

GRASPE
Groupe de Réflexion sur l'avenir du Service Public Européen
Reflection Group on the Future of the European Civil Service

Issue No.53
June 2026

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*Changer l'état des choses est aisé,
l'améliorer est très difficile*
ERASME

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Editorial

The European Union at the Moment of Its Independence

“Let us be sufficiently powerful to command respect and to promote our values of freedom and solidarity.”

Speech by President Delors at the opening session of the 40th Academic Year of the College of Europe, Bruges, October 17, 1989

In her [State of the Union](#) address in September 2025, the President of the European Commission stated that the time for European independence had arrived. More sceptical observers saw this as a vague formula, a kind of mantra intended to reassure the European electorate and conceal the weakness of the European institutions. In reality, it is a historical necessity dictated by global geopolitical shifts. The world of yesterday, born from the ashes of the Second World War and founded on multilateralism and international rules, is disappearing. In fact, that world rested on a fiction — as Canadian Prime Minister Mark Carney so brilliantly put it in his Davos speech — namely the belief that everyone could prosper under United States hegemony.

Today’s reality is that of a hostile world in which new empires are emerging, marked by wars and endless predation. In this new global scenario, geostrategic interests, and even alliances, necessarily change. Europe, traditionally an ally of the United States, risks becoming either its vassal or its enemy. The United States’ [national security strategy](#) illustrates the new doctrine in international relations, aimed at securing American domination over the Western hemisphere and containing other powers with imperial ambitions, notably Russia and China. In geopolitical terms, this reflects a profound change in the world economy. According to the IMF, Europe’s share of global GDP, in purchasing power parity terms, has fallen from 25% in 1990 to around 14% today; the United States has followed the same trend, from 22% in 1990 to around 15% today; while China’s share has risen from 4% in 1990 to 20% today. This explains why the United States has adopted a particularly aggressive approach towards the rest of the world, through

the imposition of high tariffs and threats against sovereign states in order to seize natural resources, whether oil, minerals or rare earths.

Conversely, this new reality means that we Europeans must defend ourselves and rely increasingly on our own capabilities and on alliances based on shared values. The emergence of Trump's brutal world has, in reality, made us more united and more aware of the need to assert our independence. The sovereignty of the European Union is reflected in particular in its commitment to strengthening European sovereignty in military, energy and economic matters, as set out in the [Versailles Declaration](#) of 10 March 2022. However, the European political landscape — with certain national governments led by far-right parties, or in coalition with other right-wing forces, openly challenging the foundations of European integration — is becoming a factor that limits the European Union's capacity to act.

In this unfavourable context, albeit counterbalanced by public opinion that remains predominantly pro-European, the question of how best to assert Europe's independence arises with particular force. Greenland offered Europe an opportunity to affirm its unity. Although Europe has emerged from its long geopolitical slumber, its response remains fragmented, even if it is beginning to take shape. A significant share of Europeans is becoming aware of the need to stimulate deeper integration and to strengthen Europe's cultural soft power in the face of a United States that has become increasingly belligerent and unpredictable, notably through the military escalation undertaken against Iran.

The price of over-dependence

The crises that have followed one another over the course of this decade have revealed Europe's multiple dependencies. Mr Draghi summarised the situation well: 'The United States for our defence, Russia for energy, and China for its market.' E. Letta, author of the report on the internal market, *Much More than a Market*, whose proposals were taken up at the informal summit in Alden Biesen, referred to the risk of Europe's vassalisation by stating that, if we have 27 markets, we will become a financial colony of the United States ([FT, 27 June 2025](#)). A European capital market would make it possible to channel European savings — more than €12 trillion invested mainly in property and finance, above all in the United States — towards growth-generating investments made in Europe,

whether in digital technologies and AI or in the ecological transition.

For the time being, Europe faces three major challenges to its sovereignty: energy, digital technology and defence.

The energy challenge

At present, nearly half of Europe's primary energy consumption depends on imports of fossil fuels, although these are declining sharply as they are gradually replaced by renewable energy sources. Following Russia's invasion of Ukraine, the European Union succeeded in significantly reducing imports of Russian gas, from 45% in 2022 to 13% today, coal, from 51% to zero, and oil, from 26% to 2%. However, faced with the need to diversify its natural-gas supplies, it was forced to fall back on a more costly and more climate-damaging alternative: US liquefied natural gas.

The war in Iran launched by the United States and Israel, which led to the closure of the Strait of Hormuz, through which 20% of global energy imports pass, caused a surge in oil prices. This new energy shock will have serious economic consequences for European economies, which will have to contend with higher oil-import costs and renewed inflationary pressures.

The European trilemma is therefore urgent: how can we guarantee our energy security without compromising the decarbonisation of our economies, while limiting the supply of low-cost energy for the population and for European industry? There is no simple answer to this complex equation. In any event, the solution implies a more pronounced acceleration in the development of renewable energies and nuclear power. At the very least, this will reduce structural dependence on gas imports, whatever their origin.

Digital sovereignty

Another area in which the principle of sovereignty applies is digital technology. The European Union has a coherent regulatory framework that protects the data of European citizens as well as European businesses by guaranteeing them a level playing field, that is, fair rules of the game for all actors, regardless of their size and market power.

Digital sovereignty is expressed as ‘the EU’s ability to control its infrastructures, data and technologies autonomously, acting in accordance with its values and interests, reducing its external dependence through strategic investments and skills development, in order to guarantee its autonomy, security and competitiveness in the digital age.’ Behind the [joint declaration signed in Berlin](#) on 18 November lies the desire to develop an industrial strategy aimed at promoting local companies and offering alternatives to the dominance of the American tech giants. These companies have responded by developing ‘sovereign solutions’ for artificial intelligence, cloud computing and data centres, in order to prevent their European customers from migrating to European digital infrastructures, the Eurostack project. The issue at stake concerns jurisdiction and data localisation. Moreover, digital sovereignty is an inherent right of states, since it entails not depending on non-European jurisdictions for our data, resisting external pressures and affirming the integrity of our sovereign infrastructures.

Steps towards a European defense

It is now accepted that defence is essential to guaranteeing our independence and security. Russia’s aggression against Ukraine prompted the European authorities to take significant measures to develop more modern defence capabilities and to transform the industrial base. This means supporting these efforts through European programmes such as the €150 billion SAFE programme, financed by common debt, for the joint procurement of military equipment with the Member States. With the approval of the Rarm EU plan and the EDIP programme for the defence industry, a genuine convergence is emerging among the European institutions, while the European Parliament has repeatedly called for concrete measures in favour of a genuine European Defence Union. It should be noted that, in the absence of a more substantial European budget of the kind recommended in the Draghi report, the efforts described above are not commensurate with the stakes. In the current context, with budgetary prospects for the next programming period barely equivalent to what was provided in the last budget, the necessary efforts cannot be financed.

