual Member States. The role of the Commission has been favoured by two factors: Brexit, creating a vacuum in sanctioning expertise, and the nature of restrictive measures, which defined its technical locus.[36] The Commission has started a centralising effort by introducing institutionalised practices and figures —*e.g.*, the creation of a Special Envoy for the implementation of EU sanctions. Al-

31 Hans Kribbe, "European economic statecraft in search of a future," *Brussels Institute of Geopolitics*, 4 (2024), https://big-europe.eu/publications/big004-european-economic-statecraft-in-search-of-a-future.
32 *Ibid.,* 10.
33 Filip Medunic, "Code of coercion: A European sanctions doctrine." *European Council of Foreign Relations*, July 4 2022, https://ecfr.eu/article/code-of-coercion-a-european-sanctions-doctrine/.
34 Vadym Zheltovskyy, "From Transaction to Transformation: Explaining the Leadership Shift on EU Sanctions Policy Against Russia," *Studia Europejskie* 27, no. 4 (2023): 27–40, https://doi.org/10.33067/SE.4.2023.2.
35 Viktor Szép and Kamya Chawla, "The EU's 2022 Sanctions against Russia: External Shocks Altering EU Restrictive Measure Practices?," *Hungarian Yearbook of International Law and European Law* 11, no. 1 (2023): 196–211, https://doi.org/10.5553/HYIEL/266627012023011001016.
36 Clara Portela, "Sanctions and the Geopolitical Commission: The War over Ukraine and the Transformation of EU Governance," *European Papers – A Journal on Law and Integration* 2023, no. 3 (2024): 1125–1130, https://doi.org/10.15166/2499-8249/706.

though the rise of the Commission as an institutional level that defines restrictive measures began before the Russian invasion of Ukraine, the war has accelerated this agenda. In the current crisis, the Commission autonomously prepares sanctions packages, calibrating them in a way that is broadly acceptable to Member States.[37] Thanks to this transformation, the EU has been able to impose eighteen rounds —and it is currently discussing the nineteenth package— of sanctions against Moscow and to solve internal tensions quickly. While the severity of the crisis may frame this shift as an emergency procedure, this shift will shape the *new normality* of EU sanction decision-making since institutional developments rarely regress.[38]

Conclusion

The evolution of EU sanctions against Russia —from the fragmented approach of 2014 to a higher degree of unity and innovation after 2022— shows notable progress in terms of institutional transformation, despite no formal Treaty changes, as well as material and legal challenges. Although recent restrictive measures signal institutional maturity and growing ambition, their sustainability and legitimacy ultimately depends on a coherent sanction doctrine. Such a doctrine would codify strategic objectives, enforcement procedures and mechanisms to manage internal governance tensions. As a result, sanctioning policy would acquire consistency and be applicable beyond the current security emergency.

In this scenario, the European Commission would emerge further as a central actor in both design and enforcement. More broadly, the consolidation of sanctioning practice forces the Union to confront a deeper question, namely whether restrictive measures remain a technical instrument of foreign policy or become part of the Union's political identity as a geopolitical actor. In this sense, the debate on sanctions is also a debate on the nature of the EU in a more conflictual international order.

37 Yuliya Miadzvetskaya, "EU Sanctions Decision-Making in Times of War: Procedural Changes and Rise of the Commission," *Maastricht Journal of European and Comparative Law* 32, no. 3 (2025): 1-20, https://doi.org/10.1177/1023263X251345672.

38 Emilia Korkea-aho & Luigi Lonardo, "How Russia's war against Ukraine changed EU sanctions decision-making," *Journal of European Integration*, (2025): 1-22, https://doi.org/10.1080/07036337.2025.2545921.

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France and Poland Against Russian Aggressions: A History of Strategic Divergences Amidst Recent Rapprochement

Charles Devoud

Introduction

Two countries are playing an increasingly central role in deciding the future of European security: France and Poland. Europe is in dire need of cohesion, as it faces an ever-increasing Russian threat and a weakening commitment from the United States. How both countries approach the Russian threat is thus essential in deciding the future of Europe. The Treaty of Nancy, signed on 9 May 2025, is an important achievement in Franco-Polish alignment. It is a friendship and enhanced cooperation agreement, which involves a strong mutual security guarantee, with both countries committing to assisting each other in case of an aggression.[2] French President Emmanuel Macron implied that such assistance could also involve France's nuclear capabilities, as Poland's interests are now "*integrated in deciding what our vital interests are.*"[3]

This is a historic agreement. However, this article analyses the decades-long history of diverging French and Polish foreign policies when facing Russian aggression. It focuses on the 2008 Russian invasion of Georgia and the 2014-onwards invasion of Ukraine. Both are key instances of Russia openly and violently defying the European Union and NATO in its attempt to rebuild its sphere of influence and transform the European security architecture to its liking.[4]

The goal is to put in perspective this recent *rapprochement* between Paris and Warsaw. It demonstrates how both have a history of strong differences, thus inviting caution over the long-term impact of the recent alignment. Simultaneously, this history of divergences reinforces the historical importance of the growing Franco-Polish cohesion, as Paris shifts away from its traditional foreign policy *vis*-à-*vis* Russia.

The 2008 Russian Invasion of Georgia

On 8 August 2008, following an escalation in the fighting between the Georgian military and South Ossetian separatists, Russia launched a military offensive into Georgia. Moscow sought to punish

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2 Élysée [Office of the French President], "Traité pour une coopération et une amitié renforcées entre la République de Pologne et la République française [Treaty for Strengthened Cooperation and Friendship between the Republic of Poland and the French Republic]," signed May 9, 2025, Élysée, https://www.elysee.fr/emmanuel-macron/2025/05/09/traite-pour-une-cooperation-et-une-amitie-renforcees-entre-la-republique-de-pologne-et-la-republique-francaise.

3 Le Monde with AFP, "France, Poland seal alliance with a strategic treaty," *Le Monde*, May 9, 2025, https://www.lemonde.fr/en/france/article/2025/05/09/france-poland-to-seal-alliance-with-strategic-treaty_6741086_7.html.

4 Anna Maria Dyner, "Russia Offers Vision of a New Global Security Architecture," *The Polish Institute of International Affairs* 5, no. 218 (2024): 1–5, https://pism.pl/publications/russia-offers-vision-of-a-new-global-security-architecture.

Georgia's Euro-Atlantic aspirations.[5]

France's Russia-Oriented Mediation

French President Nicolas Sarkozy, freshly elected at home, in the context of the starting French Presidency of the Council of the EU, invested a lot of effort in trying to find a Russo-Georgian agreement. After visiting then-Russian President Dmitry Medvedev in Moscow on 12 August, Sarkozy managed to bring the two sides together around a ceasefire agreement of six points.[6] Russian forces that entered Georgia five days earlier had to withdraw, but the agreement allowed the temporary presence of Russian peacekeeping forces.[7]

However, in violation of the agreement, Russia installed a buffer zone between the separatist regions and the rest of Georgia, referring to the 1990s peacekeeping agreements.[8] When on 26 August, Russia recognised the independence of the separatist regions, France organised an extraordinary summit of the European Council. President Sarkozy had insisted that the summit was not meant to counter Russia. The ensuing common statement did not announce any sanctions, and only adjourned the EU-Russia negotiations for the new Partnership and Cooperation agreement.[9] On 9 September, Sarkozy was again in Moscow, accompanied by EU officials, meeting Medvedev. He left it with a new agreement, which simply gave Russia an additional month to pull back from Georgia, but not from the separatist territories. During the press conference, Russia's president maintained the recognition of the independence of the two regions, without any strong opposition from his French counterpart.[10]

While Russia kept on violating the agreements, Paris was strongly reinforcing its bilateral relations with Moscow. On 19 September 2008, French Prime Minister François Fillon, accompanied by several ministers, was at the Black Sea resort of Sochi, in Russia, where he met his Russian counterpart, Vladimir Putin, with Georgian mountains visible in the background.[11] They revealed a very ambitious plan of bilateral agreements, on energy, space rockets, infrastructure projects,[12] shared their hopes for strengthened relations, and resumed EU-Russia talks on the new Partnership and Cooperation agreement.[13] At the same time, France and Russia

5 Gearóid Ó Tuathail, "Russia's Kosovo: A Critical Geopolitics of the August 2008 War over South Ossetia," *Eurasian Geography and Economics* 49*,* no. 6 (2008): 670–705, https://www.tandfonline.com/doi/abs/10.2747/1539-7216.49.6.670.

6 Government of Georgia, "Six Point Peace Plan," *Government of Georgia*, https://smr.gov.ge/uploads/prev/9bbbc7.pdf.

7 Independent International Fact-Finding Mission on the Conflict in Georgia, *Report Volume II* (Independent International Fact-Finding Mission on the Conflict in Georgia, 2009), https://www.mpil.de/files/pdf4/IIFFMCG_Volume_II1.pdf.

8 Michael Schwirtz, "Georgia Prepares for Refugees; Russians Declared Pullback Finished," *New York Times,* August 22, 2008, https://www.nytimes.com/2008/08/24/world/europe/24georgia.html.

9 INA, "Sommet européen sur la Géorgie [European Summit on Georgia]," *INA*, September 1, 2008, https://www.ina.fr/ina-eclaire-actu/video/3708701001008/sommet-europeen-sur-la-georgie.

10 Cyrile Beyer, "2008 : la médiation en deux temps du président Sarkozy dans la guerre russo-géorgienne [2008: President Sarkozy's two-stage mediation in the Russo-Georgian war]," *INA,* February 7, 2022, https://www.ina.fr/ina-eclaire-actu/2008-la-mediation-en-deux-temps-du-president-sarkozy-dans-la-guerre-russo-georgienne.

11 Marcel H. Van Herpen, "The Foreign Policy of Nicolas Sarkozy: Not Principled, Opportunistic and Amateurish," *CICERO Foundation Great Debate Paper* 10*,* no. 1 (2010): 1-13, https://oldweb.ikv.org.tr/images/upload/data/files/marcel_h_van_herpen_foreign_policy_sarkozy.pdf.

12 Jean-François Guélain, "Fillon à Sotchi pour relancer la coopération avec la Russie [Fillon in Sochi to relaunch cooperation with Russia]," *Les Échos,* September 19, 2008, https://www.lesechos.fr/2008/09/fillon-a-sotchi-pour-relancer-la-cooperation-avec-la-russie-498068.

13 Le Monde, "François Fillon espère la reprise du dialogue UE-Russie en octobre [François Fillon hopes for resumption of EU-Russia dialogue in October]," *Le Monde*, September 22, 2008, https://www.lemonde.fr/international/article/2008/09/22/francois-fillon-espere-la-reprise-du-dialogue-ue-russie-en-octobre_1098024_3210.html.

started negotiations for a construction contract of several French Mistral-class landing helicopter docks.[14] Russia saw in this a key asset that could greatly reinforce its power projection in the Black Sea region. During the first edition of the World Policy Forum in Evian on 8 October 2008, Sarkozy and Medvedev met again, and again reiterated their support for strong EU-Russia relations: "*Europe wants a strong Russia.*"[15] With regard to Georgia, Sarkozy praised Medvedev's readiness for dialogue, deeming him trustworthy. While judging Russia's military actions in Georgia as "*disproportionate,*" he contextualised them as a reaction to a "*Georgian military intervention*" that was Saakashvili's "*mistake.*"[16] In November 2009, with Russia still violating the agreements, the Russian and French governments held a seminar in Rambouillet. Amidst numerous and ambitious economic contracts, both renewed commitments to strengthened relations, and Fillon shared his desire for a large Russo-European economic and human space.[17]

This paints a worrying picture of France clearly prioritising strong ties with Russia over Georgia's sovereignty and territorial integrity. From the start, French President Sarkozy held a favourable ear to Russia's concerns and a blind eye to the repetitive violations. He saw strong France-Russia relations as a tool for strengthened diplomatic status within a growingly multipolar world. In a way, he was loyal to the traditional Gaullist doctrine of French foreign policy. Inspired by Charles De Gaulle's Cold War foreign policy, Gaullism sees in a "special relation" with Russia a way to gain room to manoeuvre on the world stage, amidst a crushing American hegemony.[18] Moreover, Sarkozy believed that Russia's power, energy industry, geography, culture and history made it indispensable in building together a broader and integrated European community.[19]

As a result, France had little interest in leading a hard bargain against Russia over Georgia's interests, and easily settled down for agreements that largely favoured Russia. On the few occasions when Sarkozy made more critical remarks on Russia's actions, he tempered them with diplomatic terms, praising Moscow's willingness for dialogue, and placing the blame on Georgia for initiating the war.

14 La Croix, "Le porte-hélicoptères Mistral à Saint-Petersbourg [The Mistral helicopter carrier in St. Petersburg]," *La Croix*, November 23, 2009, https://www.la-croix.com/Semaine-en-images/Le-porte-helicopteres-Mistral-a-Saint-Petersbourg-_NG_-2009-11-23-569144.

15 Élysée [Office of the French President], "Déclaration de M. Nicolas Sarkozy, Président de la République, sur les relations entre l'Union européenne et la Russie, à Évian le 8 octobre 2008 [Statement by Mr. Nicolas Sarkozy, President of the Republic, on relations between the European Union and Russia, in Evian on October 8, 2008]," Élysée, October 8, 2008, https://www.elysee.fr/nicolas-sarkozy/2008/10/08/declaration-de-m-nicolas-sarkozy-president-de-la-republique-sur-les-relations-entre-lunion-europeenne-et-la-russie-a-evian-le-8-octobre-2008.

16 *Ibid*.

17 Vie Publique, "Déclaration de M. François Fillon, Premier ministre, sur les relations bilatérales entre la France et la Russie, Rambouillet, le 27 novembre 2009 [Statement by Mr. François Fillon, Prime Minister, on bilateral relations between France and Russia, Rambouillet, November 27, 2009]," *Vie publique,* November 27, 2009, https://www.vie-publique.fr/discours/177369-declaration-de-m-francois-fillon-premier-ministre-sur-les-relations-b; Le Monde, "Séminaire franco-russe: moisson d'accords pour les groupes français [Franco-Russian seminar: harvest of agreements for French groups]," *Le Monde,* November 28, 2009, https://www.lemonde.fr/economie/article/2009/11/28/seminaire-franco-russe-moisson-d-accords-pour-les-groupes-francais_1273466_3234.html.

18 Dominique Moisi, "The Kremlin temptation," *Politico,* March 20, 2010, https://www.politico.eu/article/the-kremlin-temptation/.

19 Office of the French President, "Statement by Mr. Nicolas Sarkozy in Evian on October 8, 2008."

Poland: Unified Support, Divergent Approaches

At the time of the outbreak of the Russo-Georgian war, Poland had a dual political front. On one side was Lech Kaczyński, who became President in 2005 as a candidate of the Polish right-wing, conservative, and nationalist party *Prawo i Sprawiedliwość* (PiS). On the other side they had Prime Minister Donald Tusk, at the head of a centre-right alliance between *Platforma Obywatelska* (PO) and *Polskie Stronictwo Ludowe* (PSL), which won the snap parliamentary elections in 2007.

President Lech Kaczyński embraced a strong eastward foreign policy. For him, Poland had to claim its historical role of opposing totalitarian regimes and its leadership role in Eastern Europe in fighting Russian imperialism.[20] He invested a lot of effort in building regional structures of cooperation, especially energy wise, in order to strengthen resilience against Russia.[21] When the Russo-Georgian war broke out, President Kaczyński was among the Central and Eastern European leaders who arrived in Tbilisi on the night of 12 August, hours after a ceasefire was put in place, with Russian tanks only sixty kilometres away. He famously delivered a speech at the heart of the city during a public gathering. He signalled his strong support for Georgia and Saakashvili, and warned his Western partners that if unchecked, Russian imperialism will threaten Ukraine, the Baltic States, and Poland in the future.[22]

Prime Minister Donald Tusk embraced a westward foreign policy. To strengthen its standing in the West, Poland needed to show a modern, future-driven and pragmatic foreign policy. In the context of the Western drive for cooperation with Russia, he led a normalisation policy with Moscow despite the strong historical grievances. Donald Tusk stated that "*Poland weakens itself as long as it's the spearhead of anti-Russian hostility.*"[23] As a result, the Polish government chose a non-confrontational approach, prioritising coordination with its Western partners. Yet, during the extraordinary European Council's meetings on 1 September convened by Nicolas Sarkozy, Polish representatives managed to push for a common text which put the blame on Russia. It mentioned Moscow's illegal recognition of the independence of Abkhazia and South Ossetia and its duty to respect Georgia's right to sovereignty, territorial integrity and independence. The text omitted the delicate question of "who fired first", which at the time was

20 Adrian Chojan, "Fundamenty Ideowe i Cele Polityki Zagranicznej Prawa i Sprawiedliwości w Perspektywy 2005 roku [Ideological Foundations and Foreign Policy Goals of Law and Justice in the Perspective of 2005]," *Myśl Ekonomiczna i Polityczna* 1, no. 52 (2016): 202–228, http://bazekon.icm.edu.pl/bazekon/element/bwmeta1.element.ekon-element-000171448590.

21 Andrzej Kublik, "Polska nie chce ropociągu Odesa - Brody - Gdańsk - zarzuca premier Ukrainy [Poland does not want the Odessa-Brody-Gdańsk pipeline - accuses the Ukrainian Prime Minister]," *wyborcza.biz,* January 29, 2012, https://wyborcza.biz/biznes/7,177151,11053140,polska-nie-chce-ropociagu-odessa-brody-gdansk-zarzuca.html?disableRedirects=true.

22 Lech Kaczyński, "Jesteśmy tu razem [We are here together]," *respublica,* August 12, 2008, https://respublica.pl/teksty/jestesmy-tu-razem-50926.html.

23 Jerzy Baczyński and Janina Paradowska, "Rewolucja małych kroków: Rozmowa Polityki z prezesem Rady Ministrów Donaldem Tuskiem [Small Steps Revolution: Polityka's Interview with Prime Minister Donald Tusk]," *Polityka,* February 9, 2008, https://www.polityka.pl/archiwumpolityki/1817270,1,rewolucja-malych-krokow.read; Maciej Mróz, "Między Polską piastowską a jagiellońską. Kontrowersje wokół kierunków realizacji polskiej polityki zagranicznej po akcesji do Unii Europejskiej [Between Piast and Jagiellonian Poland: Controversy over the Directions of Polish Foreign Policy After Accession to the European Union]," *Dyplomacja i Bezpieczeństwo* 1, no. 1 (2013): 15–30, https://repozytorium.uni.wroc.pl/en/dlibra/publication/80005/edition/78244/miedzy-polska-piastowska-a-jagiellonska-kontrowersje-wokol-kierunkow-realizacji-polskiej-polityki-zagranicznej-po-akcesji-do-unii-europejskiej-mroz.

mostly blamed on the Georgian military.[24] The Polish government succeeded in moderating the President's heaviest positions toward Russia. This more balanced approach enabled Poland to secure Western backing for a stance that was firmly supportive of Georgia, yet less overtly confrontational with Moscow.[25]

Against a worsening support for enlargement, Poland intensified its efforts to increase EU engagement in Eastern Europe in alternative ways. Spearheaded by the Foreign Affairs Minister of Poland, Radosław Sikorski, the EU launched in May 2009 the Eastern Partnership (EaP) —an eastern dimension of its neighbourhood policy which proposes Association Agreements (AAs) and Deep and Comprehensive Free Trade Agreements (DCFTA) to Ukraine, Moldova, Belarus, Armenia, and Georgia.[26] Poland's initiative aimed to break enlargement fatigue. While the EaP did not present any promise of EU accession, it was legally binding (contrary to the broader European neighbourhood policy), and its correct implementation would make its partners strong candidates.[27] Poland also continued supporting Georgia's NATO aspirations. As early as 16 August 2008, President Kaczyński called his NATO partners to urgently grant a Membership Action Plan to Georgia, as well as to Ukraine. When this did not materialise, he strongly supported the creation and operation of the NATO-Georgia Commission. It aimed to honour NATO's commitment in considering Georgia's aspirations.[28]

Together, these elements show how support for Georgia transcends the Polish political spectrum. While less remarkable than the President's fiery diplomacy, the Polish government skillfully advanced Georgia's interests within the European Union. Poland could not achieve much more in a context where its Western partners were against a confrontational stance against Russia, whose aggression of Georgia comforted the EU's and NATO's enlargement fatigue. Yet, Warsaw succeeded in promoting the EaP and kept on strongly supporting Georgia's Euro-Atlantic aspirations. This shows how Poland, particularly its more liberal wing, has taken great care in not upsetting its Western partners. But it also confirms how it is strongly set on opposing Russian ambitions, and identifies NATO and EU enlargement as a security guarantee against those.[29]

Russo-Ukrainian War 2014-Present

As Ukraine's President Viktor Yanukovych delayed the signing of the AA with the EU, he signed an ambitious deal of economic assistance with Russia. By doing so, he ignited worries in the opposition about

24 Paweł Kowal, "Gruzja w polityce Polski w latach 1991-2009 [Georgia in Polish politics in 1991-2009]," *Instytut Studiów Politycznych Polskiej Akademii Nauk, Sprawy Międzynarodowe* 74, no. 4 (2021): 101–127, https://czasopisma.isppan.waw.pl/sm/article/view/1775/1480.

25 Kulesa, "Poland's Policy Regarding the Georgian Conflict."

26 Pierre Mirel, "Eastern Partnership, between resilience and interference," *Fondation Robert Schuman,* March 29, 2021, https://www.robert-schuman.eu/en/european-issues/0589-the-eastern-partnership-between-resilience-and-interference.

27 Laure Delcour, "From a 'common' to a 'contested neighbourhood: Connecting levels of analysis in EU-Russia interaction," in *The Routledge Handbook of EU-Russia Relations: Structures, Actors, Issues*, edited by Tatiana Romanova and Maxine David (Routledge, 2021).

28 Kulesa, "Poland's Policy Regarding the Georgian Conflict."

29 Ray Taras, "POLAND'S ACCESSION INTO THE EUROPEAN UNION: PARTIES, POLICIES AND PARADOXES," *The Polish Review* 48, no. 1 (2003): 3–19, http://www.jstor.org/stable/25779367.

the political price tag of the deal, as well as anger in the pro-EU Ukrainian youth.[30] A brutal crackdown on the massive demonstrations resulted "*into a mass action of a national scope against the existing power,*"[31] named "Euromaidan", or the "Revolution of Dignity". Yanukovych's fall and the resulting pro-Western government triggered Russia's interventions in the Donbas and Crimea.[32]

France: A Belated Pivot Away From Moscow

French leadership recognised the new pro-EU Ukrainian government, condemned the annexation of Crimea, and supported EU sanctions. After initially being invested in conflict resolution through the Weimar Triangle, France initiated the Normandy Format in June 2014 —a diplomatic grouping of Russia, Ukraine, France and Germany. With the Organisation for Security and Co-operation in Europe (OSCE), they managed to sign the Minsk Protocol and Memorandum in September 2014. The latter aimed for the reunion of Ukraine with the separatist republics, which would gain a special status, and the withdrawal of Russian troops from the Donbas region.[33]

Paris and Berlin had strong doubts over Warsaw's willingness for dialogue with Moscow, as it continuously adopted a hard line against Russia, while they were more attached to compromise and normalisation.[34] Both shared an interest in not supporting the materialising of Ukraine's EU and NATO aspirations, as they were contrary to Russia's interests.[35] The easiest way to resume good relations with Moscow was by pushing Ukraine, the weakest party, into adopting the Minsk agreements, which were ultimately in Russia's favour.[36] France supported the Morel plan and the Steinmeier formula. Both proposed a special status law for Donetsk and Luhansk, that would be re-integrated into Ukraine. Both entities would enjoy significant autonomy and cross-border economic, social and cultural relations with Russia.[37] Ultimately, Russia used the Normandy Format to freeze the conflict in order to jeopardise Ukraine's Euro-Atlantic aspirations.[38] Overall, French diplomacy insisted on decreasing tensions and building dialogue, without making any strong statements, with only generic

30 BBC, "Russia offers Ukraine major economic assistance," December 17, 2013, https://www.bbc.com/news/world-europe-25411118.
31 Yuriy Shveda *et al.*, "Ukraine's revolution of dignity: The dynamics of Euromaidan," *Journal of Eurasian Studies* 7, no. 1 (2016): 85, https://doi.org/10.1016/j.euras.2015.10.007.
32 Daniel Treisman, "Why Putin Took Crimea: The Gambler in the Kremlin," *Foreign Affairs* 95, no. 3 (2016): 47-54, https://www.jstor.org/stable/43946857?read-now=1&seq=7.
33 Andrew Lohsen and Pierre Morcos, "Understanding the Normandy Format and Its Relation to the Current Standoff With Russia," *Center for Strategic and Security Studies,* February 9, 2022, https://www.csis.org/analysis/understanding-normandy-format-and-its-relation-current-standoff-russia.
34 Ryszard Zięba, "Międzynarodowe Implikacje Kryzysu Ukraińskiego / International Implications of Ukraine Crisis," *Stosunki Międzynarodowe – International Relations* 50, no. 2 (2014): 13–40, https://www.academia.edu/22194586/Mi%C4%99dzynarodowe_implikacje_kryzysu_ukrai%C5%84skiego_International_Implications_of_Ukraine_Crisis.
35 Céline Marangé and Susan Stewart, "French and German approaches to Russia :Convergence yes, EU compatibility no," *Chatham House,* November 30, 2021, https://www.chathamhouse.org/sites/default/files/2021-11/2021-11-30-french-german-approaches-russia-marange-and-stewart.pdf.
36 Mariana Budjeryn, "More Pressure on Ukraine to End Conflict," in "Normandy Format Summit: HURI Experts Respond," *Harvard University Ukrainian Research Institute,* December 9, 2019, https://www.huri.harvard.edu/normandy-format-summit-huri-experts-respond.
37 Euromaidanpress, "Tout ce qu'il faut savoir sur les accords de Minsk en 22 questions [Everything you need to know about the Minsk agreements in 22 questions]," *Fondation Jean Jaurès,* December 6, 2019, https://www.jean-jaures.org/publication/tout-ce-quil-faut-savoir-sur-les-accords-de-minsk-en-22-questions/.
38 Tomasz Młynarski, "France towards the annexation of Crimea and the conflict in the Donbas between 2014 and 2022," *Bezpieczeństwo. Teoria i Praktyka* 2, no. 3 (2023): 95–106, https://www.ceeol.com/search/article-detail?id=1208772.

condemnations of Russia's behaviour. It communicated the conflict as being "complicated", where "*it's not all black or white.*"[39]

Hollande's leniency toward Russia was motivated by a strive for a "*high degree of cooperation.*"[40] He counted on Russia in reaching the Iranian nuclear deal and finding a solution to the Syrian civil war, and hoped for bilateral cooperation in counter-terrorism which at the time was the top priority of French foreign and security policy due to the terror attacks on its soil.[41] This desire to avoid burning bridges with Russia continued under Emmanuel Macron. Elected in 2017, President Macron sought stronger strategic relations between France, the EU, and Russia.[42] He envisioned a new European security architecture, within which a strong relation with Russia would build the necessary trust to resolve the conflict in Ukraine.[43] Through the Normandy Format, which Macron revived in 2019 after three years of silence, he reiterated his support of the Steinmeier plan and the implementation of the Minsk agreements.[44]

During Russia's military build-up on Ukraine's border, Macron visited Moscow, urging Russia's inclusion in Europe's collective security and the renewal of the Normandy Format: "*there won't be security for Europeans if there won't be security for Russia. […] We need to respect the demands and the guarantees that are posed by our Russian neighbour and friend.*"[45] Even after the full-scale invasion, while increasing sanctions on Russia and support for Ukraine, he maintained a direct line of communication with Putin, urging not to "*humiliate Russia*."[46] France sent military aid early on, including the Caesar howitzers, but kept aid discreet to preserve talks, and avoided sending heavy weapons for fear of escalation, limiting them to defensive missions.[47] Finally, as the war intensified and there was no positive sign

39 François Hollande, "Discours du Président de la République à l'occasion de la semaine des ambassadeurs [Speech by the President of the Republic on the occasion of Ambassadors' Week]," *Présidence de la République,* August 30, 2016, https://www.diplomatie.gouv.fr/IMG/pdf/30_08_f_hollande_discours_ambassadeurs_cle81c44c.pdf; Patrick Cohen, "Laurent Fabius : 'L'Union européenne, c'est la garantie de la paix' [Laurent Fabius: 'The European Union is the guarantee of peace'],» *france inter,* May 5, 2014, https://www.radiofrance.fr/franceinter/podcasts/le-7-9/laurent-fabius-l-union-europeenne-c-est-la-garantie-de-la-paix-4048867.

40 François Hollande, "Discours du Président de la République à l'occasion de la semaine des ambassadeurs [Speech by the President of the Republic on the occasion of Ambassadors' Week]," *Présidence de la République,* August 30, 2016, 40, https://www.diplomatie.gouv.fr/IMG/pdf/30_08_f_hollande_discours_ambassadeurs_cle81c44c.pdf.

41 Anne de Tinguy, "Russie: la France en que□te de paradigme [Russia: France in search of a paradigm]," *Les Dossiers du CERI*, 2017, https://sciencespo.hal.science/hal-03567596v1/document.

42 FRANCE 24, "REPLAY - Emmanuel Macron et Vladimir Poutine au Château de Versailles [REPLAY - Emmanuel Macron and Vladimir Putin at the Palace of Versailles]," May 29, 2017, https://www.youtube.com/watch?v=QV_mwKoAHtU.

43 Emmanuel Macron, "Conférence sur la sécurité de Munich : faire revivre l'Europe comme une puissance politique stratégique [Munich Security Conference: Reviving Europe as a Strategic Political Power]," Élysée, February 15, 2020, https://www.elysee.fr/emmanuel-macron/2020/02/15/conference-sur-la-securite-de-munich-faire-revivre-leurope-comme-une-puissance-politique-strategique.

44 Emmanuel Macron, "Déclaration du Président de la République - Conférence de presse à l'issue du Sommet au format Normandie [Statement by the President of the Republic - Press conference following the Normandy Format Summit]," Élysée, December 9, 2019, https://www.elysee.fr/front/pdf/elysee-module-14883-fr.pdf.

45 Emmanuel Macron, "Conférence de presse du Président de la République et du Président de la Fédération de Russie [Press conference of the President of the Republic and the President of the Russian Federation]," *Présidence de la République [Presidency of the French Republic],* February 7, 2022, https://sk.ambafrance.org/IMG/pdf/02_07_conference_de_presse_du_pre_sident_de_la_re_publique_et_du.pdf?9224/da03310bec8751578c7fe0821a1bcb014138b5f5.

46 Reuters, "Former NATO boss slams Macron for "disastrous" diplomacy on Ukraine," *Reuters,* September 23, 2022, https://www.reuters.com/world/europe/former-nato-boss-slams-macron-disastrous-diplomacy-ukraine-2022-09-23/.

47 Marie Slavicek, "What weapons is France sending to Ukraine," *Le Monde,* October 11, 2022, https://www.lemonde.fr/en/international/article/2022/10/11/what-weapons-is-france-sending-to-ukraine_5999916_4.html; Courrier International, "Vu de l'étranger. Des chars lourds pour l'Ukraine : pourquoi la France hésite encore plus que l'Allemagne [Seen from abroad. Heavy tanks for Ukraine: why France is even more hesitant than Germany]," *Courrier International,* January 26, 2023, https://www.

from the Kremlin, Emmanuel Macron shifted. Besides stepping up military aid to Ukraine, the French President took his Western allies by surprise. During the conference of support to Ukraine in Paris on February 27th 2024, he implied the possibility of sending troops to Ukraine, and stated: "*We will do everything to ensure that Russia cannot win this war.*"[48]

Overall, like in Georgia, France saw Russia as a strategic partner. Paris persevered in building strong bilateral relations with Moscow, as it needed Russia's cooperation to gain more autonomy *vis-à-vis* the United States. Emmanuel Macron's policies were in continuity with the Gaullist doctrine. Strong levels of cooperation with Moscow were seen as vital to Europe's security, and Russia was described as part of the "*European civilisation.*"[49] As a result, France persisted in echoing Russia's "legitimate" security interests, and only lately truly shifted in favour of Ukraine.

Poland: Staunch Support of Ukraine and Hard Line Against Russia

Following Yanukovych's exile, a new, pro-Western government was nominated by the Parliament on the 27th of February, with Arseniy Yatsenyuk as Prime Minister.[50] Prime Minister Donald Tusk recognised the legitimacy of the new Ukrainian authorities and re-contextualised Euromaidan as the ultimate demonstration of Ukraine's European aspirations: "*This is the only place on earth where people gave their lives for the idea of European integration.*"[51]

As the situation escalated, Poland kept on its strong support for Ukraine. Against the takeover by Russians and pro-separatists of Crimean institutions on 11 March, and the creation of the Donetsk and Luhansk Peoples' Republics in May, Poland directly accused Russia of partitioning Ukraine through an undeclared armed conflict.[52] Poland continuously supported intensified EU sanctions on Russia.[53] Domestically, across Polish society and its political spectrum, support for further sanctions was largely shared. The Polish

courrierinternational.com/article/vu-de-l-etranger-des-chars-lourds-pour-l-ukraine-pourquoi-la-france-hesite-encore-plus-que-l-allemagne#:~:text=%C3%80%20ce%20sujet%2C%20rapporte%20le,chars%20les%20rendaient%20possiblement%20inadapt%C3%A9s..

48 Emmanuel Macron, "Conférence de soutien à l'Ukraine [Conference in Support of Ukraine]" Élysée [Office of the French President], February 27, 2024, https://www.elysee.fr/emmanuel-macron/2024/02/27/conference-de-soutien-a-lukraine.

49 Eglantine Staunton,"'France Is Back': Macron's European Policy to Rescue 'European Civilisation' and the Liberal International Order," *Third World Quarterly* 43, no. 1: (2021): 18, https://www.tandfonline.com/doi/full/10.1080/01436597.2021.1994384; Susan Stewart, "Macron's Foreign Policy: Already a Failure?" *German Institute for International and Security Affairs* 4, (2021): 31–34, https://www.swp-berlin.org/publications/products/research_papers/2021RP04_PolicyUnderMacron_DASEP.pdf.

50 BBC, "Ukraine crisis: Timeline," *BBC,* November 13, 2014, https://www.bbc.com/news/world-middle-east-26248275.

51 Donald Tusk, "Wypowiedzi na posiedzeniach Sejmu [Statements at sessions of the Sejm]*," Sejm Rzeczpospolitej Polskiej,* March 5,2014,https://www.sejm.gov.pl/sejm7.nsf/wypowiedz.xsp?posiedzenie=62&dzien=1&wyp=2&symbol=RWYSTAPIENIA_WYP&id=406.

52 Reuters, "INSIGHT-How the separatists delivered Crimea to Moscow," *Reuters,* March 13, 2014, https://www.reuters.com/article/ukraine-crisis-russia-aksyonov-idINL6N0M93AH20140313/; TVN24, "Tusk o Ukrainie: Sytuacja nigdy nie była tak poważna. Sankcje wobec Rosji od poniedziałku [Tusk on Ukraine: The situation has never been so serious. Sanctions against Russia from Monday]," *TVN24*, March 11, 2014, https://tvn24.pl/polska/tusk-o-ukrainie-sytuacja-nigdy-nie-byla-tak-powazna-sankcje-wobec-rosji-od-poniedzialku-ra406603-ls3352784; TVN24, "Tusk o Ukrainie: mamy do czynienia z wojną, choć bez wypowiedzenia [Tusk on Ukraine: we are dealing with a war, even if it has not been declared]," *TVN24*, May 3, 2014, https://tvn24.pl/polska/tusk-o-ukrainie-mamy-do-czynienia-z-wojna-choc-bez-wypowiedzenia-ra424408-ls3359880.

53 Paulina Pospieszna, "Sankcje Unii Europejskiej wobec Rosji: proces decyzyjny, trwałość i rola państw członkowskich [European Union sanctions against Russia: decision-making process, durability and the role of member states]," *Rocznik Integracji Europejskiej,* no. 12 (2018): 311–321 https://repozytorium.amu.edu.pl/server/api/core/bitstreams/b677949e-d997-454c-9760-87e9c95b2c34/content.

government led the charge against the EU for failing to apply sanctions diligently.[54] After playing a central diplomatic role during Euromadian and the first stages of the Russo-Ukrainian conflict, Poland got sidelined, as the main resolution efforts were taken up by the Normandy Format where Paris and Berlin were more inclined toward compromise.[55] While repeatedly voicing their dissatisfaction of not being invited, Polish leaders held the belief that the Normandy format was doomed to fail as it gave too much ground to the Russians.[56]

Warsaw kept strengthening its support for Ukraine's European aspirations despite rising concerns in major EU members.[57] It successfully supported the signature of the EU-Ukraine AA, and continued to be the most favourable EU member of Ukraine's accession.[58] Poland also played an important role in supporting Ukraine's accession aspirations to NATO, by coordinating, training, advising, and financing the Ukrainian military in its efforts to reach NATO standards and strengthen its capabilities. Poland also sold lethal military equipment, along with Lithuania, Bulgaria, Canada, and the United Kingdom (the United States did so as well, but only from 2017).[59]

In 2015, after winning the parliamentary and presidential elections, PiS undertook a strong populist shift. The latter translated into a historical policy that damaged diplomatic relations. It focused on historical martyrdom and strong condemnation of Ukraine over the 1943-1944 Volhynia massacre where between 60,000 and 100,000 Poles were murdered by Ukrainian nationalists.[60] Despite this, Polish support to Ukraine stayed strong, as Warsaw kept on supporting Ukrainian military build up and EU integration efforts. When the full-scale invasion occurred in 2022, during the early phases of the war, Poland rushed on sending massive military aid. Warsaw has been on the forefront on crossing Russia's repetitive red lines and pushing its more reluctant Western allies in doing the same, particularly regarding battle tanks and warplanes.[61] While France has finally surpassed Poland in military aid to Ukraine, with the former reaching €5.96 billion versus the latter's €4.14 billion,[62] we must acknowledge the essential role of

54 Clara Portela, Paulina Pospieszna, Joanna Skrzypczyńska, and Dawid Walentek, "Consensus against All Odds: Explaining the Persistence of EU Sanctions on Russia," *Journal of European Integration* 43, no. 6 (2020): 683–99, https://www.tandfonline.com/doi/full/10.1080/07036337.2020.1803854#abstract.

55 Zięba, "International Implications of Ukraine Crisis."

56 Natalia Adamczyk, "Rola Polski w Próbach Rozwiązania Kryzysu Ukraińskiego - od Formatu Weimarskiego do Formatu Normandzkiego [Poland's Role in Attempts to Resolve the Ukrainian Crisis - from the Weimar Format to the Normandy Format]," *Krakowskie Studia Międzynarodowe* 12, no. 2 (2015): 157–171.

57 Aline Robert, "La diplomatie française aux manettes dans la crise ukrainienne [French diplomacy at the helm of the Ukrainian crisis]," *Euractiv,* March 11, 2014, https://www.euractiv.fr/section/politics/news/la-diplomatie-francaise-aux-manettes-dans-la-crise-ukrainienne/.

58 Adam Balcer, "The Polish perspective," *Clingendael,* September 12, 2016, https://www.clingendael.org/publication/polish-perspective.

59 Peter J. Marzalik and Aric Toler, "Lethal Weapons to Ukraine: A Primer," *Atlantic Council,* January 26, 2018, https://www.atlanticcouncil.org/blogs/ukrainealert/lethal-weapons-to-ukraine-a-primer/; Iain King, "Not Contributing Enough? A Summary of European Military and Development Assistance to Ukraine Since 2014," *Center for Strategic and International Studies,* September 26, 2019, https://www.csis.org/analysis/not-contributing-enough-summary-european-military-and-development-assistance-ukraine-2014.

60 David Cadier, Kacper Szulecki, "Populism, historical discourse and foreign policy: the case of Poland's Law and Justice government," *International Politics* 57, no. 6 (2020): 990–1011, https://sciencespo.hal.science/hal-03393794/file/2020-cadier-szulecki-populism-historical-discourse-and-foreign-policy-international-politics-57-6.pdf.

61 Diane Francis, "Poland is leading Europe's response to the Russian invasion of Ukraine," *Atlantic Council,* January 28, 2023, https://www.atlanticcouncil.org/blogs/ukrainealert/poland-is-leading-europes-response-to-the-russian-invasion-of-ukraine/.

62 "Ukraine Support Tracker Data," *Kiel Institut,* https://www.kielinstitut.de/publications/ukraine-support-tracker-data-6453/.

Polish aid in the critical first months of the war. Between February and September 2022, Poland provided €1.8 billion, far outweighing France's €233 million.[63]

Both in 2014 and 2022, Poland has been at the forefront in confronting Russia's aggressions and in supporting Ukraine. It is largely due to Ukraine playing a historically central role in Poland's security. From the 16th Century, Poland always sought to build a vast network of alliances, called Intermarium, with Central European states between the Baltic, Adriatic, and Black Seas. Despite drastically evolving through time, the project always revolves around countering Russian power and expansionism.[64] Today, it manifests itself through Poland's adamant support for a sovereign Ukraine within Euro-Atlantic structures, liberated from Russia's orbit.[65]

Conclusion

Both in Georgia and Ukraine, this article identified strong divergences between Paris and Warsaw in addressing Russian aggressions. France prioritised building strong relations with Russia, in which it saw a central partner in its quest of French and European strategic autonomy. As a result, Paris avoided a confrontational stance with Moscow, legitimising Russia's security interests and giving little priority in truly supporting Ukraine and Georgia. It is only in recent times that it has shifted decisively in favour of Ukraine.

In both instances, Poland demonstrated a deeply rooted harder stance against Russia. In 2008, its less confrontational approach mirrored its prioritised ties with its Western partners, but did not hinder its continued support for Georgia's Euro-Atlantic aspirations. Since 2014, Warsaw has been one of the strongest supporters of Ukraine against Russia and the Western strive for compromise on Moscow's terms. From 2022, Poland shows strong leadership in supporting Kyiv and pushing its allies into crossing Putin's red lines.

France's shift in Ukraine and growing alignment with Poland give promising signs for the bilateral rapprochement. While this positive trend is gaining momentum, materialising with the 2025 Treaty of Nancy, the history of strategic-level divergences between Paris and Warsaw invite caution in assessing its long-term effect. Yet two years ago, such a shift in France's approach would have seemed highly unlikely, and its emergence now signals an encouraging trend for European security.

63 Pierre Haroche, "War in Ukraine: 'A strong gesture could be for France to deliver 50 Leclerc tanks'," *Le Monde,* September 22, 2022, https://www.lemonde.fr/en/opinion/article/2022/09/25/war-in-ukraine-a-strong-gesture-could-be-to-deliver-about-50-leclerc-tanks_5998115_23.html.

64 Rober Ištok *et al.*, "The Intermarium as a Polish Geopolitical Concept in History and in the Present." *Geopolitics* 26, no. 1 (2018): 314–341, https://www.tandfonline.com/doi/full/10.1080/14650045.2018.1551206#abstract.

65 Taras Kuzio, "Poland and Ukraine: The emerging alliance that could reshape Europe," *Atlantic Council,* April 12, 2023, https://www.atlanticcouncil.org/blogs/ukrainealert/poland-and-ukraine-the-emerging-alliance-that-could-reshape-europe/.

September 2025

The Geoeconomics of High-tech infrastructure: Europe's Dependence on Foreign Technology

Edoardo Grimaldi

Introduction

High-technology infrastructures, such as 5G networks and cloud data centres, form the material and digital backbones of modern economies, enabling the movement of goods, services, and data across borders. Increasingly, they are central to strategic competition between global powers and can be leveraged as instruments of coercion. In the emerging "*geo-tech world,*" digital technologies are inseparable from geopolitical rivalry, with supply chains, finance, and communications becoming contested domains.[2]

These infrastructures are not merely economic assets; they are vital to national security. The war in Ukraine highlighted this reality. Private companies played decisive roles in sustaining Ukrainian resilience: Microsoft provided free cybersecurity and cloud services, while SpaceX deployed more than 20,000 Starlink satellite terminals to maintain military and civilian connectivity.[3] Multinational corporations (MNCs) that own and operate such infrastructure have thus emerged as geopolitical actors in their own right. Their control over networks and supply chains grants them autonomy from state agendas, sometimes causing friction. This was evident when Elon Musk, CEO of SpaceX, threatened to limit Starlink services in Ukraine, potentially undermining military operations.[4]

In the current "*geoeconomic competition,*"[5] reliance on foreign providers for high-technology infrastructure constitutes a strategic vulnerability. The European Union (EU) increasingly recognises its dependence on non-European suppliers, especially in telecommunications and cloud data centres, as a security risk. These sectors are dominated by American and Chinese technology giants, leaving Europe exposed when corporate or home-state interests conflict with EU priorities. In response, the Union has embarked on a "*geoeconomic turn,*"[6] moving from

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2 Timo Seidl, "Charting the Contours of the Geo-Tech World," *Geopolitics* 29, no. 5 (2024): 2034, doi:10.1080/14650045.2024.2333358.

3 Joscha Abels, "Private infrastructure in geopolitical conflicts: the case of Starlink and the war in Ukraine," *European Journal of International Relations* 30, no. 4 (2024): 842-866, https://doi.org/10.1177/13540661241260653.

4 Joey Roulette, Cassell Bryan-Low, and Tom Balmforth, "Musk ordered shutdown of Starlink satellite service as Ukraine retook territory from Russia," *Reuters*, 25 July, 2025, https://www.reuters.com/investigations/musk-ordered-shutdown-starlink-satellite-service-ukraine-retook-territory-russia-2025-07-25/.

5 Geoffrey Gertz and Miles M. Evers, "Geoeconomic Competition: Will State Capitalism Win?" *The Washington Quarterly* 43, no. 2 (2020): 117, doi:10.1080/0163660X.2020.1770962.

6 Anna Herranz-Surrallés, Chad Damro, and Sandra Eckert, "The Geoeconomic Turn of the Single European Market? Conceptual Challenges and Empirical Trends," *JCMS: Journal of Common Market Studies* 62, no. 4 (2024): 919, https://doi.org/https://doi.org/10.1111/jcms.13591.

a model centred on liberalisation and market integration toward a geopolitical approach that uses economic instruments strategically. Under the banner of digital and technological sovereignty, it seeks both to safeguard the digital single market and to project its influence globally.