However, many questions remain to be resolved if progress is to be made towards common European security and defence, despite the support of a majority of Member States. One key aspect concerns ‘European preference’ — that is, the joint procurement of arms and military equipment — which gives rise to tensions between France and Germany. More specifically, this concerns the €90 billion loan to Ukraine, also financed by common EU debt, part of which will be used to purchase military equipment from the United States. The next step should be the creation of a common military force of 100,000 troops and the establishment of a European Security Council to accelerate decision-making. This would represent a strategic shift towards a federal-type European defence. European leaders will have to ask themselves whether they prefer to maintain fragmentation among 27 states, each with its own defence policies and budgets, or to opt for a single federal defence policy and a shared budget.

For a pragmatic federalism

In an unfavourable political context, it is legitimate to ask what the best way is to assert one’s independence. Mario Draghi recently advocated ‘pragmatic federalism’ as a solution to the difficulties of the European Union. This federalism, reflected in an increase in shared sovereignty at European level (S. Kahn 2026), would be based on concrete initiatives, flexibility and the capacity to act outside intergovernmental decision-making mechanisms, notably through coalitions of countries willing to cooperate on common strategic interests. It recognises, in effect, that the diversity of forces present in Europe does not require all countries to progress at the same pace. It is therefore the governance system that must be improved, while allowing, within this new framework, the exercise of democratic legitimacy.

After years of paralysis, the European Parliament appears to be taking the initiative once again by proposing certain institutional reforms. The EPP has proposed a sovereignty treaty among the willing states, enabling enhanced cooperation in foreign and security policy. According to the proponents of this proposal, the aim would be to establish a unified foreign-policy framework going beyond the unanimity principle currently in force. This would strengthen the centralisation of decision-making processes within the EU and enable it to become a fully fledged geopolitical actor on the international stage. Nevertheless, the EPP’s proposal

to merge the role of the President of the Commission with that of the Council of the EU would reduce the EU's effectiveness and its European character, which is guaranteed by the Commission's right of initiative. The European Council, by contrast, would operate on a more intergovernmental and more national basis.

These ideas are not new, but today they have the merit of opening up the debate on the future of the EU. Some Member States are opposed to any European political integration; others will support it because it involves flexible mechanisms, in effect endorsing a variable-geometry Europe. Should we not go further and set a higher level of ambition, by equipping ourselves with effective coordination mechanisms, whether for defence or for the economy, and with genuine political structures capable of guaranteeing the public goods Europe needs, including through large-scale public investment?

The European budgetary challenge

These large-scale investments, necessary for the climate transition, the implementation of an industrial policy and social cohesion — not to mention defence — are currently hampered by the insufficiency of the resources proposed for the next programming period, 2028-2034. The €2,000 billion proposed by the Commission, provided it is accepted by the Member States, barely corresponds to the budgetary resources of the current programming period if the recovery plan is added to the current MFF. We are far from the ambition of the Draghi report. The main political challenge today is to bring the budgetary debate into the public arena, taking citizens as witnesses and seeking to convince them that an insufficient budget would be harmful to European society and would increase our difficulties. European society must be made aware of the stakes; it must also be explained that bringing national budgetary costs under control can be achieved only through a massive recovery effort at European level.

This is the time of the EU's independence. Faced with national retrenchment and the rise of populism, there is no alternative to a stronger Europe. This is the moment for collective choices in many areas — not forgetting agricultural, food and pharmaceutical independence — that will make it possible to assemble the pieces of the new European edifice. Our independence will also be built by strengthening our trade relations with reliable partners in a spirit of multilateralism and reciprocity, grounded in shared values and principles.

Brussels, May 8, 2026

Defending a European budget at the height of the existential stakes for the Union

Address to the President of the European Parliament, to the President of the Council of the European Union and to the President of the European Commission
20/03/2026

As officials and staff of the European civil service, our work is the construction of the European Union. We are concerned today. Our Europe is facing an aggravated polycrisis: political, geopolitical, economic, climate-related and social.

The democratic model founded on the rule of law and international law is being challenged. Tensions between political and economic blocs are intensifying. From Washington to Moscow, we are becoming a priority target, with our European project explicitly attacked for the benefit of the continent's authoritarian and populist extremes. We are being targeted as a symbol of the democratic values that we uphold and promote.

Moreover, armed conflicts are multiplying: one is directly affecting the European continent, another is setting the Middle East ablaze, and a third could erupt in East Asia around Taiwan, or even a fourth in Latin America, without counting conflicts in Africa, about which too little is said. At the same time, the European Union itself is marked by internal divisions and is seeing the emergence within it of forces that are openly hostile to the European project.

It is in this context that the European Commission is proposing a multiannual budget of approximately two trillion euros, an overall level comparable to that of the previous budget if the earlier recovery plan is included. Yet this amount is presented in nominal terms: adjusted for inflation, it in fact represents a budget that is equivalent, or even lower, in real terms. Since the 1980s,

the European budget has been confined to 1% of common GDP, to the point that exceptional funds of every kind have proliferated in order to respond to the urgent and major needs of 450 million citizens in terms of security, prosperity and autonomy. More worrying still, this still modest budget is already subject to open challenge by several Member States.

Such a level of resources will not enable the Union to respond to the strategic challenges facing Europe: ensuring its security and strengthening its defence capacity, delivering the climate and energy transition, supporting investment in human capital, including health and education, and the reindustrialisation of the continent, strengthening the competitiveness of our industries, and guaranteeing social and territorial cohesion.

The diagnoses exist. They are extensively documented, notably in recent reports on the future of the European economy. The possible solutions are known. Yet no Member State today seems prepared to give political backing to the necessary level of ambition.

At this decisive moment, a particular responsibility falls to you, as Presidents of the three major institutions of the European Union. It is for you to bring this debate into the European public sphere, to make it a democratic issue, and to set out its terms clearly to the citizens of the Union. Without such a debate, and without the involvement of European citizens, we believe that the necessary solutions will not be advanced. Today, we can no longer avoid this political and democratic debate.

The experience of Brexit should serve as a lesson. At that time, the European institutions remained largely silent in the face of the falsehoods and simplifications that dominated public debate. This absence of democratic confrontation left the field open to disinformation.

The future of Europe cannot be discussed solely within restricted technocratic circles. Our societies need a genuine European public debate, enabling citizens to understand the choices before them and the consequences of those choices.

By virtue of your offices, you have the legitimacy and visibility required to open this debate. It is incumbent upon you to alert public opinion and to nourish the debate, including in the media. The members of your respective institutions should take part in it.

If you do not do so, no one will do so in your place, and certainly not in time. For what is at stake extends beyond the budgetary question alone. The European Union is in danger.