This article contends that Europe's dependence on non-European firms for 5G networks and cloud data centres creates systemic vulnerabilities that constrain its digital sovereignty ambitions. At the same time, the EU is developing tools to manage its technological and economic interdependence with China and the United States more strategically. The analysis proceeds through two case studies: 5G network infrastructure and cloud data centres.

The Geoeconomics of High-Tech Infrastructure

Over the past decade, scholars and policymakers have increasingly turned to geoeconomics to understand a global digital economy in which the boundaries between security and economic policy have blurred.[7] Where efficiency and cost once guided government and corporate decisions, strategic and security imperatives now take precedence.

Geoeconomics examines how economic resources, technological innovation, and geography shape the distribution of capabilities in the international system.[8] As economic and technological interdependence deepens, vulnerabilities grow, pushing economic security to the forefront of global agendas. Economic statecraft, the use of economic and technological tools to achieve strategic objectives, has become central to great-power strategies, as states seek control over the central nodes of interconnected systems.[9]

This shift has also transformed the understanding of interdependence. Globalisation was once framed in terms of absolute gains, where all participants benefited. Today, the focus is on relative gains and the vulnerabilities that accompany them.[10] Globalisation, largely driven by private enterprises, has created highly centralised and therefore asymmetric economic and information networks. States with political authority over central "hubs" can weaponise these networks. They may create a chokepoint effect by restricting access to vital flows or a panopticon effect by exploiting surveillance capabilities. Effective weaponisation requires both a centralised network structure and the legal and regulatory tools to act.[11]

However, the high-tech infrastructure underpinning the digital economy is built and operated largely by MNCs,

7 Milan Babić, Adam D. Dixon, and Imogen T. Liu, "Geoeconomics in a Changing Global Order," in *The Political Economy of Geoeconomics: Europe in a Changing World* (Springer International Publishing, 2022), 1–27, https://doi.org/10.1007/978- 3-031-01968-5_1.

8 James Lee, "Defining Geoeconomics, Economic Statecraft, and the Political Economy of National Security," in *The Oxford Handbook of Geoeconomics and Economic Statecraft*, edited by Vinod K. Aggarwal, and Tai Ming Cheung (Oxford Handbooks, 2025), https://doi.org/10.1093/oxfordhb/9780197673546.001.0001.

9 *Ibid.*

10 Anthea Roberts, Henrique Choer Moraes & Victor Ferguson, "Toward a Geoeconomic Order in International Trade and Investment," *Journal of International Economic Law* 22, no.4(2019): 655–676.

11 Henry Farrell & Abraham Newman, "Weaponized Interdependence: How Global Economic Networks Shape State Coercion," in Henry Farrell, Abraham L. Newman, & Daniel W. Drezner (Eds.), *The Uses and Abuses of Weaponized Interdependence* (Brookings Institution Press, 202)1, pp. 19–66. http://www.jstor.org/stable/10.7864/j.ctv11sn64z.4.

predominantly American and Chinese. These firms control key assets and supply chains, and often enjoy autonomy to pursue goals that diverge from those of their home states. Such autonomy can either limit a state's coercive capacity or provide it with leverage over others, depending on the geopolitical context.[12] Digital corporate autonomy thus refers to the capacity of major technology firms to navigate, resist, or comply with constraints imposed by states.[13]

Governments are now recalibrating the balance between economic efficiency and security. Economic security strategies aim to foster innovation while reducing vulnerabilities linked to the coercive use of technological interdependence.[14] For the EU, historically committed to liberal, open-market principles, this represents a significant shift. Its emerging geoeconomic toolkit combines regulation, trade, investment, and industrial policies to reduce dependence on non-European providers and enable European champions to compete globally. In this vision, the security of high-technology systems is inseparable from digital sovereignty: Europe's capacity to make autonomous decisions consistent with its values and rules in a digital world.[15] Technological interdependence is now viewed not only as a driver of growth and innovation but also as a potential vulnerability and a strategic lever in global power competition.

European Dependencies on Foreign High-Tech Infrastructure

This article examines two critical technology sectors, 5G networks and cloud data centres, to illuminate Europe's geoeconomic vulnerabilities. Both have become critical hubs within global economic and information systems. In each case, European dependence on foreign providers, predominantly American and Chinese MNCs, creates potential tools of coercion. The interplay of network structure, legal jurisdiction, and corporate autonomy shapes the power dynamics of global infrastructure. These dependencies are not merely technical or commercial; they are structural features of Europe's digital architecture that foreign actors could exploit for political or economic leverage. Private companies headquartered in foreign jurisdictions can enable their home states to weaponise networks, imposing costs on the EU.

5G Networks Infrastructure

5G, the fifth generation of mobile networks, is set to become the backbone of global connectivity. Unlike 4G, which primarily expanded mobile broadband, 5G offers ultra-fast speeds and minimal latency, enabling extended reality, autonomous vehicles, and the Internet of Things (IoT), a network of physical devices, such as sensors, vehicles, and appliances, connected to the internet, collecting and

12 Joscha Abels, "Private infrastructure in geopolitical conflicts: the case of Starlink and the war in Ukraine," *European Journal of International Relations 30*, *no.*4(2024): 842-866. https://doi.org/10.1177/13540661241260653.

13 Dennis Broeders, Sukumar Arun, Kello Monica, & and Lise H. Andersen, "Digital corporate autonomy: geo-economics and corporate agency in conflict and competition," *Review of International Political Economy* 32, no.4(2025): 1189–1213. https://doi.org/10.1080/09692290.2025.2468308.

14 Henry Farrell & Abraham Newman, "The New Economic Security State: How De-risking Will Remake Geopolitics," Foreign Affairs 102, no.6(2023): 106–110, 112–116, 118–122. https://www.proquest.com/magazines/new-economic-security-state-how-de-risking-will/docview/2886393708/se-2?accountid=9652.

15 Rocco Bellanova, Helena Carrapico, & Denis Duez, "Digital/sovereignty and European security integration: an introduction," *European Security* 31, no.3(2021): 337–355. https://doi.org/10.1080/09662839.2022.2101887.

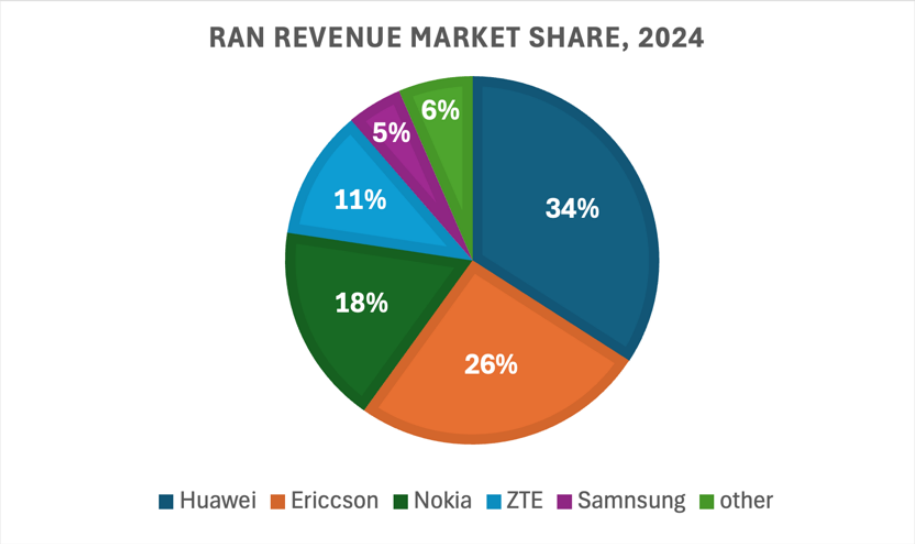

Figure 1. RAN Revenue Market Share in 2024.[19]

sharing data to work smarter together. By providing the ability to connect millions of devices simultaneously with real-time communication, 5G makes the large-scale deployment of IoT possible. NATO experts describe 5G networks as the "*digital nervous system*" of modern societies.[16] Its core components, the radio access network (RAN) and the core network, connect devices to the wider internet, forming the foundation for digital interconnectivity.

Globally, only three firms, Huawei, Ericsson, and Nokia, can provide complete 5G networks.[17] Together with ZTE and Samsung, these five suppliers account for over 93% of the RAN equipment market. In 2024, Huawei led with a 34.2% share, followed by Ericsson at 25.7%, Nokia at 17.6%, ZTE at 11.4%, and Samsung at 4.8% (Figure 1).[18]

Huawei's strategy, high-quality products, lower costs, and heavy R&D investment have enabled rapid expansion in Europe. European reliance on Huawei dates back to early 4G deployment, whose upgrade to 5G required a denser network of base stations and antennas. In 2020, more than half of the 4G RAN equipment in 15 European countries came from Huawei or ZTE.[20] Strand Consult reports that European mobile operators purchased $8.75 billion in RAN equipment over three years, with 40% sourced from these two Chinese firms.[21] By 2022, eight EU Member States sourced more than half of their 5G infrastructure from Chinese suppliers, and 41% of European mobile subscribers accessed 5G RAN from Chinese vendors.[22]

16 Kadri Kaska, Henrik Beckvard & Tomas Minárik, "Huawei, 5G and China as a Security Threat," *Nato Cooperative Cyber Defence Center of Excellence,* 2019. https://ccdcoe.org/library/publications/huawei-5g-and-china-as-a-security-threat/.
17 Foreign Policy, "5g explained part one: Technology and infrastructure," *Foreign Policy*, 23 February, 2021, https://foreignpolicy.com/2020/01/22/5g-cellular-huawei-china- networks-technology-infrastructure-power-map/.
18 Pascal Rémy, "Market Landscape: Ran Vendors 2025," Omdia, June 2025. https://www.ericsson.com/49f920/assets/local/ran/doc/omdia-report-2025.pdf.
19 Omdia, "Market Landscape: Ran Vendors 2025", 2025, https://www.ericsson.com/49f920/assets/local/ran/doc/omdia-report-2025.pdf
20 "Understanding the Market for 4G RAN I. Europe: Share of Chinese and noon-Chinese Vendors in 102 Mobile Networks," *Strand Consult*, accessed 15 August, 2025, https://strandconsult.dk/understanding-the-market-for-4g-ran-in-europe-share-of-chinese-and-non-chinese-vendors-in-102-mobile-networks/.
21 *Ibid*.
22 "The Market for 5G RAN in Europe: Share of Chinese and Non-Chinese Vendors in 31 European Countries," *Strand Consult*, [accessed on August 15, 2025] https://strandconsult.dk/the- market-for-5g-ran-in-europe-share-of-chinese-and-non-chinese-

From a geoeconomic perspective, Huawei's dominance in the European market, combined with its close ties to the Chinese state, raises serious concerns in Europe. These focus on the strategic risks of allowing a Chinese firm, subject to the 2017 National Intelligence Law,[23] which obliges companies to assist state intelligence, to control critical communications infrastructure. The risks are clear: architectural centrality, entrenched market position, and potential state leverage. The Huawei case shows how procurement decisions driven by cost-efficiency can create strategic vulnerabilities that directly threaten EU digital sovereignty.

Cloud Data Centres

Cloud computing underpins the digital economy, powering sectors such as banking, public administration, and artificial intelligence (AI). The surge in AI adoption has driven unprecedented demand and investment. In the second quarter of 2025, global enterprise spending on cloud infrastructure services reached $99 billion.[24] A striking illustration came in January 2025, when U.S. President Donald Trump announced Stargate, a $500 billion joint venture between Oracle, SoftBank, and OpenAI, to build AI-focused data centres over four years.[25]

Cloud computing relies on vast, interconnected data centres capable of storing and processing immense volumes of information. The largest operators, known as hyperscalers, can scale services rapidly across hundreds of facilities worldwide. Today, there are 10,462 data centres globally: the United States hosts 3,955, the United Kingdom 477, Germany 476, France 300, and China 362 (Figure 2).[26]

The cloud market is dominated by three U.S. firms —Amazon Web Services (30% global market share), Microsoft Azure (20%), and Google Cloud (13%)—[28] while Chinese providers such as Alibaba, Huawei, and Tencent account for most of the remainder (Figure 3).

Europe's dependence on foreign cloud infrastructure is stark. The U.S. hosts 138 cloud service providers, far outpacing the UK's 53, Germany's 46, and France's 27.[30] According to Asterès, 80% of European business spending on software and cloud services flows to U.S. companies.[31]

vendors-in-31- european-countries/.

23 Kadri Kaska, Henrik Beckvard, and Tomas Minárik, "Huawei, 5G and China as a Security Threat," *Nato Cooperative Cyber Defence Center of Excellence*, [accessed on August 15, 2025] https://ccdcoe.org/library/publications/huawei-5g-and-china-as-a-security-threat/.

24 "Q2 Cloud Market Nears $100 Billion Milestone - and it's Still Growing by 25% Year over Year," *Synergy Research Group*, July 31, 2025,https://www.srgresearch.com/articles/q2-cloud-market-nears-100-billion-milestone-and-its-still-growing-by-25-year-over-year.

25 Holland Steve, "Trump announces private-sector $500 billion investment in AI infrastructure," *Reuters*, January 22, 2025, https://www.reuters.com/technology/artificial-intelligence/trump-announce-private-sector-ai-infrastructure-investment-cbs-reports-2025-01-21/.

26 "Data Centers," *Data Center Map*, [accessed on August 15, 2025] https://www.datacentermap.com/datacenters/.

27 *Ibid.*

28 "Q2 Cloud Market Nears $100 Billion Milestone - and it's Still Growing by 25% Year over Year," *Synergy Research Group*, July 31, 2025, https://www.srgresearch.com/articles/q2-cloud-market-nears-100-billion-milestone-and-its-still-growing-by-25-year-over-year.

29 *Ibid.*

30 "Cloud Infrastructure," *Data Center Map*, [accessed on August 15, 2025] https://www.datacentermap.com/cloud/.

31 Asterès, *La Dépendance technologique Aux softwares & cloud services américains : une estimation des conséquences économiques en Europe [Technological Dependence on American Software & Cloud Services: An Estimation of the Economic Consequences in Europe]*, (Asterès, 2025), https://www.cigref.fr/wp/wp-content/uploads/2025/04/Etude-Asteres-La-dependance-technologique-aux-services-de-cloud-et-logiciels-americains-avril-2025.pdf.

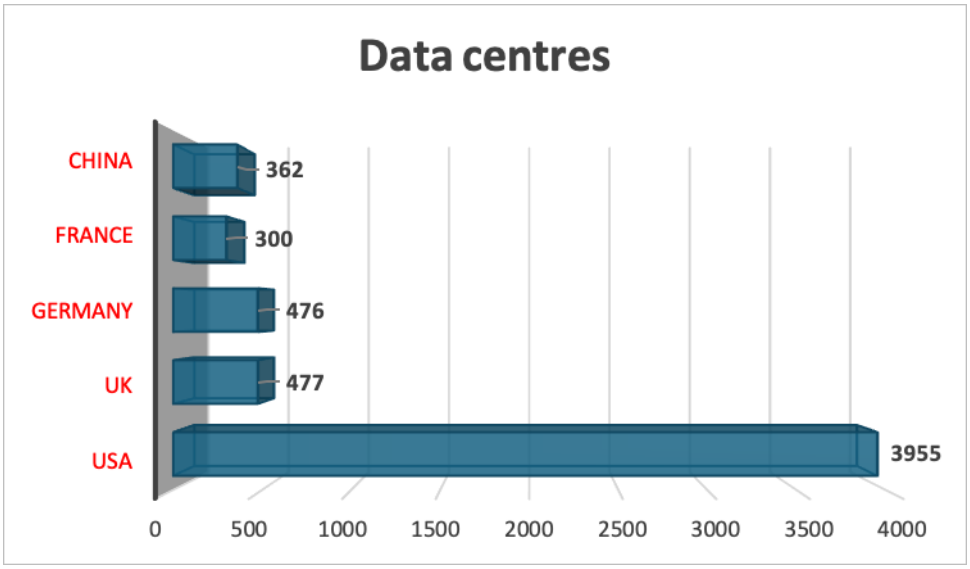

Figure 2. Top five countries by number of data centres.[27]

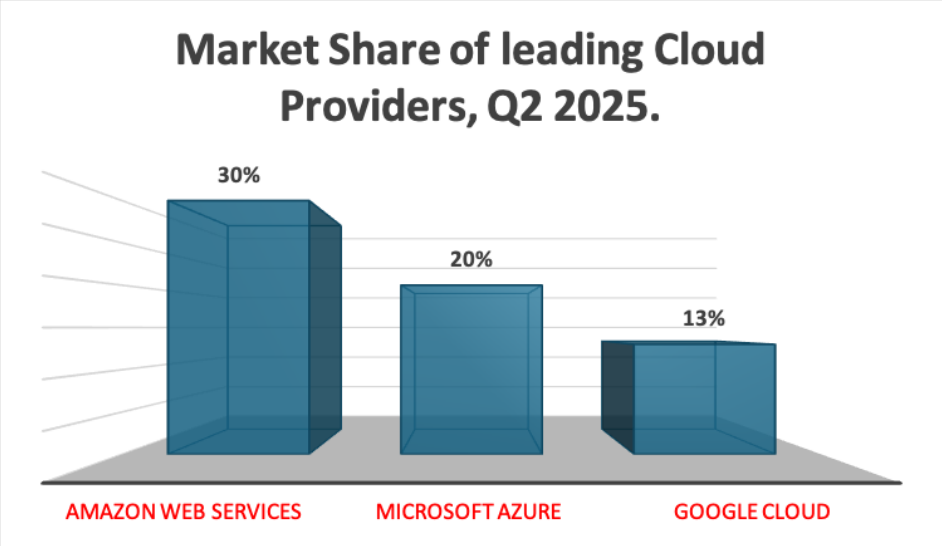

Figure 3. Market share of leading Cloud providers.[29]

Although European service providers more than tripled their revenues between 2017 and 2024, the overall market reached €61 billion, causing European market share to decline from 29% in 2017 to just 15% in 2022, where it has since stabilised.[32] Today, Amazon, Microsoft, and Google collectively control approximately 70% of the European cloud market.[33]

This concentration underscores Europe's structural reliance on U.S.-based hyperscalers. Centralised networks of data centres enable "panopticon effects", as dominant providers gain privileged access to sensitive data, and "chokepoint effects", as they can restrict or cut services. U.S. legislation such as the CLOUD Act, allowing authorities to

32 "European Cloud Providers' Local Market Share Now Holds Steady at 15%," *Synergy Research Group*, July 24, 2025, https://www.srgresearch.com/articles/european-cloud-providers-local-market-share-now-holds-steady-at-15.
33 *Ibid*.

compel U.S.-based technology firms to hand over data stored anywhere, heightens these concerns.[34] These fears are informed by past experience, notably the Snowden revelations, which exposed U.S. surveillance capabilities due to its central role in internet infrastructure.[35] For the EU, cloud policy is therefore not just a matter of economic efficiency but of digital sovereignty: critical infrastructure hosting its most sensitive data remains largely under non-European control, posing both security and economic risks.

Europe's Geoeconomic Turn in High-Tech Infrastructure

As global digital networks are shaped by strategic rivalry, the EU faces difficult choices in managing interdependence with the United States and China. After years of what some analysts describe as political *naïveté* in trade and investment policy, the Union has begun taking a "*geoeconomic turn*" to mitigate the geostrategic risks of technological dependence.[36]

For decades, the EU approached information and communication technology (ICT) supply chains through a market-liberal lens, prioritising innovation, economic growth, and open competition. Security concerns were secondary, underpinned by the belief that interdependence would yield mutual benefits and positive security spillovers.

That assumption has eroded. Growing perceptions of Europe lagging behind the U.S. and China,[37] combined with intensifying U.S.-China tech rivalry, have prompted a fundamental rethink. Dependence on non-European providers is now recognised as a strategic vulnerability. In response, the EU has adopted a geoeconomic toolkit of regulatory, trade, investment, and industrial measures aimed at "de-risking" strategic sectors and bolstering digital sovereignty.

The 5G Cybersecurity Toolbox

The EU's geoeconomic turn is most evident in the 5G sector. Initially treated as an economic and technological issue, 5G is now recognised as critical infrastructure with direct implications for security.

As China came to be viewed as a "*systemic rival*" and "*economic competitor,*"[38] the EU reassessed its external posture and identified Huawei and ZTE as high-risk vendors.[39] In January 2020, it introduced the 5G Cybersecurity Toolbox, a set of recommended measures for Member States.[40] The framework addresses supply chain risks, such as dependence on high-risk vendors. While non-binding,

34 Financial Times, "Can Europe break free of American Tech supremacy?," *Financial Times*, July 20, 2025, https://www.ft.com/content/5e25c397-61d1-4b48-b5c5-65561a4c9df2.
35 Henry Farrell and Abraham Newman, *Underground Empire: How America Weaponized the World Economy* (Penguin Books LTD, 2024).
36 Herranz-Surrallés, Damro, and Eckert, *The Geoeconomic Turn of the Single European Market?*
37 Mario Draghi, *The future of European competitiveness* (European Commission, 2024), https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961_en?filename=The%20future%20of%20European%20competitiveness%20_%20A%20competitiveness%20strategy%20for%20Europe.pdf.
38 European Commission, *European Commission and HR/VP contribution to the European Council: EU-China – A strategic outlook* (European Commission, 2019), https://commission.europa.eu/system/files/2019-03/communication-eu-china-a-strategic-outlook.pdf.
39 European Commission, "5G Security: The EU Case for Banning High-Risk Suppliers, Statement by Commissioner Thierry Breton," *European Commission*, June 15, 2023, https://ec.europa.eu/commission/presscorner/detail/en/statement_23_3312.
40 European Commission, "Communication from the Commission to the European Parliament, the Council, the European economic and social Committee and the Committee of the regions: Secure 5G deployment in the EU - Implementing the EU toolbox," *European Commission*, January 29, 2020, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52020DC0050.

it encourages supplier diversification, stricter procurement standards, and the possible exclusion of vendors from critical network functions.

Functioning as a defensive instrument, the toolbox aligns market access with security imperatives and complements other measures, including the EU's Foreign Direct Investment (FDI) Screening Mechanism, which allows Member States to block acquisitions in sensitive sectors. The security and strategic importance of 5G networks was reaffirmed in the 2023 European Economic Security Strategy, which emphasised the need to safeguard technological infrastructure, reduce potential economic coercion, and limit risks related to technology security.[41]

Implementation of the 5G Toolbox, however, has been uneven: by 2023, 24 Member States had expanded regulatory powers, but only 11 had used them to restrict high-risk suppliers, notably Huawei.[42] Nevertheless, the toolbox represents a decisive step toward digital sovereignty, highlighting both the EU's strategic ambition and the challenges posed by divergent national interests.

GAIA-X

In cloud computing, the EU has also embraced a more geoeconomic approach. Launched in 2020, GAIA-X is a Franco-German initiative to create a federated, secure, and transparent European data infrastructure.[43] Instead of a single, centralised "European cloud," it sets shared standards for interoperability, data portability, and compliance with EU rules. The aim is to reduce dependence on dominant non-European hyperscalers.