The European model, founded on the rule of law, the protection of minorities, a foundation of social solidarity and a commitment to combating climate change, is today one of the few credible democratic alternatives in a world marked by the rivalry of great powers. This model is being challenged and weakened. It must be defended. Defending it requires political and budgetary means commensurate with European ambitions. It also requires a clear, transparent and courageous public debate on the collective choices that now impose themselves.

Europe cannot afford either retreat or inaction.

If this debate is not opened now, the European Union will retreat, its principles will lose their force, and its capacity to act will continue to weaken. We can already see, in our Member States, the significant place taken in elections by lists openly opposed to the very principle of European integration. We can already see, in our European Parliament, the significant place held by groups openly opposed to the very principle of European integration.

The European Union is in danger, and the fire has already started. At this historic moment, it is for you to take the initiative to defend it.

Europe: A State Unaware of Itself?

GRASPE Conference by Sylvain Kahn (12 May 2026)

This conference is based on Sylvain Kahn's book, Europe: A State Unaware of Itself, CNRS Éditions, 2016.

Georges Vlandas :

Dear colleagues, good morning.

Today we welcome Sylvain Kahn, a historian and geographer, and agrégé professor at the Centre for History at Sciences Po Paris, where for two decades he has devoted his research to European integration. A former student of the École normale supérieure and a doctor of geography, he is the author of several reference works in the field of European studies, including *A History of European Integration since 1945*, published in 2011, and *A Critical Dictionary of the European Union*, published in 2008. A teacher as much as a researcher, he also hosted the programme *Planète Terre on France Culture* for ten years, reflecting a conviction that remains rare in academia: that the geography and history of Europe are matters that concern all citizens. His latest book, *Europe: A State Unaware of Itself*, published in January 2026 by CNRS Éditions, is the culmination of two decades of research. In it, he advances a thesis that is both rigorous and stimulating.

The European Union, he argues, is already, in its actions and institutions, a form of supranational state: an unprecedented form of state, but one that does not recognise itself as such, and whose failure to understand itself in this way weakens its legitimacy and effectiveness.

I should also take this opportunity, dear colleagues, to tell you now that Mr Kahn will be kind enough to return on 9 June for another conference, this time on *Europe Facing Ukraine*, his book published in 2024. As you know, both GRASPE and U4U have supported Ukrainian resistance from the very first days, notably by running an association that helps Ukrainian refugees in Brussels.

Sylvain, the floor is yours.

Sylvain Kahn :

Good morning everyone. Thank you very much for inviting me. I am particularly touched by the invitation because, for a researcher in European studies, a 'Europeanist', as we say in our jargon, it is always a pleasure—and indeed a joy and a moving experience—to meet, discuss and exchange views with those who are actually building Europe.

I am one of those who, modestly, as you put it very well, try to account for this construction and make it intelligible to European citizens, of whom there are very many. In this book, *Europe: A State Unaware of Itself*, the idea is simply to state, plainly and without embarrassment, that the European Union is a state. Not to ask under what conditions the European Union might become a state. I have a number of colleagues who have, of course, been working for years in that perspective, in ways that are extremely enriching, stimulating and respectable. I also have colleagues who say, 'of course the European Union is not a state and cannot be a state'. They therefore try to examine what it does despite not being a state. Sometimes that produces very interesting books. I am thinking, for instance, of Majone's book, *The European Community as a Regulatory State* (1996). In a more general public sphere, there are the two famous expressions used by Jacques Delors which continue to shape public debate: the 'federation of nation-states', or the UPO, the unidentified political object. Then there are all the debates that you too have, as actors in European integration, and that we have in academia, about whether the European Union is a federation, a confederation, under what conditions, whether it can be compared with the United States, India, Brazil, and so on.

That was my starting point: we do not allow ourselves to say, 'the European Union is a state'. To call it a UPO is to say what it is not. A federation of nation-states is, of course, a very interesting formulation. There are nation-states that are members of the European Union and that form a federation. But it is a way of skirting the issue. To say that the European Union is a state is, first of all, simpler. As it happens, since this corresponds to a certain reality, it is useful because it is simple to say, simple to state, and comprehensible to everyone, because everyone knows what a state is. One does not need advanced studies to know what a state is. All Europeans know what a state is, because all Europeans belong to a state. And in a certain sense,

the state belongs to each national who is a member of a state. Before moving into the demonstration, I would also say that stating this has, for me, an important advantage in both public and political debate: the discussion no longer concerns whether it is a good thing that the EU exists, which is still a debate one can encounter in some media, especially in France. I refer here to those for whom ‘the EU is part of the problem, or indeed the problem itself’. Once we say that the EU is a state, the question becomes: ‘what do we do with it? Since this state exists, since it is ours, what do we expect it to do?’

You see, I have changed nothing. I do not feel that I have made any exceptional scientific discovery. I have simply taken the same reality and given it a different name from the one previously used. For those who work in journalism, it is like shifting the angle of view. The reality being observed has not changed one iota. I make no claim to having produced revolutionary thinking on the European Union. The European Union is what it is, and it has been very well described. I place myself fully within the tradition and the work of my predecessors and colleagues. I could mention Paul Magette, whom everyone here in Belgium knows, because before he entered politics, Paul Magette was, after all, the finest Europeanist of his generation.

There we are. Now he no longer writes; he does something else. All this is to say that stating that ‘the European Union is a state’ is also a way of helping to make public and political debate on the European Union more modern, more in tune with the times, and almost more democratic.

What, then, are the main types of argument? It is true that defining what a state is represents a genuine question of political philosophy, political science and political geography. As was recalled earlier, I come from history and geography. I do not come from political science or political philosophy. Like all university researchers working on European integration and the European Union, I operate in a day-to-day environment that is highly multidisciplinary. Some of you probably know this, but Europeanists are always marginal within their disciplines. My university in Paris is Sciences Po, so I am at the Centre for History at Sciences Po, and I can tell you that most of my colleagues are not interested in the European Union. Some of them are even, in truth, wary of the European Union, which I eventually defined in an article published in *The European Law*

Journal as methodological Euroscepticism. I have colleagues who think that the European Union is a problem when one is interested in the history of Europe. We can discuss that later if it interests you. The same applies in political science which, together with law, is one of the two dominant disciplines in European studies: international relations specialists and specialists in international law tend to look somewhat condescendingly at legal scholars who study Europe and European law. As a result, because we are looked upon condescendingly in each of our disciplines, we tend to work together. So, in a rather amusing way, we are somewhat multidisciplinary by daily habit and sociability. That fits our subject very well. In fact, in the social sciences, if there were a little less disciplinary corporatism and a little more interdisciplinarity, I think everyone would benefit.