Progress has been uneven. Major U.S. cloud providers have joined GAIA-X, raising doubts about its ability to ensure genuine European autonomy.[44] GAIA-X is complemented by regulatory tools such as the General Data Protection Regulation (GDPR) and the Cybersecurity Act,[45] which strengthen European oversight of data handling. Yet, the bloc's limited capacity to develop large-scale cloud infrastructure independently highlights the tension between digital sovereignty and technological competitiveness.[46]

Reducing foreign dependence can enhance autonomy but may restrict access to cutting-edge technologies, especially in artificial intelligence, which

41 European Commission, "Joint communication to the European parliament, the European Council and the Council: on "European economic security strategy," *European Commission*, June 20, 2023, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52023JC0020.

42 Cynthia Kroet, "Eleven EU countries took 5G security measures to ban Huawei, zte," *EuroNews*, August 12, 2024, https://www.euronews.com/next/2024/08/12/eleven-eu-countries-took-5g-security-measures-to-ban-huawei-zte.

43 Rebecca Adler-Nissen, and Kristin A. Eggeling, "The Discursive Struggle for Digital Sovereignty: Security, Economy, Rights and the Cloud Project Gaia-X," *JCMS: Journal of Common Market Studies* 62, no. 4 (2024): 993–1011, https://doi.org/10.1111/jcms.13594.

44 Andreas Baur, "European Ambitions Captured by American Clouds: Digital Sovereignty through Gaia-X?," *Information, Communication & Society* (Taylor & Francis, 2025): 1–18, doi:10.1080/1369118X.2025.2516545.

45 Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). https://eur-lex.europa.eu/eli/reg/2016/679/oj/eng; Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act). https://eur-lex.europa.eu/eli/reg/2019/881/oj/eng.

46 Financial Times, "Can Europe break free of American Tech supremacy?," *Financial Times*, July 20, 2025, https://www.ft.com/content/5e25c397-61d1-4b48-b5c5-65561a4c9df2.

relies on advanced cloud infrastructure. A shift to less mature European alternatives could slow progress. The EU's challenge is balancing sovereignty with access to world-class capabilities, while leveraging external pressures and coordinated internal action to drive innovation.

Conclusion

Europe's reliance on non-European providers for 5G networks and cloud data centres creates geoeconomics vulnerabilities at the intersection of economics, security, and geopolitics. These infrastructures are not neutral platforms: they are strategic assets that can be leveraged for coercion.[47] The Huawei case demonstrates how procurement decisions driven by cost-efficiency can entrench dependence on foreign suppliers, while the cloud sector illustrates how hyperscaler dominance concentrates control over Europe's most sensitive data.

In both domains, foreign corporate autonomy intersects with home-state power, exposing the EU to potential chokepoint and panopticon effects. Recognising this, the EU has begun to move from a market-liberal to a geoeconomic approach. The 5G Cybersecurity Toolbox and GAIA-X, alongside other relevant initiatives, exemplify efforts to manage interdependence, diversify suppliers, and strengthen European capabilities.

Yet, the path to digital sovereignty is complex. Reducing reliance on foreign infrastructure must be balanced with maintaining technological competitiveness and access to global innovation, as highlighted by the recent International Digital Strategy published in June 2025.[48] The EU's challenge is to use its regulatory, investment, trade, and industrial policy tools to reshape strategic sectors without isolating itself from technological frontiers. In an era where high-tech infrastructure is inseparable from power politics, Europe's ability to secure its digital foundations will be central to its role as a global actor.

47 Lars Gjesvik, "Private Infrastructure in Weaponized Interdependence," *Review of International Political Economy* 30, no. 2 (2022): 722–46, doi:10.1080/09692290.2022.2069145.

48 European Commission, "Joint Communication to the European Parliament and the Council: An International Digital Strategy for the European Union," *European Commission*, June 5, 2025, https://digital-strategy.ec.europa.eu/en/library/joint-communication-international-digital-strategy-eu.

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Between Values and Interests: EU Development Policy in Times of Geopolitical Turmoil

Mael Cassinadri

Introduction

International cooperation and development aid play an increasingly relevant role in the realm of the European Union's (EU) policies, particularly among those directed toward its external action. In traditional state-centric terms, development aid is an economic instrument of international relations with geopolitical implications, consisting of resources provided by wealthier countries to their "developing" counterparts under the banner of help and solidarity.[2] The management of European States' own development policy has been largely impacted by the construction of EU architecture, transforming its formerly national nature into one of bargaining and coordination in a complex multi-level governance system. As of today, while each of the 27 different Member States (MSs) assumes a different development and aid policy that is managed between national autonomy and EU coordination, the European Commission, in parallel, transfers resources directly to developing countries. This is the result of the communitisation of aid, a process that saw the EU increasingly coordinating and conditioning MSs' development policies, entangling them into a domain of shared competences.

The "Europeanisation" of development policy started with the Treaty of Rome (1957), and has since increased in volume and expanded in scope.[3] A pivotal moment in this process was the Maastricht Treaty (1992), in which supranational EU institutions advanced in their attempt to gain direct competences on these matters at the expense of MSs' prerogatives.[4] This has been done through means such as binding legal provisions —for instance, the Policy Coherence and Development (PCD) principle enshrined in article 208 of the Treaty on the Functioning of the European Union, requiring MSs to take into account the objectives of EU's development cooperation in all of their internal and external policies—[5] and the non-binding European Consensus on Development, signed for the first time in 2005 and updated in 2017 to incorporate the 2030 UN Agenda for Sustainable Development, which enabled the EU to set common principles, objectives and practices for both supranational and national policies.[6]

The principles and objectives guiding EU development policy, as enshrined in the

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2 To deepen a definition of development aid that encompasses the social-developmental dimension and its geopolitical implications: William Brown, "Reconsidering the Aid Relationship: International Relations and Social Development", *The Commonwealth Journal of International Affairs and Policy Studies, no.* 98 (2009): 285–299.

3 Maurizio Carbone, "The European Union and International Development: Evolving Tensions and Contested Transformation" in *International Relations and the European Union* , ed. Christopher Hill, Michael Smith and Sophie Vanhoonacker, (Oxford University Press, 2023): 236–258.

4 Maurizio Carbone and Jan Orbie, *The Europeanisation of Development Policy* (Routledge, 2022).

5 Eric Pichon, "Understanding Policy Coherence for Development," European Parliamentary Research Service 2023, https://www.europarl.europa.eu/RegData/etudes/ATAG/2023/754606/EPRS_ATA(2023)754606_EN.pdf.

6 European Commission, "Joint Public Statement: Adoption of the New European Consensus on Development," June 7, 2017, https://ec.europa.eu/commission/presscorner/detail/en/STATEMENT_17_1547.

Treaties, attribute a particular importance to the EU's own "values", which serve as the foundation for formulating principles and legitimising policies. The role of values drives EU development policy in two directions: in one way, values set the normative standards with which the EU itself should comply; on the other, they constitute the basis with which other international actors should align in order to be part of EU development programmes. The Maastricht treaty led to the creation of a Common Foreign and Security Policy (CFSP), enforcing, through Article 21 of the Treaty on European Union, coherence in EU foreign policy to principles such as democracy, the rule of law, universality and indivisibility of human rights, and fundamental freedoms.[7] On this legal basis, EU development policy has embedded those values in its agreements, most notably seen in the Cotonou Partnership Agreement (CPA) of 2000 and the recent EU-OACPS (Organisation of African, Caribbean and Pacific States) Agreement (2023), through "conditionality" mechanisms under which aid may, in theory, be suspended in cases of violations.[8]

The article seeks to examine the context and assess the empirical evidence on the extent of the "value dimension" in EU development policy. In particular it analyses its relationship with interests, understood in realist terms as what really drives development policy, and usually at odds with values. In order to do so, the article first examines the decolonisation process that shaped European development aid, which was set in place before the majority of African states gained independence. It then reviews major theoretical frameworks through which to view development aid as a foreign policy instrument, and finally assesses it through the lenses of geopolitical objectives and applicability of values as a trade-off. The analysis is based on academic literature, policy papers and official documentation.

The (Post-)Colonial Heritage and Practices in EU Development Policy, and the Immortal Donor-Recipient Asymmetry

The creation of the CFSP consolidated the legal underpinning for incorporating development policy into the EU's broader external action, setting the framework of values it is based upon. However, since the CFSP was only established in the 1990s while development policy dates back to the Treaty of Rome (1957), any analysis must also consider the implicit values that shaped it from the outset, including its colonial roots and the role of colonial practices in the subsequent decades.

The early steps of European integration, such as the creation of the European Economic Community (EEC), coincided with the pre-decolonisation era. For the first six MSs, this had major consequences, especially for France. As Dimier highlights, the opening of France's colonial markets to other European countries helped in redefining its relation with them, particularly in creating new political and economic relations amid the fear of independence requests.[9] At a European level, this contributed to the creation of a bureaucratic structure for development policy that integrated former French colonial administrators. This reproduced outdated colonial practices in a modern way by building personalistic and clientelist relations with the political elites of newly independent countries.[10]

The official decolonisation process, formally initiated in the early 1960s, both

7 Esra Bulut *et al.*, "Coherence and Consistency in the EU's Foreign Policy," *European Union Institute for Security Studies* (2010), https://www.jstor.org/stable/pdf/resrep07073.5.pdf.
8 Mark Furness, Luciana-Alexandra Ghica, Simon Lightfoot and Balázs Iványi, "EU Development Policy: Evolving as an Instrument of Foreign Policy and as an Expression of Solidarity," *Journal of Contemporary European Research,* 16, no. 2 (2020): 89–100.
9 Véronique Dimier, *The Invention of a European Development Aid Bureaucracy* (Springer, 2014).
10 *Ibid.*

for the UK and in this case France, brought the necessity of reshaping the old system of unilateral association with the colonial power. Within the new EEC framework, this resulted in the creation of the Yaoundé Convention of 1963, signed by 18 African states.[11] The Convention had the goal of regulating the relations between EEC countries and the newly independent African countries, establishing common institutions, regulating aid, and consolidating commercial relations. In 1975, this was replaced by the Lomé Convention, introducing a non-reciprocal trade regime; a mechanism of compensation against price fluctuation and non-interference in the domestic politics of recipient countries. As Mark Langan pointed out in his "*normativity-outcome gap*" theorisation,[12] these conventions were presented as decolonised policy, but in reality they hid preferential pathways, consolidating European countries' advantages and their position of strength at the expense of disadvantaged partners. As highlighted by the literature, this was particularly the case for the supply of special raw materials to Europe, and markets reserved for European products only.[13] Already at this stage, this relation enforced a contradiction between the values nurturing the policy, namely solidarity with ex-colonies in need of development aid, and the practices that actually sustained it, which consolidated old asymmetrical and unequal commercial relations.

When the CPA was introduced in 2000, incorporating new treaty-based legal provisions on EU values for the governance of its external action, the old preferential and non-reciprocal mechanism was dismissed in favour of the Economic Partnership Agreements (EPAs), namely free trade agreements that were more closely aligned with the World Trade Organization (WTO). These agreements prompted criticism from both developing countries and European civil society actors, as EU institutions appeared to be more focused on liberalising trading schemes than creating working development aid programs.[14] This depended on the fact that the EU (and its ancestors) always saw trade as a means of development, but with the new WTO regime the old preferential trade mechanism with former colonies represented a discrimination against other countries (such as South American ones) that could not be carried on. Such liberalisation of trade was presented as a way of enhancing reciprocal and equal relations and the ultimate way of engaging with those countries to reach the development objective: in 1999 the responsibility of trade with African, Caribbean and Pacific countries (ACP) was transferred from the Directorate of Development to DG Trade. This broadly transformed EU commercial relations, usually at the expense of developing ACP countries and by favouring alternative partners that did not have the same need of preferential commercial agreements, as Young and Peterson suggest for the case EU sugar market, that saw ACP developing partners taken over by Brazil.[15]

As values, and their subsequent principles, entered development policy mechanisms, three major problems concerning the reproduction of colonial practices in values-based development policies have been raised by the literature. Firstly, the promotion of democracy, sustainable development, human rights, and gender equality through participatory

11 Carbone, "The European Union and International Development: Evolving Tensions and Contested Transformation".
12 Mark Langan, "Decent Work and Indecent Trade Agendas: the European Union and ACP countries," in *The Trade-Development Nexus in the European Union. Differentiation, coherence and norms,* ed. Maurizio Carbone and Jan Orbie, (Routledge, 2015): 23.
13 *Ibid.*
14 Clara Weinhardt, *Negotiating Trade in Uncertain Worlds: Misperception and Contestation in EU-West Africa Relations* (Routledge, 2019).
15 Alasdair Young and John Peterson, "We care about you, but…: the politics of EU trade policy and development", *Cambridge Review of International Affairs* 26, no. 3 (2013): 497–518.

practices appeared rhetorical rather than substantive. These issues were relegated to information sessions with limited actors involved, without actual implementation or engagement in major power dynamics among different stakeholders.[16] Secondly, in the mature stage of a human rights-oriented development policy, the sanction-based approach, developed from the 1990s under Maastricht, has been criticised for being "*neo-colonially intrusive.*"[17] It marginalised more vulnerable societal actors while privileging more organised ones that already had historical ties with Europe, creating for the EU a form of ownership of recipient countries' development trajectory. Thirdly, a values-based approach supported by sanctions against rights violations was expected to work differently,[18] however empirical evidence suggests its principal focus has been on donor interests rather than actual development policy performance. This has led to the consideration that the "value" dimension, rather than being the central element of the policy, was just one face of a "Janus-faced" EU; with a "*tendency to say one thing in its policy documents and do something quite different in the actual practice of its cooperation with developing countries*.."[19]

The Role of Values and How to Interpret Them: Visions of Realism and "Normative Power Europe"

In order to grasp the historical evolution and the current functioning of the EU's development policy, interpretative theoretical frameworks are necessary. Realism centers around interests and highlights the necessity of contextualising the EU's action in the current geopolitical situation. By contrast, the "Normative Power Europe" (NPE) approach anchors its analysis in value projection, strengthening the EU's symbolic and relational power toward international actors.[20]

The EU's ability to exercise power over developing countries often lies less in policy innovation than in embedding its values. Rather than transforming innovative ideas into new and more efficient development policies, it has made firm commitments to its own values, thus influencing the behaviour of developing countries that were often obliged to adapt. This form of "conditioning" other actors has been interpreted in various ways by the literature; some authors have argued that the EU is acting like a realist power in which conditionalities have the sole value of fostering its dominance;[21] for others, it embodies an NPE approach,[22] and it should be interpreted without secondary motives, despite its limitations in a world of increasing geopolitical competition.

The central point raised by these two complementary perspectives led Beringer *et al.* to question whether NPE really exists in EU development policy, or if the current neoliberal approach, increasingly included in agreements such as EPAs and presented as the necessary commitment to certain European values, hide the perpetration of unilateral interests and a power attitude directed to developing countries.[23] As defined by Manners, the

16 Carbone, "The European Union and International Development: Evolving Tensions and Contested Transformation".
17 Johanne Døhlie, *The European Union and Global Development. A Right-Based Development Policy?* (Routledge, 2021).
18 Karen Del Biondo, "Donor Interests or Developmental Performance? Explaining Sanctions in EU Democracy Promotion in Sub-Saharan Africa," *World Development* 75 (2015): 74–84.
19 Furness, Ghica, Lightfoot, and Iványi, "EU Development Policy: Evolving as an Instrument of Foreign Policy and as an Expression of Solidarity", 93.
20 In particular, the realist account will be based on Ikenberry's "Three Worlds" (2024) reading and the NPE will be drawn from Manners' "Normative Power Europe" (2002).
21 Mary Farrell, "A Triumph of Realism over Idealism? Cooperation between the European Union and Africa" in The EU as a Global player, ed. Jan Wetzel (Routledge, 2013): 15–35.
22 Ian Manners, "Normative Power Europe: a Contradiction in Terms?" *JCMS: Journal of Common Market Studies* 40, no. 2, (2002): 235–258.
23 Sarah Beringer, Sylvia Maier, and Marks Thiel, *EU Development Policies. Between Norms and Geopolitics* (Palgrave Macmillan, 2019).

EU can be considered as a normative power when it places "[…] *norms and principles at the centre of its relation with MSs and the world* […]*[more] than most other actors in world politics.*"[24] Beringer *et al.* take this perspective to address specific policy aspects such as institution building, gender and minority rights, environmental sustainability, and climate change mitigation that were shaped in response to value incorporation. What is central to the NPE perspective is that it triggers a process of legitimisation based on a "force for good" image of the EU that translates into symbolic and relational power, resulting in the worldwide spread of its normative standards.[25] The EU's effectiveness as an international actor depends on the image it projects in the international arena and the perception other actors have of it.[26]

The von der Leyen Commission presented a radical turning point in relations with Africa and the ACP, when in early 2021 the Directorate-General (DG) International Cooperation and Development became DG International Partnerships, following the naming of Jutta Urpilainen as Commissioner for International Partnerships. This effort is in line with the attempt of transforming the European Commission into a "geopolitical" one by developing as its main leverage its symbolic representation as an actor that bases its international image on the normative principle of equality in order to advance its interests. This operation of re-branding has also been interpreted as an attempt to reduce growing criticism from developing countries, for which the image of a "good" partner cannot compensate anymore for the additional burden of conditionalities imposed by the EU, especially compared to other international actors such as China.[27]

In this context, China has appeared as the ideal counterpart in the eyes of developing countries, pursuing more horizontal partnerships and acting through the principle of "non-interference".[28] As argued by Ikenberry, in the competition of the "*Three Worlds*" of West, East, and South Europe (as part of the West) is increasingly competing with the East, in particular China, for support and cooperation with the global South.[29] This realist perspective, in which the EU finds its geopolitical interests depending on its own acting as a traditional power-seeking actor, has been applied in different cases, and is gaining traction as an explanatory framework: Farrell described the CPA as "*triumph of realism over idealism;*"[30] Langan denounced the EPAs and their "*deleterious consequences for the lives of many poorer producers and workers in ACP countries;*"[31] Holden observed that "*a new realism entered EU discourse and there is evidence of this being applied in specific instruments and policies.*"[32] According to Holden, the EU's proposal of combining nearly all previous aid and cooperation instruments into the Development and International Cooperation Instrument (NDICI), presented under the banner of effectiveness and efficiency, created unprecedented flexibility to use aid funds for various political purposes, weakening the treaty-based protections consistent

24 Ian Manners, "Normative Power Europe: a Contradiction in Terms?" *JCMS: Journal of Common Market Studies* 40, no. 2, (2002): 241.
25 Esther Barbé and Elisabeth Johansson-Nogués, "The EU as a Modest "Force for Good": the European Neighbourhood Policy," *International Affairs* 84, no. 1: 81–96.
26 Sebastian Steingass, Maurizio Carbone, and Pascaline Winand, "The European Union and the Evolving Requirements of International Development: Aid, Policies and Partnerships," *Global Affairs* 7, no. 4 (2021): 425–436.
27 Johanne Døhlie Saltnes and Sebastian Steingass, "Fit for Creating Partnerships of Equals with the Global South? Tensions in the EU's Development Policy post-2020," *Global Affairs* 7, no. 4: 523–540.
28 Carbone, "The European Union and International Development: Evolving Tensions and Contested Transformation."
29 John G. Ikenberry, "Three Worlds: the West, East and South and the Competition to Shape Global Order," *International Affairs* 100, no. 1 (2024): 122.
30 Mary Farrell, "A Triumph of Realism over Idealism? Cooperation between the European Union and Africa," 15.
31 Langan, "Decent Work and Indecent Trade Agendas: the European Union and ACP countries," 1.
32 Patrick George Holden, "Irreconcilable Tensions? The EU's Development Policy in an Era of Global Illiberalism," *Journal of Contemporary European Research* 16, no. 2 (2020): 102.

with value-driven objectives.

Assessing the Geopolitical Shift in EU Development Policy: What Role for Values in the New Interest Versus Solidarity Dilemma?

The changing features of the international arena are putting pressure on the EU's complex development aid machinery and its ability to propagate its norms and standards abroad. Part of this "geopolitical shift", or "geopolitical turmoil", as defined by Furness *et al.*, includes the decline of the United States' forefrontal role in international development, the emerging agency of Gulf donors and BRICS countries, the growing pre-eminence of China, and the gradual abandonment of the "post-colonial" paradigm. This paradigm has long connected developing countries with their former colonisers in an asymmetrical relation that persisted in the decades following decolonisation. However, it is now being abandoned in favor of relations with other non-European international actors.[33] This raises the question as to whether this new scenario entails a "geopolitics-centered perspective" that results in a paradigm shift away from values and toward more traditionally intended interests.[34] This would not only instrumentalise cooperation aid programs, curbing their autonomy in the name of overall coherence with EU external action,[35] but also subject them to foreign and domestic policy interests inconsistent with the EU's supposed principles of action in this field.[36]

The ambivalent relation between normative values and strategic geopolitical interests appears clearly in the latest EU policy documents. The 2016 Global Strategy stated that the EU's credibility and effectiveness depended on consistency with its own values and, yet also that "*development policy also needs to become more flexible and aligned with our strategic priorities.*"[37] The 2017 New Consensus on Development instead reaffirmed the role of values through its alignment with the 2030 UN Agenda, while insisting on the necessity of development policy to be coherent and consistent with external action objectives.[38] This apparently contradictory rhetoric suggests that the reorganisation of development policy to serve European economic and security interests may not go hand-in-hand with its traditional role as an expression of global solidarity, resulting in a tension between those two coexisting dimensions.[39] In this sense, the 2022 Strategic Compass for Security and Defence called for the implementation of an "*integrated approach*" in which a full and coherent use can be done of all EU policies and instruments, "*maximising [...] complementarity [...] between security and development.*"[40]

This tension is particularly evident in the definition of EU geo-economic interests and its "*open strategic autonomy*" that arises in its official documentation, which led some scholars to argue that the

33 Furness, Ghica, Lightfoot and Iványi, "EU Development Policy: Evolving as an Instrument of Foreign Policy and as an Expression of Solidarity."
34 Sarah Delputte and Jan Orbie, "Paradigm Shift or Reinventing the Wheel? toward a Research Agenda on Change and Continuity in EU Development Policy," *Journal of Contemporary European Research* 16, no. 2 (2020): 234–256.
35 Julian Bergmann *et al.*, "The Evolution of the EU's Development Policy: Turning Full Cycle," *European Foreign Affairs Review* 24, no. 4 (2019): 533–554.
36 Amelia Hadfield and Simon Lightfoot, "Shifting Priorities of the EU as a Development Actor: Context and Consequences," *Global Affairs* 7, no. 4 (2021): 487–504.
37 European External Action Service, *Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign and Security Policy* (EEAS, 2016), 11, http://europa.eu/globalstrategy/en.
38 Council of the European Union, *The New European Consensus on Development, "Our World, Our Dignity, Our Future"*, (Council of the EU, 2017), https://www.consilium.europa.eu/media/24004/european-consensus-on-development-2-june-2017-clean_final.pdf.
39 Furness, Ghica, Lightfoot, and Iványi, "EU Development Policy: Evolving as an Instrument of Foreign Policy and as an Expression of Solidarity."
40 European External Action Service, A strategic compass for security and defence, (EEAS, 2022), 25, https://www.eeas.europa.eu/sites/default/files/documents/strategic_compass_en3_web.pdf.

trade-off between these new interests and traditional development objectives is much greater than during earlier liberalisation-aid debates, pushing effective development policy to the background of EU's priorities.[41] The conflictual relationship between security and development objectives extends beyond the EU, as there is an ongoing debate about the *"securitisation of aid"*,[42] namely the use of aid policy as a strategic instrument to enhance the EU's security objectives. Although some have argued that this is a by-product of the EU's path toward coherence in its external action,[43] others have highlighted that security cooperation is increasingly part of development policy. This is apparent in the case of the African Peace Facility, the cornerstone financial instrument of EU support to the African Union's security initiatives, that in recent years has seen its autonomous mechanisms with its own objectives subjected to a broader EU scheme and incorporated in the European Peace Facility.[44]

The geopolitical shift may not be the only lens through which to view development policy, although it appears to be the most useful for comprehending the reforms in the policy sector. Most recently, the Covid-19 pandemic represented a moment of geopolitical crisis as a battle played out in partner countries, particularly with China, over the form of support, distribution of vaccines, and medical equipment.[45] The crisis made clear that existing forms of cooperation were insufficient, due particularly to the lack of coordination between MSs and EU institutions, and the initial intention of helping partner countries in their reconstruction led to the creation of the Team Europe initiative. As highlighted by Koch *et al.*, this new framing represented a more "*horizontal fashion*" of EU development cooperation based on the principle of a more equal and transparent participation between MSs and EU institutions. Team Europe was strategically conceived as a "*defensive reaction to correct the perception that the EU was not doing enough,*" and designed to affirm the "*EU's geopolitical resilience through the mobilisation of strategic resources for humanitarian and development aid"* at a time of increasing challenges posed by antagonistic actors and retreat of historic allies.[46]

Conclusion

The present article has sought to shed light on the inevitable trade-off that occurs in EU development policy between the projection of a value-based approach and the pursuit of traditional power interests. These dynamics intersect across different theoretical perspectives and levels of analysis, differentiating and combining action and projection. From a realist perspective, if values are not merely a symbolic exercise of power, their universalistic claim falls short when implemented in turbulent geopolitical contexts, compounded by the colonial heritage that still haunts the structures of relations with developing countries.