I therefore come from history and geography. I do not come from political philosophy, political science or law. I speak more from the field. That is to say, in my definition or characterisation of the state, I tend to define it by looking at how public policies are put in place by state organisation within a given territory, and how a given society appropriates them—or, conversely, is subjected to them. One could say, then, that I have a definition of the state ‘from below’ or ‘through its effects’, rather than through a more theoretical or overarching definition. I say this because some of you may indeed think at some point that my definition of the state is not robust. I have already had colleagues in political philosophy say to me: ‘Your work is very interesting, but your definition of the state is not very robust. So your 300 pages are all very nice, but since your initial definition is not robust...’.

The first point, then, is that if one looks at what we call global space, or even universal history, one realises—this is where I differ slightly from my colleagues in political science or political philosophy—that the ideal-typical definition of the state, usually summarised in Max Weber’s famous phrase according to which we recognise the state as the organisation which holds, because society grants it, the legitimate monopoly on violence, does not in fact apply to that many countries or states. If we take the United Nations, which is very much the place that claims to guard the temple of the definition of the state, there is the idea that all states are sovereign and that each state is equal. Yet political science, political philosophy, international relations, history and geography, and

geopolitics have shown us very clearly over the last thirty years, through deconstructive work, that a number of states are states only in a rather formal sense. What have been called failed states, unsuccessful states, incomplete states—when we speak of nation-building or state-building—already show that there are states that are not yet pure and perfect, and so on.

So one might already say that, in the world as it actually exists here and now, there are many states that do not correspond to the definition of the pure and perfect state: absolutely sovereign over a given territory, delimited by borders, with a society which, voluntarily or under constraint, regards its state as legitimate. That matters, because the fact that the European Union does not sit at the United Nations should not be turned into an argument for saying, ‘you see, the European Union is not a state because it is not at the UN’. We know that there are many states at the UN which, in truth, do not correspond to the definition of the state. Take Mali, take Nigeria: these are countries where the state, meaning the state organisation, barely manages to establish its sovereignty or authority over between 25 and 45 per cent of the territory.

First, then, within this broad type of argument, there is of course the fact that the European Union is not a nation-state. Yet now, even without speaking of competence, from the point of view of social and political organisation, we tend to consider that we live in a world of nation-states. This can be debated; in any case, you will find very few political leaders—perhaps the Swiss to some extent—who will say in an electoral campaign or once in government, ‘my state is not a nation-state’. That has become extremely rare. By default, to assert that you are a state in the world, you say, ‘I am a nation-state’. And here there is an old historical tradition, very well represented in France but not only in France, which says that Europeans invented the nation-state. This was one way of humanising colonisation. But among the things Europe bequeathed to the world, including in ways that were neither very moral nor very sympathetic, there is the nation-state. Then you have major historians who spoke of two great types of nation-state, two major ideas, two great ideal types: the German conception of the nation-state and the French conception of the nation-state. Editor’s note: the Frenchman Ernest Renan and the German Johann Gottlieb Fichte.

On that basis, any state organisation which says, ‘I too am a state’, will be met with the objection that it is not

a nation-state corresponding to those definitions. I worked on this subject about fifteen years ago, on the nation-state and European integration. It was not particularly difficult, because I drew on monographs on a whole range of nation-states and members of the European Union, and I said: ‘there are not two ideal types. There are 27—or 28 at the time of the United Kingdom’. There are almost as many ways of being a nation-state as there are nation-states in Europe. From there, the whole line of reasoning which consists in saying that there can only be a state if it is a nation-state does not hold.

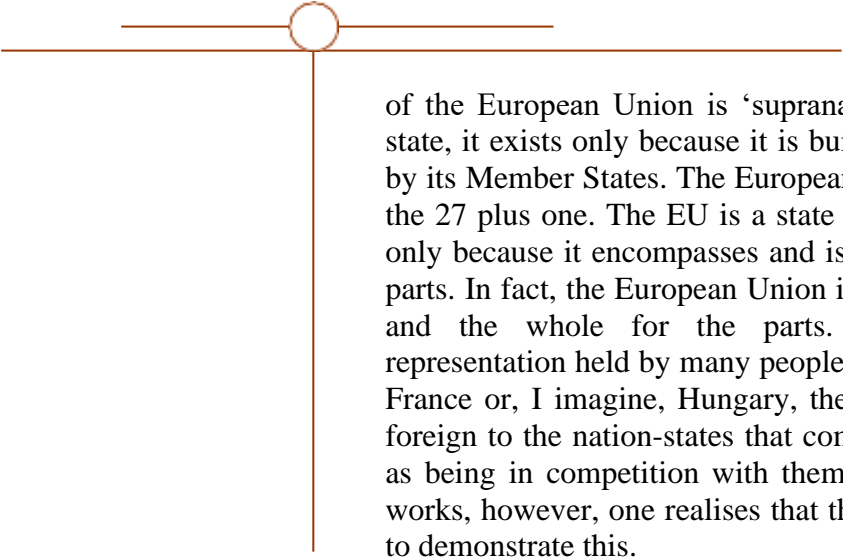
After all, Belgians themselves make many jokes about the robustness of their state and their nation-state. The robustness of the Greek nation-state was much discussed at the time of the sovereign debt crisis, and so on. This is without even mentioning nation-states organised in federal ways, including federal states that do not say so, such as Italy, Spain and the United Kingdom. Even the United Kingdom, under Blair, became a federal state. So you see, this is not an anarchist perspective at all. My purpose is not to devalue or denigrate the state as a normative construct. It is simply to say: be careful, there are many ways of being a state, and it is part of the particular richness of Europeans that they have invented many ways of doing so.

Even simply by setting all this out, you can see where I am going; I come to a second main type of argument. Since I work in a field of geography known as geohistory, it so happens that, in the long history of Europeans as societies and cultures, Europeans have invented many territorial or political entities which history calls states. Of course, they are by no means the only ones. One of the major achievements of history over the past forty years—universal history, or what is called global history or connected history—is that historians throughout the world speak to each other and say: ‘let us look at the history of India from the point of view of Latin America, the history of Africa from the point of view of Asia’, and so on. Far be it from me, therefore, to say that the nation-state, or the state as such, was invented in Europe. But what one can observe is that there are few regions of the world which, like Europe, have created within such a circumscribed and small space so many territorial or state entities, both at a given moment and over time.