If values play a central role in positioning the EU as a "force for good" actor in the global arena, and a normatively optimal partner to interact with, the conditionality mechanisms that come with them have been contested as a form of imposition, and their application as based on arbitrary methods. This criticism assumes that the "force for good" image does not

41 Clara Weinhardt and Ferdi De Ville, "The Geoeconomic Turn in EU Trade and Investment Policy: Implications for Developing Countries," *Politics and Governance* 12 (2024): 2.
42 Stephen Brown and Jõrn Grävingholt, "Security, Development and the Securitization of Foreign Aid" in *The Securitization of Foreign Aid,* edited by Stephen Brown and Jõrn Grävingholt (Palgrave Macmillan, 2016): 2.
43 *Ibid.*
44 Carbone, "The European Union and International Development: Evolving Tensions and Contested Transformation."
45 Svea Koch, Niels Keijzer, and Ina Friesen, "COVID-19 as a Critical Juncture for EU Development Policy? Assessing the Introduction and Evolution of "Team Europe"," *Journal of European Integration* 46, no. 4 (2024): 425.
46 *Ibid.*

translate into real policy but represents a merely rhetorical instrument hiding the pursuit of traditional interests that other international actors make explicit. This contradiction appears constitutive of EU development policy, although it presents itself as a unique value-based system of managing cooperation and aid, and as any other state, the EU is not immune to greater aid instrumentalisation and the curbing of policy toward traditional, geopolitical interests.

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Warnings from History: Argentina's Decline and the EU's Path

Jordy Benooit

Introduction

In recent years, Argentina has been in the spotlight following the inauguration of libertarian president Javier Gerardo Milei. His sweeping policy agenda has been hailed by some as a bold corrective and decried by others as a destabilising gamble. Irrespective of interpretation, it represents yet another policy reversal in a nation whose socio-economic fabric has long been shaped by volatility. This was not always the case. In the early twentieth century, Argentina stood among the world's most promising economies, with living standards and growth rates that rivalled those of Europe's industrial powers.

Yet, beneath its apparent prosperity lay structural characteristics that, over decades, would precipitate a steady economic decline. Certain socio-economic attributes, initially conducive to rapid development under prevailing global conditions, ultimately transformed Argentina from a potential economic superpower into a country marked by underdevelopment and diminished geopolitical influence.

This article examines these socio-economic attributes, not merely as historical features of Argentina's trajectory, but as analytical tools for assessing the health and resilience of other economic systems today. In particular, it applies this framework to the European single market and the wider European Union (EU). Although Argentina and the EU differ in political form, both constitute integrated economic systems whose trajectories reveal patterns of vulnerability and resilience, making comparison analytically fruitful. By comparing how these attributes manifest in the EU today, this article seeks to identify potential vulnerabilities and highlight the conditions under which even a relatively stable and diversified economy could risk drifting toward structural decline.

Argentina: From Promise to Decline

This section examines the socio-economic attributes that contributed to Argentina's transformation from one of the world's most promising economies in the early twentieth century into a nation marked by recurrent crises and long-term underperformance. It does not provide a full historical overview —these can be found in other works— but focuses on the structural and institutional characteristics that shaped Argentina's trajectory. The purpose is to identify key socio-economic attributes that, while conducive to rapid growth under certain historical conditions,

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ultimately hindered the country's capacity for sustainable development.

Historical Context

Following independence in 1816 and the gradual consolidation of the Argentine state during the latter half of the nineteenth century, Argentina entered a period of sustained export-led growth. The fertile Pampas and temperate climate supported highly productive beef and grain sectors, attracting substantial British foreign investment in railways, ports, and processing facilities.[2] By 1913, Argentina's GDP per capita ranked among the highest globally, rivalling several European powers.[3] The economy, however, was dominated by a small landowning elite, and industrial activity remained minimal.

The First World War disrupted trade flows, but the interwar period and the Great Depression exposed deeper structural vulnerabilities. Exclusive trade arrangements, such as the Roca–Runciman Treaty of 1933 with the United Kingdom, preserved market access for beef exports but at the cost of industrial autonomy and diversification.[4] Attempts at import-substituted industrialisation (ISI) in the mid-twentieth century brought partial success, yet industrial capacity remained dependent on state protection. From the 1970s onward, deindustrialisation, mounting inflation, and recurrent debt crises eroded economic stability.[5] Political instability, repeated coups, and shifting policy regimes undermined Argentina's credibility with global markets, locking the country into cycles of boom and bust.[6]

Socio-Economic Attributes and Their Impact

Argentina's decline was not the result of a single crisis, but rather a cumulative effect of generations of political choices and short-sighted governance. A non-exhaustive list of six interlinked socio-economic attributes can be extrapolated from Argentina's historical trajectory, where it transformed from a nation with one of the highest per capita incomes in the world into an underdeveloped economy plagued by political and economic volatility. Rather than establishing a causal relationship between these attributes and Argentina's economic decline, this article views them as important signifiers —a Litmus test for a healthy economy.

High Social and Political Inequality

Wealth and power were concentrated in the hands of a rural elite whose control over land and political institutions constrained broad-based economic participation.[7] The rural labour force often worked under conditions resembling

2 David Rock, *Argentina, 1516–1982: From Spanish Colonization to Alfonsín* (University of California Press, 1987), 70–71.
3 Vicente Pinilla and Agustina Rayes, "How Argentina Became a Super-Exporter of Agricultural and Food Products during the First Globalisation (1880–1929)," *Cliometrica* 12, no. 1 (2018): 19–20.
4 Tasha Fairfield, "Business Power and Protest: Argentina's Agricultural Producers, the State, and the Roca–Runciman Treaty, 1933," *Journal of Latin American Studies* 44, no. 4 (2012): 679–708.
5 Gerardo della Paolera, "Import-Substituting Industrialization in Argentina, 1940–1980," *NBER Working Paper Series*, no. 24345 (February 2018), https://www.nber.org/system/files/working_papers/w24345/w24345.pdf.
6 Rok Spruk, "The Rise and Fall of Argentina," *Latin American Economic Review* 28, no. 7 (2019), https://latinaer.springeropen.com/articles/10.1186/s40503-019-0076-2.
7 Ricardo D. Salvatore, "Repertoires of Coercion and Market Culture in Nineteenth-Century Buenos Aires Province," *International Review of Social History* 45 (2000): 409–448; Gabriel L. Negretto, *Between Shared Understandings and Strategic Conflicts: The Origins of the 1853–60 Constitution of Argentina* (Institute for the Study of the Americas, University of London, 2012), https://sas-space.sas.ac.uk/3680/1/LIA%2C_Shared_Understandinds%2C_Negretto%2C_21.03.12.pdf.

legalised indentured servitude, which limited labour mobility and suppressed domestic demand growth.[8] The absence of inclusive political and economic institutions reduced the state's capacity to adapt to the country's changing economic conditions —such as a growing, yet increasingly poorer urban population—[9] entrenching structural inequalities that later fuelled populist and redistributive policies.

Low Industrialisation Rate

Despite moments of industrial growth under ISI policies, Argentina's industrial base remained narrow and reliant on tariff protection and subsidies.[10] Once protection was withdrawn or eroded in the 1970s, much of the manufacturing sector collapsed, leading to deindustrialisation and a renewed dependence on primary commodity exports.[11] This failure to develop competitive manufacturing reduced the country's ability to generate value-added exports and to shield itself from commodity price fluctuations.

Inflation and Fiscal Mismanagement

From the mid-1970s through the early 1990s, Argentina suffered chronic inflation, averaging over 300 per cent annually, culminating in the hyperinflation crisis of 1989.[12] Persistent fiscal deficits, financed through monetary expansion, eroded savings, distorted price signals, and undermined long-term investment. Inflation became self-reinforcing, as actors adjusted behaviour in expectation of price instability, further weakening macroeconomic management.[13]

Over-Specialisation in Primary Commodity Exports

From its golden age onward, Argentina's prosperity depended heavily on beef, grain, and later soybeans.[14] This specialisation generated high returns in favourable markets but left the economy vulnerable to global demand shocks and terms-of-trade declines. It also reinforced the political power of agricultural elites, delaying the push for diversification and industrialisation.[15]

Exclusive Trade Arrangements That Limit Diversification

Agreements like the Roca–Runciman Treaty illustrate how trade policy entrenched dependency on single markets and constrained industrial capacity.[16] Such arrangements often reflected the geopolitical realities of war and Argentina's economic disposition, as its access to export markets depended on the priorities of dominant trading partners. In the long term, these deals

8 Catalina M. Vilas, "On the Crisis of Bourgeois Democracy in Argentina," *Journal of Latin American Studies* 14, no. 2 (1982): 289–314.
9 Carl Solberg, "Immigration and Urban Social Problems in Argentina and Chile, 1890–1914," *Hispanic American Historical Review* 49, no. 2 (1969): 215–239.
10 Sebastián Galiani, "Path-Dependent Import-Substitution Policies: The Case of Argentina," *Latin American Economic Review* 27 (2018): 1–25.
11 Sebastián Galiani and Daniel Heymann, "On the Macroeconomics of Deindustrialization," *Revista de Economía Política* 34, no. 1 (2014): 35–52.
12 Pablo Gerchunoff and Lucas Llach, *El ciclo de la ilusión y el desencanto: un siglo de políticas económicas argentinas [The cycle of illusion and disenchantment: a century of Argentine economic policies]* (Ariel, 2003), 341–345.
13 *Ibid.*
14 Vicente Pinilla and Agustina Rayes, "Agricultural and Food Exports During the First Globalisation," *Cliometrica* 12 (2018): 19–23.
15 Andrés Malamud, "Overcoming the Crisis of Commodity Dependence in Latin America: Lessons from Argentina," *Frontiers in Political Science* 3 (2021), https://www.frontiersin.org/articles/10.3389/fpos.2021.705200/full.
16 Fairfield, "Business Power and Protest," 689–694.

limited bargaining power, discouraged domestic industrial innovation, and tied economic performance to the health of a narrow set of external relationships.[17]

Political Instability and Erosion of Credibility in Global Markets

The twentieth century saw repeated episodes of political instability, including coups, abrupt policy reversals, and swings between protectionist and liberal economic regimes.[18] This instability undermined Argentina's credibility in global markets, deterring both foreign and domestic long-term investment.[19] Even when external conditions were favourable, the lack of policy continuity meant that opportunities for structural transformation were often missed.

Comparative analysis between Argentina and the EU

This chapter undertakes an analysis of the EU's current socio-economic makeup against Argentina's historical trajectory. The aim is to assess the health of the EU's socio-economic structure by evaluating how each of the six socio-economic attributes previously identified manifest in the EU today. It does so on the assumption that these attributes —in the way that they manifested historically in Argentina— contributed to Argentina's historic socio-economic decline. This comparative approach is valuable in assessing whether the EU's present socio-economic structure is robust and future-proof, offering lessons in resilience and vulnerability.

Social and Political Inequality

In the aftermath of World War II, Western European states constructed robust welfare systems. Driven by the memory of pre-war social unrest, and rising expectations for social protection, governments expanded social insurance, health, education, and housing programmes underpinned by progressive taxation and enhanced state capacity.[20] European post-war social contracts enabled comprehensive social policies that extended coverage across occupational, socioeconomic, and territorial divides.[21]

Europe remains the least unequal region in the world: the top 10 per cent of earners capture approximately 36 per cent of total income, which is markedly lower than in more unequal regions.[22] Among the members of the Organisation for Economic Co-operation and Development (including most EU members), the income ratio between the top and bottom 10 per cent stands at roughly 8.4 to 1.[23] At the national level, some countries such as Slovenia and Nordic states exhibit Gini coefficients around 24–28, compared to

17 Tasha Fairfield, "Business Power and Protest: Argentina's Agricultural Producers, the State, and the Roca–Runciman Treaty, 1933," *Journal of Latin American Studies* 44, no. 4 (2012): 679–708.
18 Gerchunoff and Llach, *El ciclo de la ilusión y el desencanto*, 355–360.
19 Rok Spruk, "The Rise and Fall of Argentina," *Latin American Economic Review* 28, no. 7 (2019).
20 Ian Gough, *European Welfare States: Explanations and Lessons for Developing Countries* (LSE Research Online, 2008), 1–2.
21 Herbert Obinger, Klaus Petersen, and Peter Starke, "Mass Warfare and the Development of the Modern Welfare State," in *The Development and Trajectory of Modern Social Policies in Western Countries*, ed. Klaus Petersen and Herbert Obinger (Oxford University Press, 2022), 53–56.
22 World Inequality Database, "Inequality in 2024: A Closer Look at Six Regions," November 19, 2024, https://wid.world/news-article/inequality-in-2024/.
23 Organisation for Economic Co-operation and Development, *Does Inequality Matter?* (OECD Publishing, 2021), 45, https://doi.org/10.1787/3023ed40-en.

over 40 in more unequal societies.[24]

In contrast to mid-twentieth century Argentina —where inequality was extreme, rooted in oligarchic dominance, and barely mitigated by state institutions— the present-day EU presents a starkly different picture. Systematic redistribution, inclusive social policies, and political institutions have kept inequality relatively low. Where Argentina's economic elite relied heavily on concentrated land and export control, the EU today supports more inclusive economic integration, enabling broader middle-class participation and actively limiting the social consequences of inequality.

Industrialisation Rate

The EU originated from a group of highly industrialised nations, integrated via phased industrial cooperation and common markets. Manufacturing and heavy industry formed the backbone of post–World War II economic reconstruction, supporting the establishment of a Single Market and shared infrastructure across Europe.[25]

Despite its industrial heritage, the EU's manufacturing base is under pressure. Eurostat data show that as of mid-2024, industrial production fell by 2.0 per cent in the euro area and 1.7 per cent across the EU compared with the previous year, with marked declines in major economies such as Germany, France, Italy, and Spain.[26] Analysts have described this as part of a "perfect storm" for European industry, where slowing global demand, high energy costs, and supply-chain disruptions converge.[27]

Competitive pressure from China has intensified these challenges. According to the European Central Bank, Chinese competition has been a significant factor in the disappearance of approximately 240,000 manufacturing jobs between 2015 and 2022 in the Eurozone.[28] This job erosion has taken place predominantly in high-energy-intensive sectors and industries vulnerable to price competition.[29]

In response, the European Commission has initiated renewed industrial strategies, such as the Competitiveness Compass, which targets improvements in artificial intelligence (AI) infrastructure, cross-border integration of manufacturing value chains, and resilience to external shocks.[30] These measures are intended to strengthen the EU's long-term competitiveness and reduce strategic dependencies.

Unlike mid-century Argentina, where industrial capacity never fully matured due to weak institutional support and over-reliance on agricultural export goods, the

24 Brian Keeley, "What's Happening to Income Inequality?" in *Inequality: The Gap between Rich and Poor* (OECD Publishing, 2024), 20, https://doi.org/10.1787/9789264246010-5-en.
25 Tamás Vonyó, "Recovery and Reconstruction: Europe after WWII," *VoxEU (CEPR)*, November 21, 2019, https://cepr.org/voxeu/columns/recovery-and-reconstruction-europe-after-wwii.
26 Eurostat, "Industrial Production Down by 2.0% in the Euro Area and by 1.7% in the EU Compared with December 2023," February 13, 2025, accessed August 11, 2025, https://ec.europa.eu/eurostat/web/products-euro-indicators/w/4-13022025-ap.
27 Rana Foroohar, "Europe's Perfect Storm," Financial Times, February 2, 2025.
28 Paul Hannon, "Chinese Competition Has Led to Job Losses in Eurozone Manufacturing, ECB Says," *Wall Street Journal*, August 6, 2025.
29 Bastien Bonnefous, "The Great Breakdown of European Industry," Le Monde, September 23, 2024.
30 European Commission, "Steering the EU towards greater sustainable competitiveness," press release, January 29, 2025, Directorate-General for Communication, *European Commission*, https://commission.europa.eu/news-and-media/news/steering-eu-towards-greater-sustainable-competitiveness-2025-01-29_en.

EU possesses a well-established industrial base. However, persistent declines in output and manufacturing employment suggest that without effective execution of its industrial strategies, the EU risks slipping into a path of deindustrialisation that could erode its competitive standing globally.

Inflation Management and Fiscal Constraint

Since the second half of the 20th century, Western Europe has relied on a system of autonomous central banking, whose purpose is to manage inflation centrally —constraining the governments' budgetary spending and fiscal policies. Additionally, the post-war system of monetary cooperation at the European level —resulting in the adoption of the euro— embedded the inflation control in the EU's institutional architecture via the Treaty of Maastricht over time, which mandated convergence criteria such as inflation limits and fiscal discipline.[31] The establishment of the euro and the European Central Bank (ECB) reinforced this approach by centralising monetary policy and prioritising price stability.[32]

Recent inflationary spikes, particularly during the energy crises of 2021–2022, have gradually subsided. By mid-2025, inflation in the euro area had fallen to around 1.9 per cent, returning below the ECB's 2 per cent target, and prompting considerations for interest rate cuts.[33] While overall stability has been maintained, debates persist over sluggish investment and declining competitiveness amid low growth and public spending constraints.[34]

In contrast to Argentina, where chronic inflation and fiscal dominance destabilised the economy, the EU's macroeconomic setup has so far mitigated similar risks. The inflation collapse, coupled with the ECB's high credibility and fiscal rules, underscores institutional resilience. However, persistent shortfalls in long-term public investment, especially in green infrastructure and digital capacity, may erode fiscal credibility over time if not addressed.[35]

Balanced Economic Structure and Resilience

Historically, European economies developed diversified economic structures encompassing agriculture, manufacturing, and, more recently, services and high-tech sectors. This evolution was foundational to post-war reconstruction and the gradual shift toward knowledge- and service-based growth.[36]

The Cultural and Creative Sectors (CCS) across EU-27, Norway, and Iceland contribute approximately 5.3 per cent of value added and 6.3 per cent of

31 European Parliament, "History of the Economic and Monetary Union," *European Parliament*, March 31, 2025, https://www.europarl.europa.eu/factsheets/en/sheet/79/history-of-the-economic-and-monetary-union.
32 European Central Bank, *Introduction to the ECB's Monetary Policy*, accessed July 22, 2025, https://www.ecb.europa.eu/mopo/intro/html/index.en.html.
33 Associated Press, "Inflation slides to 1.9% in Europe, as worries shift from prices to Trump and tariffs," *Associated Press*, May 2025, https://www.apnews.com/article/d0f6f49e56659b5b9b9abd3fd4d9b2b9.
34 European Investment Bank, *Investment Report 2023/2024*, Chapter 1 (Luxembourg: EIB, 2023), https://www.eib.org/files/publications/20230323_investment_report_2023_chap1.pdf.
35 I4CE, *The State of Europe's Climate Investment – 2025 edition* (I4CE, 2025), 7, https://www.i4ce.org/wp-content/uploads/2025/06/The-State-of-Europes-Climate-Investment-2025-edition_V2.pdf.
36 Gerhard Illing, *Structural Transformation in European Economies: From Agriculture to High-Tech* (Berlin: Friedrich Ebert Stiftung, 2019), 45–47.

employment —demonstrating a robust service and innovation orientation outside traditional industrial and agricultural domains.[37] Moreover, the information and communication technology (ICT) sector alone accounted for over €791 billion in value added in 2022, representing 5.5 per cent of the EU's gross value added.[38] Such figures point to a significantly more balanced economic structure than that of commodity-dependent economies.

In contrast to mid-century Argentina, where the economy was heavily reliant on beef and grain exports, the EU exhibits a broader industrial and service base. This diversification reduces vulnerability to shocks affecting single commodity markets and enhances overall economic resilience.

Multilateral Arrangements and Economic Stability

From its inception, European integration has been based on multilateral cooperation rather than exclusive bilateral trade deals. The Single Market and Common Commercial Policy were designed to facilitate open trade among Member States and with the world, ensuring negotiating leverage and safeguarding against dependency on individual partners.[39]

The EU continues to sustain broad global trade linkages. Despite recent tensions, in particular with U.S. President Trump's administration, many analysts suggest that the EU may ultimately fare better in trade friction scenarios due to its economic structure and policy tools. A Reuters analysis from August 2025 projects that the U.S. may shoulder a heavier inflation burden and larger GDP impact from current trade conflicts, positioning the EU as potentially more resilient.[40]

Argentina's past reliance on restrictive agreements, including the Roca–Runciman Treaty that limited export diversification, stands in stark contrast to the EU's trade framework. The EU's orientation toward multilateral engagement and open markets enhances economic stability and diversification, reducing vulnerability to shocks tied to single partners or commodities.