To use a geographical term, one can say that one of the things characterising the European space is the density of

fact states per square kilometre. If you take maps of political Europe at different periods of European history, beginning with Westphalia in 1648, which is generally regarded as a very important turning point for reasons you all know, that already gives us five centuries. It is quite amusing, because if you place maps of political Europe at fifty-year intervals from 1648 onwards, each time one is struck by the number of territorial or state entities. There are very many. Even today, as you know, if you take the African Union, you have 45 or 46 states over a space that must be three or four times the size of Europe up to the Russian border. Take the European space up to the Russian border, and you have 48 states. So there is still a density in Europe today. Michel Foucher has shown very well that, with the end of the Cold War, even more states were created. That was possible because it was entirely peaceful. Once the Cold War had ended and Soviet imperialism had withdrawn, the Czechs and Slovaks divorced in a completely peaceful and voluntary manner. Some people told them, 'surely this is rather foolish; you would be stronger together'. They replied, 'yes, but it does not matter; in any case, one day we will join the EU. So what difference does it make whether there are two of us or one? We might even be three or four'. In Belgium, you have this kind of debate. There is therefore a long history—one might almost say a tradition—of variety, inventiveness and the creation of territorial or state entities by Europeans. The creation of the EU is simply one further state in that long history. Moreover, it is not merely that these entities coexist; it is that they are nourished by nation-states, by the existence of the Member States. This too is a representation that often has to be prised open with a crowbar, including in the school system. I have also taught in lower and upper secondary schools, and I have participated in discussions on the drafting of school curricula. I can tell you that, as you know, France is an old country, that is to say an old Jacobin, highly vertical state. The idea that supranationality can exist, and exist without devaluing the state—the state in all the majesty of the nation-state—is a complicated idea in the French political and cultural tradition. Not for all French people, but for many. In schools, the way the European Union is presented in curricula shows that inspectors-general have difficulty with the idea that the nation-state France could nourish a supranational state.

What is particularly interesting about the European Union is that not only does it form part of this long history of creating forms of state, but also, and we all know this,



of the European Union is ‘supranational’ for this reason: as a state, it exists only because it is built, nourished and acted upon by its Member States. The European Union is always 28, that is, the 27 plus one. The EU is a state in its own right, but it exists only because it encompasses and is nourished by its component parts. In fact, the European Union is truly the part for the whole and the whole for the parts. Yet in the stereotypical representation held by many people, at least in a country such as France or, I imagine, Hungary, the European Union is seen as foreign to the nation-states that compose it and, to some extent, as being in competition with them. When one looks at how it works, however, one realises that this is not the case at all. I try to demonstrate this.

That is my third or fourth point in the demonstration. If we look at public policies and the way in which they are implemented, what do we see? First, we see a light state. You do not always realise this, but you run a light state of between 30,000 and 50,000 officials, including the entire superstructure.

— Fewer than in Paris, for example, or in Lyon.

— Exactly. Fewer than Paris, twice Marseille. Of course, the City of Paris also deals with gardens and waste collection. But precisely: the EU is a light state in the sense that the staff who make the EU function, and above all the EU budget, consist only of investment appropriations. At one point I worked for the French Minister of National Education, Higher Education and Research. As people used to say, national education in France is the second largest employer in the world after the Red Army, with one million civil servants. I am one of them. I am still a French civil servant in national and higher education. So when, with project sponsors, we managed to obtain co-financing from Europe, these were only investment appropriations. Thus, although the EU budget is between 1.2 and 2 per cent of GDP, depending on whether one includes Next Generation EU or not, for project sponsors it consists only of investment credits, not operating credits. But of course, the leverage effect is extraordinary. This is very important. So we have a light state. Moreover, for those of you who remember, who have read Emmanuel Carrère’s book or seen Philippe Lioret’s film *Other Lives But Mine*, one sees very clearly a local judge—I believe in Vienne—fighting for an administrative subject who has cancer,

coming up against negative decisions by French courts, and at a certain point managing to bring the case before the CJEU. This means that, depending on the register in which he operates and on the case, a Greek, French, Estonian, Hungarian or Luxembourgish magistrate—whoever you like—becomes de facto a European magistrate. Because the Court of Justice of the European Union, I do not know how many people it has, perhaps a thousand, but it does not leave Luxembourg. You see, it is like a spider without legs. The legs are in the Member States. But when we look at federal states such as Germany, the tax administration that collects taxes for the federal state consists of the tax officials of the federated states. That means that, depending on the file on which they are working, one day they wear one hat: ‘I am a tax officer of Bavaria or Baden-Württemberg’, and the following week they put on their hat as a tax officer of the Bund. In fact, it is an old professional practice. I even discovered that in Spain there are two generalitats that collect tax. So no official of the Kingdom of Spain collects tax in those places, the Basque Country and Navarre. Better still, they pay no share of the taxes they collect back to the central state. Can you imagine? For the French, this is extraordinary.

And the ECB: people do not necessarily know this, but there is a Governing Council. This Governing Council is composed of the governors of the national central banks. When one learns this, one discovers that national central banks still exist. Yet if you read the press or listen to politicians, you might wonder why there should still be national central banks at all. It seems to make no sense, since the ECB is all-powerful and decides everything. In France, for example, there is a man—he will be leaving at the end of the month—called Villeroy de Galhau, whom one hears on France Inter, the most popular radio station. Once a month, he is invited on, and he explains France’s life, France’s economy, and so forth. In fact, the ECB is somewhat like a federal organisation. There is a college that takes decisions. I admit that I do not know it very well; some of you may tell me that it is more complex. But I still remember the moment when Draghi was in charge and a colleague resigned because he did not agree with how the ECB was managing the eurozone crisis. So this shows that we are dealing with a form of stateness. At that point, I told myself, ‘I still need to find a word’. Because some people will disagree with me and say, ‘you exaggerate by saying it is a state’. So I say: ‘All right, you are right. Perhaps it is not a state.’ But let us at least recognise that the word ‘stateness’, which refers to the features characteristic of a state, allows us to say: ‘look, here are all the features that make a state a state’.

We can see that the EU still ticks perhaps 50, 60, 70 or 80 per cent of them, depending on the assessment. So even if one says that it is not a state, one can still say that there is indeed a stateness of the EU.

The ECB is therefore very interesting because it implements monetary public policies. These are implemented by national administrations. In fact, we have a politico-administrative system that is highly integrated.

The last argument, which is very well known, is that as the years pass, the Member States, with the help of the Commission, continually mutualise more public policies and competences. People could say stop. One Member State has even left. As you have observed, there was no domino effect. When one looks at matters over the long or medium term, this dynamic has been flourishing for 76 years. Some may say: 'it is not going fast enough'. Others may say: 'it does not go far enough'. Others still may say: 'it is messy'. Or: 'it is flourishing, but not in the right direction'. That is normal; we have a democratic debate, a political debate. But the fact remains that it has not stopped. There have been countries, states, which existed for twenty years before being invaded, imploding or dissolving. There have been political regimes, such as the Fourth Republic in France, which lasted twelve years. Here, by contrast, you have this UPO that has existed since 1951. Not only has it lasted, but in fact it has consolidated, with countries and nations constantly saying, 'I too would like to join'. They are not forced to do so; the EU is characterised not by expansion but by extension. That is also why I have an entire chapter in which I enter into the discussion. Until 1918, if you look at the map of Europe, more surface area was covered by empires than by nation-states. Can imperial legacies also help us understand how Europeans manage to create and operate this European Union? These are the arguments I have tried to summarise. I think I have more or less covered what I could say in compact form.

Georges Vlandas:

Thank you. There are questions in the chat. Perhaps some colleagues would also like to ask their questions directly, which is preferable and more lively. Someone from Eurostat has a question. European Union is "supranational" for this reason, because as a State, it exists only because it is constructed, nourishes and acts by its member States. The European Union, it is always 28, that is to say the 27 plus 1. The EU is a State to itself all alone, but which exists only because it encompasses, only because it is nourished by its parts. And in fact, precisely, the European Union, it is truly the part for the whole and the whole for the parts. Whereas in the stereotyped representation of a lot of people, in any case in a country like France, or I imagine

Yves Caelen:

What characterises a state—the central characteristic—is quite often considered to be the fact that it possesses its own competences. Is the fact that all the EU's competences are conferred competences not a strong argument against the state character of the Union? And the accompanying question, of course, is how one can counter that argument when necessary and say that, yes, the Union is nevertheless a state.

Sylvain Kahn:

Thank you very much for that question, Yves.

In response, I would say that this is an extremely important debate, but to some extent it is an institutional or legal debate. It is important that it should take place, because it also has practical implications. But when one looks at how things work, and especially when one looks from the point of view of inhabitants and citizens, it does not seem to me to be a decisive argument. What matters, once again, are the public policies that are implemented and the results they produce. From that perspective, the fact that the source and legitimacy of those public policies are originally, directly or indirectly, always linked to a decision by the Member States to mutualise the elaboration of certain public policies, or not, seems to me less important than the fact that, at a given moment, one finds oneself with this territorial or political organisation taking hold of a public policy in order to elaborate, decide and implement it. That, in my view, is what constitutes statehood.

I know very well that this will not convince everyone. But I think it works from the point of view of the citizen or inhabitant. You may tell me that it is not satisfactory. But that, in any case, is my answer.

Georges Vlandas:

The idea in the book, that of the mutualisation of sovereignty, is an interesting argument, in the sense that the European Union acts as a state following delegations of authority consented to by the Member States, including, within the framework of qualified majorities, by those Member States which accept being in the minority and having solutions imposed on them in a number of fields, regrettably limited ones, by a central state. They themselves have accepted that, in certain areas, there should be not only mutualisation but also qualified majorities. It is therefore an interesting concept, because for me it shows that the statisation, if I may put it that way, of Europe is a process that works in practice, not only through the treaties.

I say this in relation to colleagues who are federalists, who imagine a change proceeding by means of a complete reform of a system and its full alignment with what exists, for example, in the United States or in a genuinely federal state. At present, that is something which is not only not politically ripe, but is not accepted by public opinion, at least for the time being. It therefore does not allow us to resolve problems here and now, and thus does not allow us to answer the questions that arise.

What is possible is to see the European Union acting in ways not envisaged during crises, such as Covid. It is reality itself, life itself, that ultimately pushes the Commission to act in everyone's interest, even though it did not have competences in the field of health. This is also true for culture and other fields. It acts in the name of an in itinere mutualisation of sovereignty by the Member States. What is interesting in this scheme is that one advances concretely, through the functional logic that was built into the very foundations of European integration. Moreover, it is a system that not only proceeds through mutualisation in response to concrete problems, but also prevents one state from dominating another. Luxembourg, after all, which represents very little numerically, like Slovenia or Malta, has as much say as Germany. It is therefore an original process, we might say, in which there is a state because there is a mutualisation of states, in respect for democratic diversity, and perhaps you will speak later about a state that is not an empire, contrary to what is said. The image we often have is of a central bureaucracy oppressing us. First, we have demonstrated that we are not like the Warsaw Pact, since one can leave our Union, even if cooperative relations may continue. Secondly, separation takes place with respect for the rule of law, including from our point of view—that of the civil service—with respect for the obligations arising from the treaty for the United Kingdom, for example, regarding payment of our pension contributions.

Audience:

Thank you very much. I must admit, Mr Kahn, that your remark made me smile, because as a former student of rue Saint-Guillaume, I too felt, let us say, this absence of the EU in French higher education.

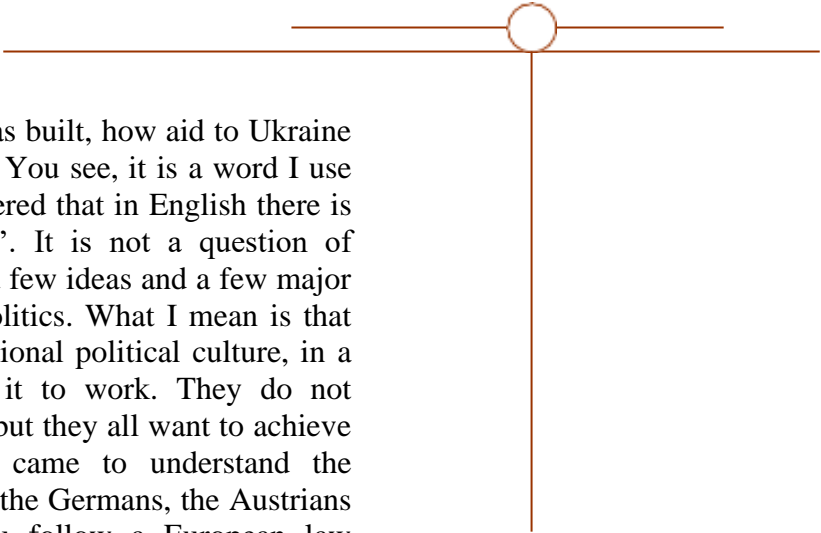
I had prepared some questions, but I shall limit myself to two and try to be fairly brief. The first concerns precisely the question of comparing the European Union with other politico-geographical entities in your book. I do not know whether you make comparisons,

and I would particularly like your view on comparing the EU with two countries. First, Switzerland, because Switzerland and its cantons are extremely independent, extremely autonomous, and the state is an almost unique state, with seven people at its head, no single leader, and a method very much based on compromise. The other state is India: that immense multi-ethnic state, which has managed to preserve its unity despite extreme differences and which, as we have seen recently in the debates between Modi and Pichai, is caught between Hindu nationalism and a somewhat more multicultural vision. That recalls, to some extent, the debates we have here. Have you been able to compare the European Union with these two countries? If not, what is your brief view? That is my first question. For my second, I wanted to come back to what Mr Caelen said earlier, when he spoke precisely about the European Union's own competences. That reminded me of certain analysts who have taken up the famous American slogan before independence: no taxation without representation. They say that a tangible way for citizens to feel the impact of the European Union would be the reverse: no representation without taxation. The fact that there is no direct taxation by the European Union of citizens means that the European Union remains somewhat abstract. As you say, these are legal debates, debates conducted at a very high level, whereas taxation affects everyone, and taxes affect everyone. So one might ask whether, if the European Union had a genuine European tax—for example, a very small tax, since even now the EU amounts, I think, to the price of a cup of coffee per citizen per month—that would give substance to your position of considering the European Union as a state. Thank you very much.