Political Instability and Erosion of Credibility in Global Markets

While the EU is composed of sovereign national governments, it has largely avoided abrupt regime changes. Instead, it has built credible institutions such as the European Commission, European Parliament, and the European Central Bank. For decades, these institutions have fostered a durable system of governance and policymaking continuity.[41]

Although political fragmentation and populism have grown in recent years, the EU has generally maintained strong

37 European Investment Fund, *Market Analysis of the Cultural and Creative Sectors in Europe*, Executive Summary (EIF, 2023), 3, https://www.eif.org/InvestEU/guarantee_products/ie-ccs-market-study.pdf.
38 Eurostat, "ICT Sector—Value Added, Employment and R&D," accessed August 11, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php/ICT_sector_-_value_added%2C_employment_and_R%26D.
39 Kolja Raube, "The EU as a Trade Power," in *The Cambridge History of the European Union*, ed. E. Jones *et al.* (Cambridge University Press, 2023), 300–302. https://www.cambridge.org/core/books/abs/cambridge-history-of-the-european-union/eu-as-a-global-trade-power/1A66C964F7684A6A71A4C6A48E91DEF7.
40 Joachim Klement, "The EU Could Win the Trade War with the US," *Reuters*, August 7, 2025. https://www.reuters.com/markets/eu-could-win-the-trade-war-with-us-2025-08-07/.
41 Martin Marcussen, Constructing Europe: The Evolution of French, British and German Political Identities (Oxford: Oxford

macroeconomic credibility. It is actively pursuing strategic autonomy, in order to enhance resilience and bolster its institutional standing amid global shifts.[42] However, internal divisions remain: fragmented investment responses and hesitation on collective debt issuance, including disagreements over common EU borrowing, reflect persistent challenges to unity and coordinated economic leadership.[43]

Unlike Argentina's history, marked by coups and abrupt policy shifts that undermined global credibility, the EU benefits from institutional stability and policy continuity that support long-term economic credibility. Nonetheless, internal divisions such as fractured investment policies and divergent political agendas point to vulnerabilities that could erode trust if not addressed in a timely and unified manner.[44]

Observations and Warnings for the EU's Socio-Economic Structure

The socio-economic structure of the EU today, in general, appears far healthier than the historical conditions that led to Argentina's economic decline. Across key dimensions that historically shaped Argentina's downward trajectory, the EU's current position is comparatively robust. Inequality levels, though not negligible, remain among the lowest globally due to well-developed welfare states, redistributive tax systems, and inclusive labour-market policies. This stands in contrast to Argentina's entrenched wealth concentration under an agrarian oligarchy, which fuelled long-term socio-political instability.

Similarly, the EU's economic base is broadly diversified. Services, manufacturing, high-tech industries, and the cultural and creative sectors all contribute substantially to gross value added, ensuring the EU is not dependent on a narrow commodity export profile. This diversity is reinforced by a trade policy architecture grounded in multilateralism and openness, rather than exclusive bilateral arrangements that limit market access and entrench dependency. Even on the political front, despite the challenges of fragmentation and periodic populist surges, the EU's institutional framework provides a degree of stability and policy continuity that contrasts with Argentina's pattern of regime changes and abrupt policy reversals.

Yet, beneath these strengths lie vulnerabilities that do warrant vigilance. The first one is the steady erosion of industrial capacity in key Member States. Declining manufacturing output and employment, especially in globally competitive sectors, could become more than a cyclical concern. If sustained, it could hollow out supply chains, weaken technological spillovers, and diminish the bloc's ability to generate value-added

University Press, 2008), 215–220.

42 Rosa Balfour and Sinan Ülgen, "Geopolitics and Economic Statecraft in the European Union," arnegie Endowment for International Peace, November 19, 2024, https://carnegieendowment.org/research/2024/11/geopolitics-and-economic-statecraft-in-the-european-union?lang=en.

43 Jennifer Rankin, "EU's Weak or Distracted Governments Make Unity of Purpose Hard to Achieve," The Guardian, October 17, 2024.https://www.theguardian.com/world/2024/oct/17/eus-weak-or-distracted-governments-make-unity-of-purpose-hard-to-achieve.

44 Enrico Letta, "Europe Won't Achieve Its Growth Aims without More Integrated Policymaking," *Financial Times*, September 8, 2024, https://www.ft.com/content/932e0f4d-0379-4bbc-a7a6-7bd97fc17d9f.

exports.[45] The loss of high-productivity manufacturing jobs could also place downward pressure on wages and tax revenues, potentially constraining the fiscal space needed to sustain welfare systems and long-term investment programmes.[46]

This industrial fragility could intersect with a second concern: persistent gaps in public investment, particularly in green infrastructure, digital capacity, and strategic industrial capabilities. While the EU has made ambitious commitments on climate transition and digital sovereignty, actual investment levels have often lagged behind stated goals.[47] Prolonged underinvestment in these areas could create structural dependencies on imported technologies, external supply chains, and foreign capital that could weaken resilience in the face of geopolitical or market shocks.

If left unchecked, the combination of industrial erosion and insufficient strategic investment could create a feedback loop. Reduced industrial competitiveness could suppress growth potential, leading to tighter fiscal constraints, which in turn could further delay the very investments needed to restore competitiveness. In turn, this dynamic could translate into declining real incomes, higher structural unemployment, and a diminished capacity to project economic influence globally. In such a scenario, the EU may not fully replicate Argentina's socio-economic decline, but it could experience a parallel dynamic: a gradual loss of economic autonomy and bargaining power, even while formal institutions remain intact.

To avoid such an outcome, the EU could prioritise policies that reinforce its industrial base while closing strategic investment gaps. This would entail sustained support for high-value manufacturing, targeted incentives for innovation in green and digital technologies, and coordinated action to strengthen critical supply chains. Equally important, collective fiscal instruments could be deployed more decisively during strategic transitions, ensuring that Member States with limited fiscal space can still contribute to and benefit from common investment objectives.

By acting early and cohesively, the EU could prevent cyclical weaknesses from hardening into structural vulnerabilities. In doing so, it would not only safeguard its current economic resilience but also strengthen its long-term autonomy and bargaining power in an increasingly contested global economy.

45 European Commission, *The Future of European Competitiveness: A Competitiveness Strategy for Europe* (Publications Office of the European Union, 2025), 5–6, https://commission.europa.eu/document/download/97e481fd-2dc3-412d-be4c-f152a8232961_en?filename=The+future+of+European+competitiveness+_+A+competitiveness+strategy++for+Europe.pdf.

46 Philipp Heimberger, *"The New EU Fiscal Framework: Implications for Public Spending on the Green and Digital Transition,"* Vienna Institute for International Economic Studies (wiiw, 2025), 5–6, https://wiiw.ac.at/the-new-eu-fiscal-framework-implications-for-public-spending-on-the-green-and-digital-transition-dlp-7281.pdf.

47 Jean Pisani-Ferry and Simone Tagliapietra, *An Investment Strategy to Keep the European Green Deal on Track*, Policy Brief (Bruegel, December 2, 2024), https://www.bruegel.org/policy-brief/investment-strategy-keep-european-green-deal-track.

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Divergence amid Unity: Hungary's Approach to EU Migration Policy

Eirini Karagkouni

Introduction

At the heart of today's European agenda is an issue that tests the boundaries between collective commitment and national sovereignty: immigration. Hungary's position in the European Union (EU), with its repeated refusals to comply with the EU's common legal framework on migration and asylum, has become synonymous with the struggle between two powerful narratives. The first has invoked national sovereignty as a shield against predefined EU migratory redistribution schemes. The second has claimed that such a stance erodes fundamental European values and undermines the Union's ability to provide unified, democratic responses to humanitarian crises. By analysing the two contrasting approaches, this article explores the consequences of this divergence on the cohesion of the EU and on its own role as a stabilising actor in an era of multiple crises.

The EU's Migration Framework and Ethical Foundations

Structured as a supranational union, the EU allocates migration competences across multiple levels of governance. In the field of migration and asylum policy, the European Union has a shared competence,[2] which means that its implementation is subject to the Principle of Subsidiarity.[3] Specifically, as a shared competence, the legislative power that defines asylum and migration is shared between the EU and the Member States. The Union can make certain decisions if it can argue that lower levels of governance would be less effective than that of the EU. The Member States retain the right to legislate in areas where the EU has not exercised its competence, provided that national regulation does not run counter to the Union acquis.[4]

The principles of Article 2 of the Treaty on EU,[5] "*respect for human dignity, freedom, democracy, equality, the rule of law and*

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2 Eleftheria Neframi, *Division of Competences between the European Union and Its Member States Concerning Immigration* (European Parliament,2011),https://op.europa.eu/en/publication-detail/-/publication/f0e07f04-ce2e-11e5-a4b5-01aa75ed71a1/language-en.

3 European Union, "Principle of Subsidiarity," *EUR-Lex Glossary of Summaries*, https://eur-lex.europa.eu/EN/legal-content/glossary/principle-of-subsidiarity.html.

4 European Union, "Division of competences within the European Union", *Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union*, Official Journal C 202 (2016), https://publications.europa.eu/resource/cellar/62bbe30e-c1e5-42fa-92ad-e79d234a1458.0005.03/DOC_1.

5 European Union, "Consolidated Version of the Treaty on European Union," *Official Journal of the European Union*, C 326 (2012): 17,https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF.

the protection of fundamental rights, in particular of minorities," define the moral basis of all European policies. In the field of migration, the practical integration of this set of values means that admission, asylum and integration procedures must ensure equal treatment, legal guarantees and respect for the individuality of each applicant.[6]

Meanwhile, Articles 67 and 80 of the Treaty on the Functioning of the European Union (TFEU) both work in a complementary way, placing solidarity and fair sharing of responsibilities at the core of European asylum and migration policy. In particular, Article 67 entrusts the Union with the creation of an area without internal border controls, which includes a common policy on asylum, immigration, and external border control, while explicitly highlighting that this policy must be based on solidarity between Member States.[7] In a parallel manner, Article 80 establishes solidarity and fair sharing of responsibility, including financial burdens, as administrative and legal principles governing the implementation of all measures in the area of freedom, security, and justice.[8]

Within this legislative framework, there are expectations concerning the integration of such fundamental EU's principles, especially solidarity, in the overall policy framework[9] —particularly regarding the management of migration flows. It is precisely on the basis of this link, between the theoretical framework and practice, that this vision of a common European orientation and the strengthening of constitutional legitimacy is built.

The Dublin Regulation and Structural Imbalances in the EU Asylum System

Despite the foundational principles, the European asylum system has been operating at two speeds for more than a decade. The frontier countries are disproportionately burdened by the Dublin rules, while the envisaged solidarity mechanism remains inefficient.[10] Pietro Galeone argues that the latest Dublin Regulation No 604/2013 does not fully provide a sustainable solution to the EU's migration issue for three main reasons.[11]

Firstly, the "first country of entry" rule, according to which migrants can only apply for asylum in the EU in the first country in which they arrive, transfers a disproportionate burden to the Member States that constitute the external borders of the Union. This results in a system of unequal responsibilities for

6 ELIAMEP (Hellenic Foundation for European and Foreign Policy), "Norms and Values in the European Migration and Refugee Crisis: Final Report – Value Shifts in EU Migration Discourse Policy 2014–2017, 1.1 'Talking of Values (and Rights)," (University of Duisburg-Essen, 2021), 81, https://www.eliamep.gr/wp-content/uploads/2021/07/NoVaMigra_FinalReport_RZ-web-Doppelseiten-1-compressed-klein-aktuell-1.pdf.

7 Consolidated Version of the Treaty on the Functioning of the European Union, Article 67, *Official Journal of the European Union*, C 115 (2008), https://eur-lex.europa.eu/eli/treaty/tfeu_2008/art_67/oj/eng.

8 Consolidated Version of the Treaty on the Functioning of the European Union, Article 80, *Official Journal of the European Union* C 202 (2016), https://eur-lex.europa.eu/eli/treaty/tfeu_2016/art_80/oj/eng.

9 Kim Lane Scheppele, Dimitry Vladimirovich Kochenov, and Barbara Grabowska-Moroz, "EU Values Are Law, after All: Enforcing EU Values through Systemic Infringement Actions by the European Commission and the Member States of the European Union," *Yearbook of European Law* 39 (2020), 3–121, https://doi.org/10.1093/yel/yeaa012.

10 Philippe De Bruycker, *The New European Solidarity Mechanism: Towards a Fair Sharing of Responsibility between Member States?* (Foundation for European Progressive Studies, Friedrich-Ebert-Stiftung, and European Policy Centre, 2024), https://www.epc.eu/publication/THE-NEW-EUROPEAN-SOLIDARITY-MECHANISM-5cf6d4/.

11 Pietro Galeone, "The Problem with the Dublin Regulation," *IEP@BU*, February 23, 2023, https://iep.unibocconi.eu/publications/problem-dublin-regulation; Regulation (EU) No 604/2013 of the European Parliament and of the Council of 26 June 2013, https://eur-lex.europa.eu/legal-content/EN/LSU/?uri=CELEX:02013R0604-20130629.

frontier countries such as Spain, Italy, and Greece, which face a disproportionate number of asylum applications due to their accessibility from the Mediterranean (Figure 1). Secondly, asylum seekers are often "trapped" in states with potentially

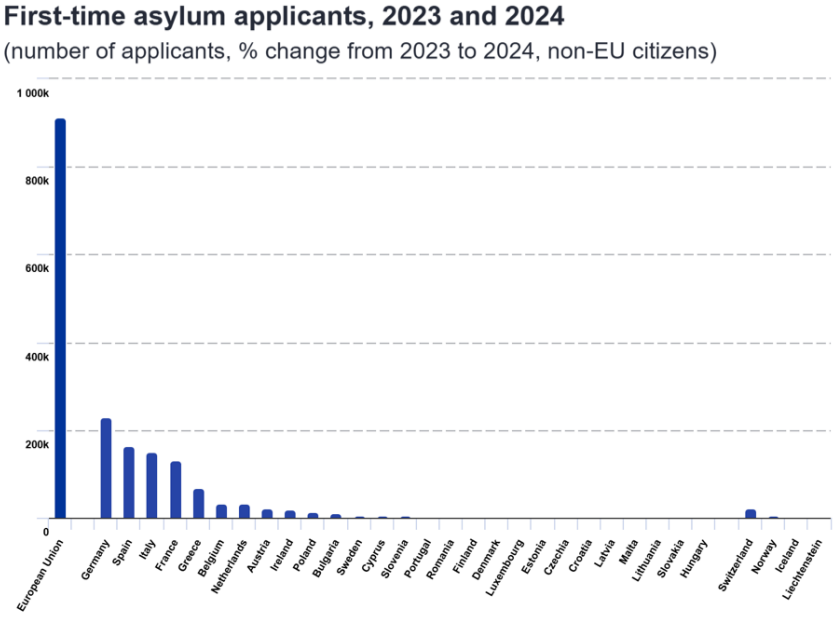

Figure 1. First-time asylum applicants, 2023 and 2024 (number of applicants, % change from 2023 to 2024, non-EU citizens).[13]

fragile economies and stressed social systems,[12] which are unable to ensure decent living conditions and are often overwhelmed by the amount of bureaucracy accompanying the asylum applications. This burden of reception is not adequately shared by the non-frontier countries, particularly in the North, undermining the envisaged solidarity mechanism. Thirdly, the framework encourages asylum seekers to avoid registration, fuelling irregular secondary flows and undermining the homogeneity of the common asylum system. Consequently, the frontier countries are in a constant state of emergency, while the situation is aggravating.

Although the Treaty of Lisbon introduced the principle of fair sharing of responsibility —Article 80 TFEU— back in 2009, the need for its implementation was dramatically highlighted only during the European migrant crisis of 2015-16, when decisions to relocate 34,700 asylum seekers from Greece and Italy were met with fierce resistance from the Visegrad group,[14] causing institutional upheaval. Since then, relocations have been carried out only on a voluntary basis, resulting

12 Charalambos Kasimis, "Greece: Illegal Immigration in the Midst of Crisis," *Migration Policy Institute*, March 8, 2012, http://www.migrationpolicy.org/article/greeceillegalimmigration-midst-crisis.

13 Eurostat, "First-time asylum applicants, 2023 and 2024 (number of applicants, % change from 2023 to 2024, non-EU citizens)," in *Asylum Applications – Annual Statistics* (Statistics-Explained, European Commission), [accessed on June 5, 2025] https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Asylum_applications_-_annual_statistics&oldid=382025#Where_to_asylum_seekers_make_their_application.3F.

14 Georgi Gotev, "Visegrad Summit Rejects Migrant Quotas," *Euractiv*, 2015, https://www.euractiv.com/section/politics/news/visegrad-summit-rejects-migrant-quotas/.

in only 5,000 people being transferred in 2022-24[15] —a figure that reveals how empty European "unity" remains. Therefore, binding solidarity is arguably not just a humanitarian imperative, but a necessary condition for the sustainability of the common immigration policy, the protection of borders without sacrificing human dignity, and, ultimately, for the preservation of the Union's cohesion.

This has become even more crucial recently, with the humanitarian crises in both Gaza and Ukraine,[16] and with migration flows expected to increase rapidly.[17] For instance, the armed conflict in Ukraine has already caused the displacement of millions of individuals, many of whom have sought protection in Europe.[18] According to the International Organisation for Migration, this is expected to intensify migratory pressures on the continent even further and intensify long-standing disputes over equitable burden sharing among Member States.[19]

Hungary's Divergence from the Common EU Approach: A Timeline of Events

Amid these structural deficiencies of the EU's asylum system, Hungary is now moving toward migration autonomy, rejecting the coordinated European line on the redistribution of refugee flows and developing an increasingly contentious policy framework. The Budapest government, with the support of a significant part of the public opinion, argues that excessive EU intervention undermines the state's ability to effectively manage its borders.[20] On the other hand, the European Commission warns that this unilateral approach risks exacerbating the crisis for Member States pursuing the common policy,[21] undermining the solidarity and cohesion of the European project.[22]

However, this confrontation between Hungary and the EU on asylum did not emerge recently, since Budapest's resistance became particularly visible in the aftermath of the 2015 European migrant crisis. Hungary —claiming a «refugee crisis»— adopted a law establishing transit zones on the border with Serbia and introducing the concept

15 European Commission, "Voluntary Solidarity Mechanism: 5,000 Asylum Seekers Relocated Ahead of the Mechanism's Transition to the New Solidarity Framework," *European Commission*, June 14, 2024, https://home-affairs.ec.europa.eu/news/voluntary-solidarity-mechanism-5000-asylum-seekers-relocated-ahead-mechanisms-transition-new-2024-06-14_en.

16 New Arab, "Palestinian Asylum Applications to the EU Surge to Record High," *New Arab*, June 5, 2025, https://www.newarab.com/news/palestinian-asylum-applications-eu-surge-record-high.

17 International Centre for Migration Policy Development (ICMPD), "Migration Outlook 2025: Inflows to Europe Stabilise, but 'Trump 2.0,' Ukraine and Syria Pose Looming Challenges for the EU," *ICMPD*, February 28, 2025, https://www.icmpd.org/news/migration-outlook-2025-inflows-to-europe-stabilise-but-trump-2.0-ukraine-and-syria-pose-looming-challenges-for-the-eu.

18 International Organization for Migration, "Crisis in Ukraine," *IOM*, [accessed on June 5, 2025] https://www.iom.int/crisis-ukraine.

19 ICMPD, *Migration Outlook 2025*.

20 Hungary Today, "Hungary Hopes for a Change in EU Migration Policy," *Hungary Today*, February 3, 2025, https://hungarytoday.hu/hungary-hopes-for-a-change-in-eu-migration-policy/.

21 Euractiv, "Czech Republic, Hungary and Poland 'Breached EU Law' by Refusing Refugees," *Euractiv*, April 2, 2020, https://www.euractiv.com/section/politics/news/czech-republic-hungary-and-poland-breached-eu-law-by-refusing-refugees/.

22 Micaela Del Monte and Anita Orav, *Solidarity in EU Asylum Policy* (European Parliamentary Research Service, 2024), https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649344/EPRS_BRI(2020)649344_EN.pdf.

of "*crisis due to mass migration,*"[23] allowing the government to apply stricter rules on an exceptional basis as a supposedly general regime. In 2017, newer legislation broadened the criteria for declaring a crisis, to such an extent that these became incompatible with those set at the European level.

The European Commission argued that Hungary's asylum legislation is incompatible with EU law and that the measures taken violated the Procedures and Reception Directives.[24] Hungary, stating an effort to protect its national sovereignty and security, responded that the intense migratory pressure in the EU legitimises derogations under Article 72 TFEU on public policy and internal security.[25] However, the Court of Justice of the European Union (CJEU) rejected the argument, ruling that neither the creation of the zones nor the summary returns are justified as legitimate exceptions,[26] thus confirming the Commission's position.

In June 2024, the CJEU fined Hungary €200 million for violating fundamental provisions of the Common European Acquis on asylum, following the Judgment of 17 December 2020.[27] Firstly, the Court ruled that the Hungarian authorities illegally restricted asylum seekers to «transit zones» on the border with Serbia. Secondly, it ruled that they should be deported before the applicants could appeal against the initial refusal.[28] In other words, Hungary has deprived applicants of the right to effective access to a fair procedure and effective judicial protection —a practice that is contrary to both the Dublin Regulation and the rules set out by the Reception and Return Directive.[29]

According to the press release published by the CJEU on 13 June of 2024, by refusing to fully implement the common European policy on asylum and return procedures for irregular migrants, Hungary is in clear violation of the principle of sincere cooperation. As is highlighted in the official document, "*that conduct constitutes a serious threat to the unity of EU law,*"[30] affecting the rights of the applicants for international protection on the one hand and the collective public interest on the other. Furthermore, the conduct transfers to the other Member States —along with the financial costs— the responsibility for housing applicants, examining their applications, and repatriating those who remain illegally, ultimately eroding the

23 European Council on Refugees and Exiles, "Hungary Government Extends the State of Crisis Due to Mass Migration," *ECRE*, April 6, 2023, https://ecre.org/hungary-government-extends-the-state-of-crisis-due-to-mass-migration/; InfoMigrants, "How Hungary is Violating EU Law on Refugees," *InfoMigrants*, November 9, 2021, https://www.infomigrants.net/en/post/30148/how-hungary-is-violating-eu-law-on-refugees.

24 European Commission, "Commission Follows Up on Infringement Procedure against Hungary Concerning Its Asylum Law," *European Commission*, May 17, 2017, https://ec.europa.eu/commission/presscorner/detail/en/ip_17_1285.

25 Jorge Liboreiro, "Hungary misses first deadline to pay €200 million fine imposed by ECJ," *Euronews*, September 2, 2024, https://www.euronews.com/my-europe/2024/09/02/hungary-misses-first-deadline-to-pay-200-million-fine-imposed-by-ecj.

26 Judgment in Case C-808/18 Commission v Hungary, Press Release No 161/20 Luxembourg, Court of Justice of the European Union, December 17, 2020, https://curia.europa.eu/juris/document/document.jsf?text=&docid=235703&pageIndex=0&doclang=EN&mode=lst&dir=&occ=first&part=1&cid=1211461.http://www.curia.europa.eu/.

27 CJEU, Commission v. Hungary, Case C-808/18 (Press Release No 161/20, December 17, 2020).

28 Emilia Möbius and Csongor Körömi, "Hungary is 'ready' to file lawsuit against Brussels in asylum fight, Budapest says," *Politico*, September 12, 2024, https://www.politico.eu/article/hungary-lawsuit-european-commission-asylum-migration-gergely-gulyas-prime-minister-viktor-orban/.

29 Judgment of the Court in Case C-123/22 Commission v Hungary, Press Release No 99/24 Luxembourg, Court of Justice of the European Union, June 13, 2024, http://www.curia.europa.eu/.

30 CJEU, Commission v. Hungary, Case C-123/22 (Press Release No 99/24, June 13, 2024).

fundamental rule of solidarity and the fair distribution of responsibilities.

In this context, there is a devaluation of primary European law —namely the TFEU, which enshrines the agreement of Member States with the EU institutions. This undermining is mainly due to the fact that some Member States, such as Hungary and Poland,[31] show limited interest in fundamental concepts such as solidarity and fair sharing of responsibilities, which are central to the TFEU.[32] Therefore, the Union is losing its original unity-based purpose, raising critical questions among both its Member States and other international actors about its future and the real prospects for achieving unity. This variation in national approaches also exposes the burden passed on to all other EU Member States, especially the frontier countries, such as Greece and Italy,[33] while highlighting the need for the Union to maintain its role as an agent of instrumentalisation of the EU's common values in order to ensure that Member States remain in alignment with these values.