Sylvain Kahn:

In the book, I do not undertake a comparative study between the European Union and other regions of the world. That said, the question of comparison is by no means absent from my thinking in general or over the long term. Even though I do not refer to it here, I intend at some point, if only in a scientific article and even if not at great length, to try to draw a comparison, or at least open up avenues for comparison, between the EU and India. Like you, I have the intuition that comparative work between Europe and India would be highly fruitful: it would of course reveal many differences, but it would also reveal analogies or echoes that would probably be very useful both for thinking about India and for thinking about the EU. That is what I can say on that point.

As regards Switzerland, I speak of it indirectly. I develop the argument that what enables Europeans, through processes into which we need not go, to create a European Union, that is, this supranational state, is that they do so with their political cultures—let us call them national, to put it very briefly. We are therefore dealing with a form of syncretism. I do not mean that the European Union is syncretism; I mean that Europeans are engaged in an approach that could be called syncretic, in the sense that, once they wish to make the European Union, that is to mutualise elements of sovereignty which become more numerous as the years go by, they proceed in that way. A brief parenthesis: I am among those historians or Europeanists who reject possible explanations of the European Union as the outcome of a plan. There is no plan. It is a political project, and, as always when people do politics, at least in democracies, they seek to solve problems and ensure that their population lives rather better than worse, in the hope of being re-elected at the next election. A Belgian colleague, Pieter Lagrou, a specialist in the history of the Second World War, showed in a fifteen-page article—because he was asked somewhat by chance at a conference led by Paul Magnette in the 2000s to say what had happened at the end of the war in relation to the European Union—that the invention of the ECSC at the time was simply the work of men, because at the time there were not many women ministers or women in government, who were trying to solve a whole range of problems. The number one problem, which brought all the others together, was to avoid doing things that would make fascism attractive again, as it had been during the inter-war period, and to ensure that the societies of their countries were integrated. At the time, people still spoke of integrating the masses. As Lagrou says—and I cite his article—they invented the welfare state, they invented nationalisation through policies of prosperity and wealth-sharing, and they invented the European Union because everyone was in such a state of abandonment, ruin and moral difficulty that they had to act like the Three Musketeers: all for one and one for all. In addition, there was the Soviet threat. We should remember that ration coupons lasted until 1949 in France. Just imagine: until 1949, when you went to buy eggs, you still had ration coupons. Abbé Pierre's appeal against poor housing was in 1954. So European integration, the Schuman Declaration and all the rest were simply one problem among others. The European Union, still today



but you know how the recovery plan was built, how aid to Ukraine was built—is permanent improvisation. You see, it is a word I use descriptively, not normatively. I discovered that in English there is an expression for this: ‘MacGyvering’. It is not a question of whether that is noble or not. There are a few ideas and a few major principles, but in practice people do politics. What I mean is that people come as they are, with their national political culture, in a form of syncretism. Everyone wants it to work. They do not necessarily come for the same reasons, but they all want to achieve an outcome. The French eventually came to understand the specificities of the Belgians, the Dutch, the Germans, the Austrians and the Northern Italians. But if you follow a European law curriculum at a French university, you can graduate with a master’s degree in European law without ever having heard of Johannes Althusius, who is, in quotation marks, the German-Dutch-speaking Jean Bodin of the same period.

So Switzerland, yes, because it obviously belongs to this tradition of political philosophy founded by the great work whose full title I can never remember by heart, because it is very long, and which is the equivalent, in the political culture that we today would call federal, of Jean Bodin’s Republic. So yes, Switzerland is an entirely structuring example for thinking about the European Union. That does not mean at all that it is the same thing.

Now, on your second question concerning Mr Caelen’s objection about the competences of the European Union, the fact that these remain very high-level debates, and that we should focus on their impact on citizens. It was also about tax. Let us say: glass half full, glass half empty. I often have a view or an analysis, a diagnosis. Once again, we are in the social sciences, not the exact sciences. On the basis of a rigorous analysis of the same facts, one can arrive at different or even opposite interpretations. But I would say that the work I have conducted leads me to consider that, when one looks at the history of European integration since 1950, there has been no one-shot. To my knowledge, there has been no reversal. This is the famous ratchet effect. But the ratchet effect is not just a formula. I wrote a handbook on the history of European integration since 1945. Of course, it is a handbook, so it is somewhat condensed and aims to be genuinely accessible to all students. But I did nevertheless look at everything carefully. Even when I put forward highly simplified diagnoses, I tried to make sure

I was not saying nonsense. The ratchet effect is real. There is no reversal. Sometimes there are pauses, plateaus that may last five, ten, fifteen or twenty years. But there is no unravelling. There is no reverse movement in which competences that have been mutualised are demutualised.

We all remember the Homeric debate in the 1990s, which Tony Blair then took to a very high level of skill. We all remember how Tony Blair ultimately came unstuck under the Luxembourg Presidency when he wanted to have the financial perspectives adopted in such a way as to unpick the CAP completely and give everything to research. The first reform of the CAP, the MacSharry reform, already began to point towards the nationalisation of the CAP. I imagine that this is still being debated. But broadly speaking, in practice it resists because of—or thanks to, depending on one's point of view—France in particular, but also Germany.

So there is rarely a step backwards. Mechanically, even if very slowly, the budget eventually increases. And the ratchet effect is what I was describing earlier as improvisation. For me, the clearest recent example of this is borrowing. Historians have a social function: to enable the wider public to tell itself its own collective story.

We are there to say: 'you see, this looks completely chaotic, but in fact there are sequences of time, turning-point dates and periods'. We create periodisations. That is another social use. At a certain point, it became clear to me that with the invention of the 2020 recovery plan and therefore the major borrowing operation, we had moved definitively from the glass half empty to the glass half full, because there are all the competences deriving from the Treaty of Rome, notably in external trade and competition policy, and now there are Treasury bonds.

After a while, in my famous list of criteria, where we tick boxes, it starts to be rather more than 50 per cent, even if we still do not have an army, even if we still do not have a police force. We do, however, have quite a lot of justice. You all remember that the frugals annoyed everyone. They obtained a shift in the balance between loans and grants. Then they ultimately ensured that it was written, in 58-point red letters: 'this is a one-shot. Just once. Because it is Covid. It is very serious. 1,350,000 deaths, we understand. But we will not do it twice'. I found that surprising—not as an opinion, but simply because I observe.