The New Pact on Migration and Asylum and Hungary's "Independent" Stance

Under Viktor Orbán's leadership, the Hungarian government continues to challenge the fundamental principles of the EU, particularly on issues of democratic governance and the rule of law,[34] by promoting a more centralised state model that limits the independence of institutions, ultimately prompting the EU to resort to sanctions as a measure of last resort.[35] This strategy, based on referenda,[36] constitutional amendments,[37] and a constant "state of crisis" reinforces internal polarisation, marginalises pro-European voices,[38] and limits the scope for consensus, making any institutional alignment of Hungary with the EU's solidarity principle even more difficult.

Regarding migration policy, although Hungary has formally adopted the EU's common regulatory framework on immigration, it has indeed openly questioned certain policies supporting less strict internal border controls and the redistribution of refugees through EU mechanisms.[39] In parallel, by embracing its important role within the Visegrad Group (Czech Republic, Hungary, Poland, Slovakia) —a regional political alliance

31 Isabella Leroy, "How Poland and Hungary were put in a minority position on the relocation of refugees (2015-2019)," *Sciences Po Bibliothèque*, https://dossiers-bibliotheque.sciencespo.fr/une-vie-politique-europeenne-european-political-life/how-poland-and-hungary-were-put-minority.

32 European Parliament Think Tank, "Solidarity in EU asylum policy", September 2, 2024, https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2020)649344.

33 Galeone, "The Problem with the Dublin Regulation."

34 Sandor Zsiros, "EU countries 'losing patience' as Hungary grilled on Pride march and rule of law," *Euronews*, May 27, 2025, https://www.euronews.com/my-europe/2025/05/27/eu-countries-losing-patience-as-hungary-grilled-on-pride-march-rule-of-law.

35 Zsuzsanna Végh, "Hungary: The EU's Troublemaker," in *Keeping Europeans Together: Assessing the State of EU Cohesion* (2016), 72–75, https://www.jstor.org/stable/resrep21671.17.

36 Leroy, "How Poland and Hungary were put in a minority position."

37 Sandor Zsiros, "European Parliament to stage urgent debate on Hungary's 'spring clean' law," *Euronews*, May 20, 2025, https://www.euronews.com/my-europe/2025/05/20/european-parliament-to-stage-urgent-debate-on-hungarys-spring-clean-law.

38 Ashifa Kassam, "EU urged to act over Hungary's plans to 'effectively outlaw free press", *The Guardian*, May 21, 2025, https://www.theguardian.com/world/2025/may/21/eu-urged-to-act-over-hungarian-legislation-which-could-restrict-free-press.

39 Irina Molodikova, "Hungary and the System of European Transit Migration," in *Transit Migration in Europe* (Amsterdam University Press, 2014), 153–184, https://www.jstor.org/stable/j.ctt12877m5.10.

that is united under its common vision for European integration— it bases its policy on the rejection of certain proposals made by the European Commission.[40]

It is important to note that the originally strong and united stance of the Visegrad Group toward the European migration policy is now gradually weakened, since only Poland and Hungary continue to reject the new solidarity mechanism recently adopted by the Council.[41] In contrast, the Czech Republic and Slovakia —traditional partners in the Visegrad alliance— have formally supported the plan, weakening the previously unified political line. The need to find a solution at the EU level has been underlined both by the Czech Prime Minister, Petr Fiala, and his Slovak counterpart, Ľudovít Ódor,[42] confirming that the V4 group no longer functions as a solid front on migration.[43]

Beyond the criticism, Hungary has taken initiatives to serve its national interests, such as lodging a request for an opt-out from the new EU Pact on Migration and Asylum,[44] which is expected to come into force in 2026. Since the presentation of the final reform of the Pact, both Poland and Hungary —the most vocal critics of the pact— have continually voted against it, arguing that the mandatory dimension undermines their national sovereignty.[45]

The focal point and key innovation of the New Pact on Migration and Asylum is considered to be the compulsory solidarity mechanism, which is proposed in the Asylum and Migration Management Regulation (AMMR), one of the pact's main pillars (Figures 2, 3).[46] According to the AMMR, each Member State has to contribute to the management of asylum seekers by choosing one of three options: (a) either to relocate a fixed number of people, (b) to pay €20,000 for each person it does not accept to relocate, or (c) to fund operational support (e.g., sending staff, equipment or infrastructure to frontline states).[47] The rationale is to ensure that all members participate in a measurable way to remove the long-standing burden imbalance and to ensure assistance to

40 Végh, "Hungary: The EU's Troublemaker," 74.
41 Jorge Liboreiro, "EU Completes Reform of Migration Rules Despite Poland and Hungary Voting against," *Euronews*, May 14, 2024,https://www.euronews.com/my-europe/2024/05/14/eu-completes-reform-of-migration-rules-despite-poland-and-hungary-voting-against.
42 Krzysztof Mularczyk, "Visegrad Four fail to agree Migration Pact position," *Brussels Signal*, June 27, 2023, https://brusselssignal.eu/2023/06/visegrad-four-fail-to-agree-migration-pact-position/.
43 Aneta Zachová, "Visegrad divided on migration policy despite past alliances," *Euractiv*, July 6, 2023, https://www.euractiv.com/section/politics/news/visegrad-divided-on-migration-policy-despite-past-alliances/.
44 Joe Stanley-Smith, "Hungary Piggybacks on Dutch EU Migration Opt-Out Request," *Politico*, September 18, 2024, https://www.politico.eu/article/hungary-netherlands-opt-out-eu-migration-asylum-policies-janos-boka/
45 Jorge Liboreiro, "Poland will not implement Migration Pact, Donald Tusk tells Ursula von der Leyen," *Euronews*, February 7, 2025,https://www.euronews.com/my-europe/2025/02/07/poland-will-not-implement-migration-pact-donald-tusk-tells-ursula-von-der-leyen.
46 Council of the European Union, "Migration Policy: Council Reaches Agreement on Key Asylum and Migration Laws," *Council of the European Union*, June 8, 2023, https://www.consilium.europa.eu/en/press/press-releases/2023/06/08/migration-policy-council-reaches-agreement-on-key-asylum-and-migration-laws/.
47 Vincenzo Genovese, Mared Gwyn Jones, and Jorge Liboreiro, "EU Countries Not Enforcing Migration Pact Could Face Legal Action Says Johansson," *Euronews*, April 11, 2024, https://www.euronews.com/my-europe/2024/04/11/eu-countries-not-enforcing-migration-pact-could-face-legal-action-says-johansson.

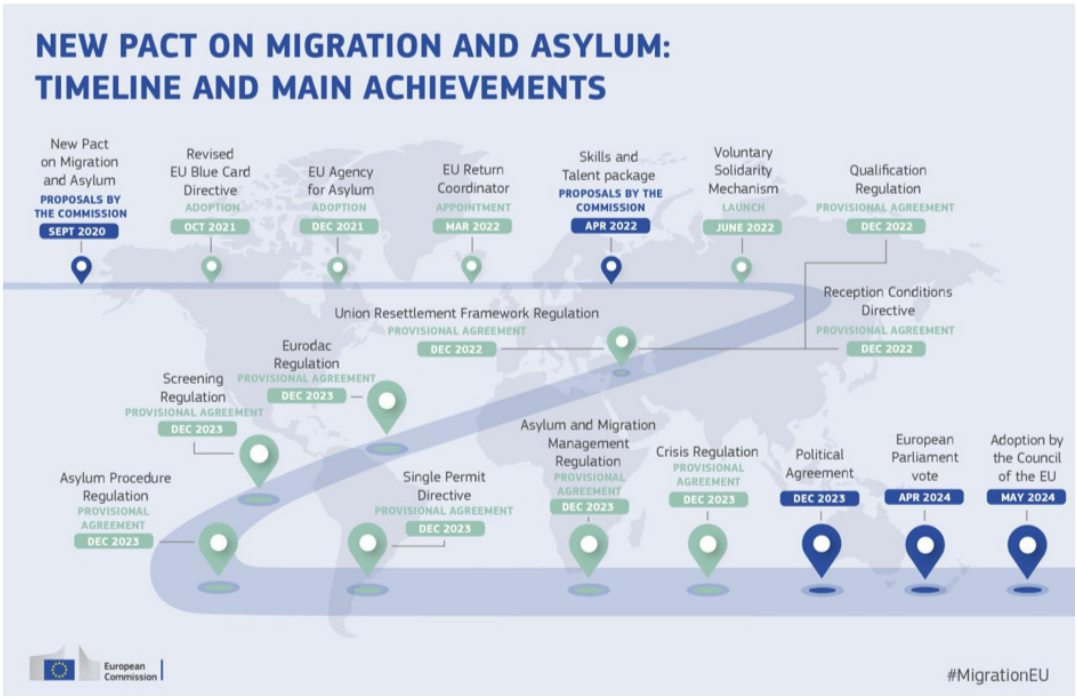

Figure 2. Timeline and main achievements of the New Pact on Migration and Asylum.[49]

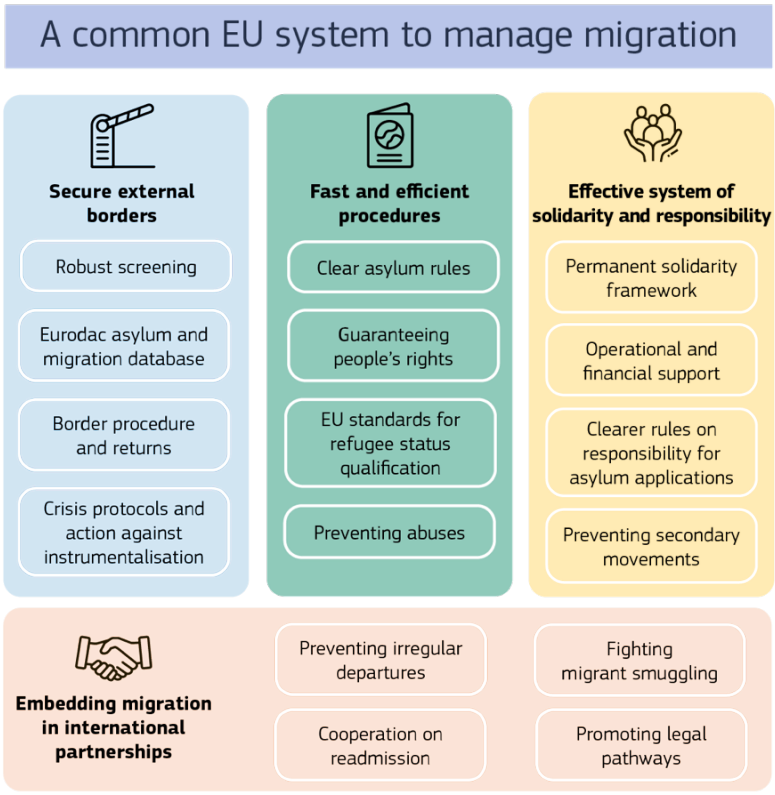

Figure 3. Asylum and Migration Management Regulation (a set of new rules managing migration and establishing a common asylum system).[50]

countries "*under pressure*".[48]

Observations on the Implications of Divergent Approaches

While Hungary's request to opt out from the EU's Migration and Asylum Pact falls entirely within its legal rights as a Member State, the act of unilaterally opting out is not permitted.[51] Nonetheless, even the request alone signals a clear divergence from the collective spirit underpinning the new solidarity mechanisms. This persistent balancing act between asserting national sovereignty and meeting European commitments continues to position Hungary as one of the EU's most controversial actors, with significant consequences for both its domestic political dynamics and the overall cohesion of the Union. The Orbán government's insistence on the national exception as a response to the obligations of the new Migration and Asylum Pact functions primarily as an instrument to gain national political legitimacy,[52] which, by extension, exacerbates the conflict with Brussels.[53]

In this context, what is increasingly at stake is not only the implementation of EU policy, but the perceived relevance of primary European law itself —particularly the TFEU, which enshrines core principles such as solidarity and fair burden-sharing among Member States.[54] While solidarity has often been treated as an abstract or symbolic notion —easily overlooked in times of political tension— the AMMR marks a shift toward operationalising this value. By placing solidarity at the heart of the EU's migration strategy, the Pact gives it concrete expression through structured mechanisms of responsibility-sharing and support. Nevertheless, the resistance of certain Member States, notably Hungary and Poland,[55] to meaningfully engage with these obligations reveals an ongoing tension between national preferences and the collective commitments enshrined in EU law —undermining not only the policy framework, but the very spirit of Union-wide cohesion.

Conclusion

Hungary's persistent resistance to the EU's solidarity principles does not simply reflect a national preference, but rather carries consequences far beyond asylum governance, by destabilising the constitutional order of the Union and the

48 European Commission, "Managing Migration Responsibly," *European Commission*, July 9, 2024, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/story-von-der-leyen-commission/managing-migration-responsibly_en; European Commission, Pact on Migration and Asylum (2024), https://home-affairs.ec.europa.eu/policies/migration-and-asylum/pact-migration-and-asylum_en.

49 European Commission, "Timeline and main achievements of the New Pact on Migration and Asylum", Directorate-General for Migration and Home Affairs (2024), https://home-affairs.ec.europa.eu/policies/migration-and-asylum/pact-migration-and-asylum_en.

50 European Commission, Directorate-General for Migration and Home Affairs, "A common EU system to manage migration," *European Commission* (2024), https://home-affairs.ec.europa.eu/policies/migration-and-asylum/pact-migration-and-asylum_en.

51 EUR-Lex, "Migration and Asylum," accessed August 29, 2025, https://eur-lex.europa.eu/EN/legal-content/glossary/migration-and-asylum.html

52 Hungary Today, "Orbán and Fico Stress the Importance of National Sovereignty at Meeting," *Hungary Today*, April 29, 2025, https://hungarytoday.hu/orban-and-fico-stresses-the-importance-of-national-sovereignty-at-meeting/.

53 Jorge Liboreiro, "Brussels takes Hungary to court over its controversial 'national sovereignty' law," *Euronews*, October 3, 2024, https://www.euronews.com/my-europe/2024/10/03/brussels-takes-hungary-to-court-over-its-controversial-national-sovereignty-law.

54 European Parliament Think Tank, "Solidarity in EU asylum policy," *European Parliament Think Tank*, September 2, 2024, https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2020)649344.

55 Leroy, "How Poland and Hungary were put in a minority position."

very principle of shared responsibility on which the Union's asylum system is built. By rejecting the binding redistribution principles of the new Asylum and Migration Management Regulation, disregarding CJEU rulings and engaging in unlawful push-backs, other Member States are heavily burdened with financial and humanitarian costs. Over time, this process changes the very nature of solidarity, from a legal obligation to a political choice, and ceases to be subject to the legislative framework that originally defined it.

Therefore, the form of the asylum regime could potentially start tending toward decentralisation and fragmentation, while the authority of Union law, as well as the principle of sincere cooperation, could be called into question. Such divergence risks normalising exemption seeking, eroding the EU's stabilising role, and leaving the Union less equipped to confront today's complex migratory challenges. The mission of the Union is thus to strengthen the concept of solidarity, no longer as an abstract and symbolic notion, but as a concrete plan that will ensure the Union's credibility in managing migration in the long term.

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Disinformation, Subversion, and the Challenge of Resilience for Democracies

Alessia Maira

Introduction

Western democracies increasingly face the difficult challenge of countering disinformation campaigns while navigating a complex dialogue with private actors, such as social media platforms and news providers. State and non-state sponsored influence operations often manifest as online propaganda and fake news and seek to exploit open information environments to polarise societies and undermine trust in democratic institutions.[2] This renders striking a balance between regulating the online sphere and protecting freedom of speech a Herculean task. Democratic governments are tasked to find innovative ways to curb harmful, false, and propagandistic content without eroding the very civil liberties that they aim to defend. This article argues that online-enabled disinformation constitutes a threat that cannot be addressed by traditional methods alone: effective mitigation requires rethinking policy frameworks and forging closer collaboration between government, industry, and civil society.

Background

The establishment of cyber power —the capacity to achieve desired outcomes by leveraging electronically interconnected information resources— allows hostile states to exploit the vulnerabilities of their target's technological infrastructure, from afar and without very high costs.[3] While "*cyber power*" exists in the cyber domain —the digital realm of networked information systems, now regarded as the fifth domain of war alongside land, sea, air, and space— it has expanded the ways both state and non-state actors project power.[4] More importantly, it allows adversaries to manipulate public opinion and disrupt the electoral processes of other nations, achieving their own political aims without open violence.[5]

This activity can also be described by subversion, which refers to covert efforts to destabilise or undermine a society or government, exploiting vulnerabilities in the information environment to pursue strategic objectives below the threshold of war while maintaining plausible

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2 Andreas Krieg and Jean-Marc Rickli, *Surrogate Warfare: The Transformation of War in the Twenty-First Century* (Georgetown University Press, 2019): 85.

3 Enescan Lorci, "Assessing Power and Hierarchy in Cyberspace: An Approach of Power Transition Theory," *Applied Cybersecurity & Internet Governance* 3, no. 2 (2024): 7–37, https://doi.org/10.60097/ACIG/190481.

4 Julia Voo *et al.*, *Reconceptualizing Cyber Power* (Belfer Center for Science and International Affairs, 2020), https://www.belfercenter.org/publication/reconceptualizing-cyber-power.

5 Baris Kirdemir, "Hostile Influence and Emerging Cognitive Threats in Cyberspace," *Centre for Economics and Foreign Policy Studies*, (2019): 1.

deniability.[6] In addition, low costs of access, anonymity, and attribution issues have facilitated subversion through cyber means.[7] Results have been widespread and have had large, measured impact on societies, causing societal distancing and lowering trust in governments.[8]

Disinformation as a Subversive Tool

The use of disinformation to weaken adversaries is not a new phenomenon, but in the digital age it has become a central instrument of geopolitical competition. Subversion, which is broadly defined as clandestine or deceptive activity aimed at undermining the authority or stability of an institution or state, often includes tactics such as propaganda, psychological operations, and the fomenting of social unrest.[9] During the Cold War, both the Western and Eastern bloc powers engaged in subversive information campaigns (the so-called "*active measures*" in Soviet terminology)[10] to erode each other's influence.[11] Today, the connectivity of the internet multiplies the reach and speed of such efforts to an even greater extent, enabling foreign actors to directly target a population simply through social media.

One prominent example is Russia's online influence operations. This includes the use of "*troll farms*" and orchestrated social media campaigns to spread false narratives during election cycles in the US and Europe.[12] During the 2016 US Presidential election, Russia engaged in a complex disinformation campaign utilising state-sponsored entities to implement multiple cyber-attacks, disinformation campaigns, and social media manipulation targeted at the US public with the goal to exploit pre-existing societal divides, amplify polarising narratives, and influence the outcome of the election.[13] In a joint statement by the Department of Homeland Security (DHS) and the Director of National Intelligence (DNI), the US Intelligence Community (USIC) confidently asserted the intention of the Russian Government to interfere in the US election process.[14] Their manipulation mainly took place through the use of privately owned platforms (e.g., Facebook, Twitter, Reddit, 9GAG, 4Chan, etc.), which made it harder to assess the extent of the operation, slowing down attribution.[15]

Russia already has a long history of cyber-attacks and cyber operations executed against other countries, both via conventional means (*offline*) and

6 Kiril Avramov, *Review: Subversion: the Strategic Weaponization of Narratives* by Andreas Krieg (Ethics & International Affairs: 2024), https://www.ethicsandinternationalaffairs.org/journal/subversion-the-strategic-weaponization-of-narratives.
7 Sean Cordey, "Cyber Influence Operations: An Overview and Comparative Analysis" (Center for Security Studies (CSS), ETH Zurich: 2019), 13,https://css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/Cyber-Reports-2019-10-CyberInfluence.pdf.
8 Gabriel Sanchez and Keesha Middlemass, "Misinformation Is Eroding the Public's Confidence in Democracy," *Brookings*, July 26, 2022, https://www.brookings.edu/articles/misinformation-is-eroding-the-publics-confidence-in-democracy/.
9 William Rosenau, "Subversion Old and New," *War on the Rocks*, April 24, 2014, https://warontherocks.com/2014/04/subversion-old-and-new/.
10 Avramov, *Review: Subversion*.
11 Thomas Rid, *Active Measures: The Secret History of Disinformation and Political Warfare* (Farrar, Straus & Giroux, 2020), 30–45.
12 American Constitution Society, "Key Findings of the Mueller Report | ACS," *American Constitution Society*, July 22, 2019, https://www.acslaw.org/projects/the-presidential-investigation-education-project/other-resources/key-findings-of-the-mueller-report/.
13 Kathleen Hall Jamieson, *Cyberwar: How Russian Hackers and Trolls Helped Elect a President: What We Don't, Can't, and Do Know* (Oxford University Press: 2020), 6.
14 US Department of Homeland Security, *Joint Statement from the Department of Homeland Security and Office of the Director of National Intelligence on Election Security* (DHS Press Office: 2016), https://www.dhs.gov/news/2016/10/07/joint-statement-department-homeland-security-and-office-director-national.
15 Jamieson, *Cyberwar*, 68–69.

increasingly via the internet. Notable examples of the latter include subversion during the 2014 Ukrainian crisis, which then resulted in the annexation of Crimea and unrests in the Donbass region,[16] and the power grid cyberattack on Ukraine in 2015, which left more than 230,000 residents of the area without power for several hours.[17] In both situations, Russian state-sponsored entities engaged either in targeted cyber-attacks, disinformation campaigns, and the dissemination of propaganda to manipulate the public opinion or the networks of their target country.

Challenges in Countering "Cyber" Subversion

Why is it so difficult to combat these subversive threats? The policy challenges are multi-faceted, stemming from legal, strategic, and normative dilemmas. A first obstacle is the protection of freedom of expression. Western liberal societies are bound by laws and values that strongly safeguard speech and freedom of the press, which disinformation actors exploit. Governments are simply unable to outlaw "false" content without violating constitutional rights or international human rights norms. Additionally, any legislation against "fake news" risks being misused: history shows that so-called fake news laws can be co-opted as weapons to silence dissent or critical voices.[18] Therefore, democratic policymakers face a paradox: how to defend an open information environment from abuse without undermining freedom of speech itself.

A second challenge lies in attribution and jurisdiction. In the borderless cyber domain, disinformation campaigns often originate outside the target country. Identifying the source of a foreign influence operation with high confidence is difficult, and even when actors are exposed (such as Russia's Internet Research Agency), holding them accountable across jurisdictions is a near-impossible task fraught with diplomatic and legal issues.[19] Because these activities are ambiguous and operate below the threshold of overt aggression, response is complicated, and the concept of self-defense under international law is not triggered. This leaves a grey zone in which hostile influence is active, but traditional military response is not a viable option.

Another major challenge is the reliance on private sector platforms to police and monitor the information space. Social media companies such as Facebook, X, and YouTube are the primary arenas where disinformation spreads, yet they are private enterprises with their own interests and policies. While governments and tech firms do collaborate to some extent (for example, sharing threat intelligence or cooperating on removing terrorist content), significant gaps and tensions persist. Platforms have

16 Julio Bacio Terracino and Craig Matasick, "Disinformation and Russia's war of aggression against Ukraine: Threats and governance responses," *OECD*, November 3, 2022, https://www.oecd.org/ukraine-hub/policy-responses/disinformation-and-russia-s-war-of-aggression-against-ukraine-37186bde.

17 Council on Foreign Relations, *Compromise of a power grid in Eastern Ukraine* (Council on Foreign Relations, 2015), https://www.cfr.org/cyber-operations/compromise-power-grid-eastern-ukraine.

18 Open Government Partnership, "Disinformation and Information Integrity - Open Government Partnership," *Open Government Partnership*, June 23, 2025,https://www.opengovpartnership.org/policy-area/disinformation-information-integrity/.

19 Michael Kelley, "Understanding Russian Disinformation and How the Joint Force Can Address It," *US Army War College - Publications*, May 29, 2024, https://publications.armywarcollege.edu/News/Display/Article/3789933/understanding-russian-disinformation-and-how-the-joint-force-can-address-it/.

economic incentives that do not always align with curbing disinformation: their advertising-driven business models thrive on user engagement, and outrage or sensationalism, which false news often provides, can increase traffic.[20] Content moderation at scale is also inherently difficult: companies argue that distinguishing harmful disinformation from satire or legitimate political speech is not always straightforward, and they resist being the arbiters of truth.[21] These inconsistencies undermine trust in platforms' willingness to tackle disinformation impartially.

The divergence between government objectives and private sector incentives creates a policy gap. Democratic governments seek to protect national security and electoral integrity by curbing foreign propaganda, but they often lack regulatory leverage or real-time access to data on platform content. Companies, on the other hand, fear over-regulation and argue that they should not be solely responsible for policing the global internet. In fact, some tech firms have called for clearer government rules rather than self-regulation in this domain.[22] Bridging this gap is challenging: too much government intervention raises censorship concerns, while too little leaves platform policies as the only defence against malign influence. The result is an uneasy public-private partnership, still in evolution, grappling with questions of transparency, data sharing, and oversight.

False narratives can flood public discourse in minutes, while official fact-checking or policy responses move slowly. By the time authorities debunk a viral falsehood, the damage is often already done. This asymmetry between offence and defence in the information space means that democracies are perpetually reacting rather than preventing the spread of subversive content. Additionally, the cognitive dimension must be considered: disinformation often exploits emotional triggers and cognitive biases, making people less receptive to corrections. The struggle is not only technical or regulatory but fundamentally human —about resilience of societal attitudes and trust.

Conventional security paradigms are still catching up to these realities. The concept of deterrence, for instance, is hard to apply to disinformation operations. The threat of retaliation is less credible when the aggressor's actions are deniable and incremental, and when any response runs up against legal limits in peacetime. As a result, adversaries calculate that they can pursue influence campaigns with relatively low risk. This emboldens further subversion attempts, creating a cat-and-mouse dynamic where democracies must constantly shore up their defences without stifling the freedoms that make them open societies.

Conclusion

This article has examined how disinformation can serve as a tool of subversion, exploiting the openness of democratic societies and eroding trust in

20 Anshu Siripurapu and William Merrow, "Social Media and Online Speech: How Should Countries Regulate Tech Giants?," *Council on Foreign Relations*, February 9, 2021, https://www.cfr.org/in-brief/social-media-and-online-speech-how-should-countries-regulate-tech-giants.
21 *Ibid.*
22 *Ibid.*

institutions by targeting their information environments. It discussed that traditional security concepts such as deterrence, attribution, and conventional defense are ill-equipped to confront threats that thrive on ambiguity, deniability, and speed. The analysis showed that democratic states face challenges such as protecting freedom of expression while limiting harmful content, the challenge of attributing across borders and jurisdictions, and the clash between public needs and private platform economic incentives. Together, these factors explain why democracies remain vulnerable to influence campaigns and why resilience cannot be reduced to reactive measures alone.

To deter and defend against future subversive attempts, a comprehensive set of policies needs to be implemented with increased attention to the abovementioned challenges. Governments should pursue a co-regulatory approach with the private sector. Regular vulnerability assessments and increased information sharing between governmental agencies and social media platforms should be the norm. Increased trust between the government, which has access to possible active disinformation campaigns, and private companies, which have access to content data, will encourage platforms to be transparent about incidents and sharing of data, especially in high-stake situations such as elections. Regulatory and technical recommendations should go hand in hand with attention to the *final consumers* of the information that circulates online, with the intent to improve how the former engages with the latter, as well as how (dis)information is presented and signposted. Non-invasive regulating measures could be implemented by social media platforms to limit the risk of disinformation campaigns gaining unnecessary traction. For example, only allowing ID-verified accounts to publish advertised contents could limit the quantity of disinformation that is fabricated or spread by troll accounts. Similarly, fact-checking mechanisms should be strengthened on social media platforms to signal to users when content comes from an unverified or recently created account. Lastly, democracies should increase cooperation to address the cross-border nature of cyber subversion. Because of the nature of the fifth domain, deterrence in cyberspace is "*inherently more challenging than nuclear or conventional deterrence, because such attacks are difficult to definitively attribute to a particular actor.*"[23] In cases of certain attribution, sanctions against nations who sponsor or directly engage in subversive cyber operations should include diplomatic, economic, and legal measures aimed at placing responsibility and holding responsible offenders accountable for their actions. Due to difficulties in attribution and yet undefined conduct standardisation, national and international cooperation efforts should also be directed toward deterrence and increasing technical and soft-skill capabilities mentioned in the two recommendations above.

What this article tried to demonstrate is that disinformation and subversion cannot be countered by governments, companies, or the civil society in isolation. The core goal was to show that resilience against these tactics requires a whole-of-

23 Stewart M. Patrick and David Gevarter, "NATO's Deterrence Problem: An Analog Strategy for a Digital Age," *Council on Foreign Relations*, August 8, 2018.

society and international approach, one that balances freedom of speech online with security, safeguards and strengthens public trust, and builds adaptability and awareness against hostile manipulation. The final implication is clear: defending against disinformation and subversion is not only about stopping falsehoods online, but about safeguarding the legitimacy and resilience of democracy itself in our current digital age.

SCHUMAN

The Machine and the Memory: Spain's Bureaucratic Warning to Modern Europe

by Manuel Pagura Ghioni [1]

"Spanish, the language of bureaucracy." — Ernest Hemingway, 1940[2]

Introduction

I have no direct experience with fascism, only a story. My grandmother, born in Mieres, north of Spain, drilled into my head the ghosts of her past. She endlessly talked about how each time Falangist boots passed through the streets, everyone rushed to close their windows. I listened. Life, to those born after the war, was synonymous with hunger and cold. Common goods such as bread, coffee and shoes were anything but common. And if one wanted to get food, one had to join the long queue outside every store and obey the wordless despotism of a daily assigned ration card. The strict system of price controls tempted those products and their suppliers to end up on the black market. You could find everything there, from potatoes to tobacco, but you had to pay almost eight times the price. Food theft became the norm. Women got used to travelling with food under their skirts or hiding it in baby carriages.[3] Scarcity and fear were one with common sense in Fascist Spain.

She blamed many things and many people for this. She blamed Franco, and the brutality of the repression enabled by the laws of Suñer.[4] The *caudillo* divided families and their members. Some

INSIGHT

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2 Ernest Hemingway, *For Whom the Bell Tolls* (Scribner, 1940), 164.

3 Manuel Espín, *Vida cotidiana en la España de la posguerra [Daily life in post-war Spain]* (Almuzara, 2022), 44–45.

4 This refers to Ramón Serrano Suñer, a Spanish politician whose career lasted from 1933 to 1942. For more information and deep analysis, the following paper is recommended: Brian

of them, encouraged by the situation, falsely denounced their bloodlines to suffer capital punishment.[5] Silence was the anthem of a regime where bread was shared without small talk. She blamed autarky and the failure of Spain's economic programme. She condemned those posters and radio songs that portrayed a society so different from the one she remembered. She condemned the Church but never its scriptures. If I had known back then what I know now (almost twenty years later), I would have told her to blame just one more thing. Spain's administrative tradition, especially its bureaucracy. This article will rip that machine apart.

The Importance of the Study of Public Administration.

To understand public administration and bureaucracy is to comprehend how states work. To mend the Leviathan, you must first split it open and see for yourself how the organs work. Administrative systems are bureaucratic by design. They are the equivalent of ants. They exist everywhere, present in every form of government, from liberal democracies to authoritarian regimes.[6] They translate policy from paper to practice. This is what the citizens experience about the state daily.

Max Weber long ago warned that the legitimacy of the state rests not merely on elections or constitutional texts, but on the tedious work of how tax collectors treat citizens, how permits are issued, and how public policy is implemented. The bureaucrat's decisions, however banal, are the state's handshake with its citizens.[7] As it sometimes happens with people, a handshake that is everything but firm can erode our trust in them. Bureaucracy is where policy becomes reality. Bureaucracy is the visible hand of the state. To examine public administration is to reveal how power takes form and how ideals and values are operationalised in public action. If institutions are the most important thing, one should strive to know what makes them work and under what conditions they can be reformed.[8]

Authoritarian states underscore this better than anyone. All these regimes have relied on administrative systems not only for economic modernisation but also for the mundane mechanics of social control. Bureaucracies in such settings often become hybrid creatures. Part technocratic machine, part political instrument. This reveals that even absolute political will is mediated by the structure and capacity of the administrative apparatus.[9]

Before moving forward, it is important to address a core concept in the field, administrative traditions.[10] Traditions are a persistent pattern of behaviour. Paradoxically, the pattern is anchored in the past but involves dynamic effects. Administrative structures are rooted in the larger political order and shaped by the struggles within it. These structures are not relics. They remain active forces,

David Hill, "The supreme brother-in-law: Ramón Serrano Suñer and Spanish Fascism during the Franco Regime" (Master's diss., James Madison University, 2011).

5 Fernando Vizcaíno Casas, *La España de la posguerra (1939–1953) [Postwar Spain (1939–1953)]* (Editorial Planeta, 1976), 54.

6 Jos C. N. Raadschelders, Theo A. J. Toonen, and Frits M. Van der Meer, The Civil Service in the 21st Century: Comparative Perspectives (Basingstoke: Palgrave Macmillan, 2007).

7 Max Weber, "Politics as a Vocation," in *From Max Weber: Essays in Sociology*, ed. H. H. Gerth and C. Wright Mills (New York: Oxford University Press, 1946), 95–99.

8 Bo Rothstein, *Just Institutions Matter: The Moral and Political Logic of the Universal Welfare State* (Cambridge: Cambridge University Press, 1998), 106.

9 Carlos R. Alba and Carmen Navarro, "Administrative Tradition and Reforms in Spain: Adaptation Versus Innovation," *Public Administration* 89, no. 3 (2011): 788–790.

10 Martin Painter, *Tradition and public administration* (Springer, 2016), 5.

setting habits, expectations, and limits on how public bureaucracies behave.[11] Among the many administrative traditions, only the Napoleonic interests this article. It is this tradition, and the imprint it left on the Spanish state and its administration, to which I now turn.

The Administrative Tradition that the Fascists Took Over.

The Spanish state, like many others in Europe, is full of paradoxes, one of which lies in the establishment of its administrative structure. We must go back two centuries. Here, I am referring to the Spanish War of Independence in 1808. This brutal conflict, now immortalised by Francisco Goya in his masterpiece called *"Los Fusilamientos,"* the painting showed how the same Spanish people who rebelled against the Napoleonic Empire adopted its administrative model for everything. The legal codes, administrative law, public administration model, and administrative corps from Napoleonic France became the norm. The Napoleonic tradition entered the scene through violence and remained dominant even after the Corsican brother was deposed.

An administrative machinery shaped by the values of liberalism and inspired by Diderot's *Encyclopédie* took over governance. The state assumed the role of promoter and protector of private property. Centralism, uniformity, and the desire to keep public employees away from political manoeuvring were the three core elements of the administrative tradition.[12] Especially in France, where there seem to be relatively more intense interconnections of political and administrative careers than in the other countries that adopted the tradition.[13] Once anchored in the bases of the administration, the structure naturally enters its dynamic phase. It is in this dynamism that the tradition quickly tangled itself in contradictions. This contradiction reflects its dual logic, upholding legal-rational authority while empowering the executive to use administrative appointments as instruments of political control. The context in which the system operated also played a big role in shaping the machine.

The spoils system, called *cesantías*, soon became the norm. The practice is simple to explain. Public offices were sold or gifted to political clients. After the Cádiz Constitution of 1812, jobs turned into electoral weapons. Civil governors and local politicians used them to buy loyalty. The outright sale of offices ended in 1872, but patronage endured long after. *Cesantías* were essential to the manipulation of the electoral contests Spain suffered during the 19th century.[14] Some electors from the district of La Carlota (Córdoba, Spain) denounced the general elections of 1840, observing that they had been conducted under the pressure of the district authorities, the vicar included, who controlled the polling station.[15]

Spain never built a unified civil service. Employees of the ministries changed each time the political wind shifted. Incompetent appointees filled desks. This permanent pool of office seekers with a vested interest in the fall of any government also tended to exacerbate political conflicts. From this chaos, an elite emerged, the *cuerpos*. Inspired by France's *grand corps*, they rose

11 B. Guy Peters, "The Napoleonic Tradition," International Journal of Public Sector Management 21, no. 2 (2008): 120-121.
12 Alba and Navarro, "Administrative Tradition and Reforms in Spain: Adaptation Versus Innovation," 783.
13 Martin Painter, *Tradition and public administration* (Springer, 2016), 178.
14 Victor Lapuente and Bo Rothstein, "Civil war Spain versus Swedish harmony: the quality of government factor," *Comparative Political Studies* 47, no. 10 (2014): 1429.
15 Oriol Luján, "When the Vote is Not the Only Factor:(Re) thinking Electoral Corruption in Nineteenth-Century Europe from the Electors' Perspective," *European History Quarterly* 53, no. 4 (2023): 620-640.

in the late 19th century. Professionals such as lawyers or engineers created the corps to shield themselves from the volatility of party politics. They wrote their own rules for recruitment and promotion. Exams, or *oposiciones,* were judged by their members. This created self-perpetuating groups and the frequent reappearance of the same family names in particular ministries, creating an inherited elite or *"dynasties."*[16]

Low pay bred another distortion. The bureaucrats were often simply fighting for a job in the context of the scarcity of employment opportunities and were eager to take second jobs both in the public and private sectors.[17]

Politics soaked the system. It was known that civil governors waved party flags and were appointed for loyalty, not skill. It should be noted that one of the main characteristics of the Napoleonic traditions is legalism, which smothered initiative. The state became rigid, slow, and easy to twist. An elaborate machine designed to uphold order, yet forever vulnerable to the very politics it claimed to keep at bay.[18]

Promises of Modernity, Persistence of Tradition.

Spain's bureaucratic system experienced two major waves of reform before Franco, both ambitious yet limited by the traditional administrative model they aimed to transform. The Primo de Rivera dictatorship (1923–1930) and the Second Republic (1931–1936).

General Miguel Primo de Rivera seized power in September 1923 through a military coup. The slogan of the reform was "patriotism" and "reconstruction." His rule brought reforms, including a modern Ministry of Finance, cuts in expenses, and a reduction in the civil service. New autonomous bodies were created to manage public works, ports, railways, and state companies. Towns experienced municipal elections, a small step towards self-rule. This is how the new machinery started, in a new authoritarian order.[19]

By 1925, technocrats, engineers, economists, and lawyers had taken control of the bureaucratic administration. However, the old guard remained powerful, and Primo de Rivera's government could not diminish the influence of the elite administrative corps, whose privileges persisted.[20] Eventually, funding ran out. The *"extraordinary budget,"* which financed large projects and employment, was abolished. Economic pressures increased. Opposition grew from the left, and support from the right weakened. The regime fell apart.

The Second Republic inherited this machinery. Centralised, legalistic, obsessed with hierarchy. A century of *cesantías* was a heavy burden on those who tried to democratise the state. Universal suffrage arrived. However, politics and administration remained entangled with the old machine. Bureaucracy was the unreformed historical survivor that every new government that came to power inherited. A pre-democratic structure was then in the hands of a new democracy.[21]

Documented evidence shows the deep

16 Kenneth Medhurst, "The Political Presence of the Spanish Bureaucracy," *Government and Opposition* 4, no. 2 (1969): 235–249.
17 Alba and Navarro, "Administrative tradition and reforms in Spain: adaptation versus innovation," 785.
18 B. Guy Peters, "The Napoleonic Tradition," International Journal of Public Sector Management 21, no. 2 (2008): 180.
19 Shlomo Ben-Ami, "The Dictatorship of Primo de Rivera: A Political Reassessment," *Journal of Contemporary History* 12, no. 1 (1977): 65–84.
20 Kenneth Medhurst, "The Political Presence of the Spanish Bureaucracy," *Government and Opposition* 4, no. 2 (1969): 235–249.
21 Alba and Navarro, "Administrative tradition and reforms in Spain: adaptation versus innovation," 785.

politicisation of Spain's law enforcement agencies in the early Republic. The legal foundation changed as soon as possible, on April 15, 1931 (just one day after the Republic's proclamation), a decree granted the government sweeping authority to appoint Civil Governors, Director Generals, Sub-secretaries, and other high-ranking civilian and military officials.[22] It was a quiet but decisive shift. Authority was no longer neutral; it was political. Subsequent measures deepened this trend. On March 21, 1936, the Popular Front government issued another decree.[23]

This time, creating a new and essentially inactive position within the Civil Guard. Its purpose was not to function but to exclude. Officers deemed politically suspect were removed. The purge was significant: 65% of Civil Guard captains, 80% of majors, and nearly all colonels were dismissed from active posts. In their place, duties passed to the Assault Guards, newer, more ideologically reliable, and loyal to the Republic.[24]

The Assault Guards would become more than just a security force. On July 12, 1936, a group of them, including Luis Cuenca, a socialist militant, civil servant, and bureaucrat, were directly involved in the assassination of José Calvo Sotelo, a civil servant who played a key role in leading the opposition. The point of no return was reached. Within six days, on July 18, a group of generals launched their uprising. The war had begun, and bureaucracy had fired the first bullets.

The Bureaucracy that the Fascists Created

The evolution of the Franco regime's bureaucracy can be understood as a dialectic between ambitious modernisation (striving for a Weberian rationality) and the stubbornness of the Napoleonic tradition and Spain's deeply embedded administrative culture.

In the aftermath of his military victory, Franco constructed a hyper-centralised state apparatus that privileged personalist authority over legal-rational rule.[25] The administrative machine was staffed by loyalists, often recruited from pre-existing public service cadres, yet organisation proceeded not by law but by the Caudillo's providential control.[26]

The resulting structure foregrounded legal uniformity and bureaucratic professionalism, yet also entrenched centralism and judicial constraints over managerial innovation. The regime strove to institutionalise "politicisation from above" (top-down political appointments) and "politicisation from below" (active political engagement by bureaucrats), with the resulting fusion of politics and administration reinforcing the system's patrimonial and clientelistic features.

The transformative impulse emerged alongside the "technocratic reforms" of the late 1950s and 1960s. The regime found itself under economic pressures and a desire for legitimacy through progress.[27] The Laws of 1957 and 1963 were the conscious adoption of Weberian doctrine. Thus, a career meritocracy, characterised by the im-

22 Gaceta, (1931a, April 15), Decreto de Presidencia del Gobierno, retrieved from https://www.boe.es/gazeta/dias/1931/04/15/pdfs/GMD-1931-105.pdf
23 Alberto Rico Sánchez, "Retribuciones en la Guardia Civil: 1931-1936," *Ayer* (2008): 280.
24 Lapuente and Rothstein, "Civil war Spain versus Swedish harmony: the quality of government factor," 1431.
25 Juan Carlos Sales, "La necesaria institucionalización del carisma. Burocracia y caudillismo durante el régimen franquista," *Studia Humanitatis Journal* 4, no. 1 (2024): 135.
26 Kenneth Medhurst, "The political presence of the Spanish bureaucracy," *Government and Opposition* 4, no. 2 (1969): 239.
27 Paul H. Lewis, "The Spanish ministerial elite, 1938–1969," *Comparative Politics* 5, no. 1 (1972): 90.

personal application of rules, a stricter hierarchy, and the separation of career civil servants from political appointees, was implemented. The creation of the Centre for Training and Improvement of Civil Servants and the introduction of competitive examinations embodied this modernising zeal.[28] In its reforms, the Spanish government pushed toward greater administrative homogeneity and professionalism. Notably, technocrats, particularly those associated with Opus Dei (an institution of the Catholic Church), sought to subordinate factional claims, diminish the influence of the Falange, and rationalise policy implementation.[29]

Yet, this Weberian project was only partially realised. The authoritarian essence of Franco's rule, resisted the full devolution of power and institutional autonomy. Limiting the efficacy of reform. The already mentioned corps was still powerful. It perpetuated sectional loyalties and obstructed both the development of managerial authority and effective administrative coordination. The attempts to curb archaic practices such as extra-budgetary fees "*tasas,*" multiple job holding, and artificial promotion mostly failed, as did efforts to dismantle the clientelism, nepotism, and patrimonial attitudes embedded within the machinery. Newly established management techniques often functioned as legalistic formalities rather than catalysts for substantive change. The long-run historical continuities of the public administration remained. For example, the share of civil servants in the Spanish parliament has been comparatively high, and it has even conditioned the pay policy for members of parliament.[30] Bureaucracy is the general-purpose elite for the state.

Conclusion or the Warning for Modern Europe

Spain did not invent its bureaucracy. It inherited it. From the French, from the liberals, from the dictators. Each left their mark. The result was a machine too rigid to break and too useful to discard.

Europe should learn from this. Bureaucracies are not built in a day. They are traditions, layered into the background. They persist long after constitutions are rewritten and flags are changed. Order survives, but meaning is forgotten. When the fascists came, they did not need to destroy the system. They could use it. They fed it loyalty instead of law, filled it with clients instead of citizens. The bureaucracy did not rebel. It adapted.

Across the continent of Europe, nations are too often seduced by the notion that the enactment of modern statutes necessarily begets a modern spirit of administration. This experience amply demonstrates that is not so. The enduring customs of administration determine not merely the workings of governments, but likewise the manner of their failings, their obstinacy, and their survival amid adversity. It is, therefore, incumbent upon each land to direct its gaze inward, to look through the archives of its own institutions. Reform without such introspection becomes a superficial exercise. An attempt to bind the Leviathan with new chains of law while ignoring the old skeleton that still gives the great creature its motion.[31]

My grandmother did not understand institutions, yet she felt their weight. She sensed a cold, faceless machine and met it with instinctive distrust. What she felt, we can now name. In naming it, we inherit a

28 Medhurst, "The Political Presence of the Spanish Bureaucracy," 247.
29 Sales, "La necesaria institucionalización del carisma. Burocracia y caudillismo durante el régimen franquista,» 146.
30 Painter, *Tradition and public administration*, 178.
31 Thomas Hobbes and Marshall Missner, *Thomas Hobbes: Leviathan (Longman library of primary sources in philosophy)* (Routledge, 2016).

duty, not just to endure it, but to reform it.
Her distrust was wisdom.

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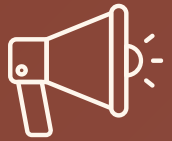

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