There has never been a one-shot. Then I watched the years 2021, 2022, 2023, 2024, 2025 go by. I thought: perhaps, for once, I was wrong. Then came the story you all know, namely Bart De Wever saying that we are not going to unfreeze Russian assets because it is too dangerous. At that point, the frugals, particularly the Dutch, who are very keen on aid to Ukraine, wonder what to do. So, in the end, we borrow again. That is the European Union. We had an instrument that worked extremely well. It is true that, for reasons of principle X, Y or Z, we said we would not use it again. But when something has worked extremely well, it is useful. When one has to invent something new, one is a little tired or has other things to deal with. All this is to say that, as you recalled, to finance the major borrowing operation, we have already begun to invent supposedly painless European taxes. So in fact we are going there. We are already going there. I do not know how long it will take; sovereigntists will howl. Then at some point, after howling for long enough, they will agree and reach a compromise.

So yes, I am tempted to say that it is not only that you are right. You are in fact describing something that will gradually impose itself because people will need it in order to finance European defence. For fifteen years now, Eurobarometers have shown a demand for European defence. If you are a responsible government, or simply one that wants to be re-elected, you will have to create European defence, even if you are Belgian and, like De Wever, deeply attached to Atlanticism because you think that the United States, even under Trump, still consists of admirable people. At some point, European defence will have to be done, because otherwise you will lose the next elections, since people will want to be reassured. And for European defence, money will have to be found. I think we will go there, and that this will add grist to the mill of my proposition. But we shall see.

Georges Vlandas:

Corinna says that the perspective of ‘improvisation’, in quotation marks, gives this construction more freedom than the perspective of a plan built in advance, does it not?

— Absolutely.

Georges Vlandas:

Then there is an intervention asking: what about the Luxembourg Compromise obtained by De Gaulle, compared with the initial functioning or with today's calls to end the veto?

Sylvain Kahn:

Yes. That is a very good point. But precisely, the Luxembourg Compromise eventually became obsolete. So you are right to say that, at one point, the ratchet effect was countered by this historical reality, the Luxembourg Compromise, which did have effects until the early 1980s. Then, at a certain point, everyone considered that it had to be set aside because it was too blocking.

Georges Vlandas:

But in the human sciences, the fact that something happened does not mean that it must happen again; this is not a chemical reaction.

— That is true.

— And there is a question of context. We were carried along by a context and by emergency situations to which we had time to provide responses. Perhaps the worsening of urgent issues, their gravity, or the organisation of chaos that is currently underway, for example in the Middle East, and the economic and social crisis that may follow from it, will mean that step-by-step responses will not only be insufficiently useful, but may even have a perverse effect. If responses are late or inadequate, the European framework within which those responses are provided will be discredited. We saw this, for example, at the end of the Ancien Régime in France, and also with Gorbachev in the USSR, when he came forward with solutions, ultimately, but too late and in the face of resistance, and failed. There are periods of reversal when a sense of historical direction stammers and stops. Then processes of deconstruction take place. It seems to me that we are approaching that sense of urgency today.

The budgetary debate on the next MFF offers an additional illustration. The Commission is proposing EUR 2,000 billion, which corresponds to the sum of the previous budget and the recovery plan and, in constant euros, is slightly less. Member States may resist. Ultimately, although in order to face all the challenges and all the emergencies—the social question, industrial policy, defence, climate and so on—we would need a budget on the scale proposed by Draghi, we could end up with a budget lower than that proposed by the Commission. That would aggravate the problems and discredit the framework designed to solve them.

Audience:

I wanted to go somewhat in Georges's direction and explain what he said earlier. I am not, a priori, systematically optimistic either about the course of a Europe that would always be built a little further. Previously, we had a European budget, an MFF as it is called, which was essentially made up of accounts that were in fact mutualised accounts. There were traditional own resources, customs duties, and resources provided within the framework of the CAP. Today, the bulk of the European budget consists of contributions made by states, which then induces a logic of juste retour. This is truly deleterious. That is not really progress, but it is a very important issue because the budget is fundamental.

For example, one could say that the creation of the European Council was not necessarily a great advance, since it almost drained meaning from the Council of the European Union. It also further aggravates the Commission's shortcomings, since it is more than ever at the service of the states. That is not necessarily a good basis for preparing attempts to modify the CAP or attempts to raise awareness of regional policies, which are nevertheless absolutely essential policies.

We must therefore be very attentive, because it is true that there is a great deal of improvisation, but it is improvisation carried out by national administrations that are constantly striving to recover quite a number of prerogatives. Hence my question: I wonder whether your title is not in fact a very French book, or a question addressed to a French public that desperately needs to be able to define better what Europe is, because it remains an object that is very poorly understood.

It is a political object with a very poorly identified identity. France, in particular, is a country that has never really understood what Europe is, and integrates itself into it very little. If you read the newspapers, 2.5 per cent of the content is devoted to Europe. People have absolutely no idea what it is. And we continue to ask ourselves a whole series of questions. The French Fifth Republic and the constitution of the state are centralised in the French manner; it is very particular. France is different from other countries.

So there is a presidential election in a year's time. The largest part of the French right is far right, and the largest part of the left, La France Insoumise: these two parties officially call into question in their own programmes the primacy of European law, which is a very foundation of European integration. Asking what Europe is and what the state is is therefore indeed a question that really has to be asked in France. I therefore hope that your

work will help make Europe better known to the French.

Sylvain Kahn:

That may well be true. I fully understand what you are saying. When I see how, in the French ecosystem, the book is being received and the resonance it has—an echo I did not expect at all, because generally when one speaks of the EU there are no bestsellers—it is true that this book is provoking many questions, debates and discussions.

So not only do I not take your comment badly; on the contrary, I agree with you. I hope this dynamic will grow and flourish in France. As regards the vigilance expressed by you and Georges, yes, it is indeed a real scenario, a real option, and I am very sensitive to it. That said, given the current parameters, it seems to me that we have no more reason to give greater weight to the scenario you have in mind than to the competing scenario, namely that, precisely because they are confronted with this chaos and these problems, Europeans may accelerate both mutualisation at European level and the speed with which they provide responses.

I say this sincerely. Once again, I have not carried out a foresight exercise. Perhaps it should be done with Jean-François Drevet. In fact, the European state will configure itself so as to provide responses, certainly regarding the establishment of relations, trade treaties and the Commission, which is in the end a fairly rapid response.

That is true of Mercosur, but there have been other rapid responses as well.

— India, Australia, Indonesia.

— Exactly. So it is indeed a process in which the outcome is not predetermined.

Public opinion is still broadly supportive of the EU and of European integration. As for the level of support, and the fact that people are not informed or aware of what is going on, I do not know whether they are any better informed about what happens at municipal level in Paris or Marseille. So there is a level at which even the EU is something highly complex.

Audience:

When Mr Kahn began his intervention, some colleagues were wondering precisely: what UPO is this? A state-state, a proto-federation, a state in the making, a transcendence of the Westphalian notion of the state, and so on. One thought came to mind. On understanding, when people generally tell me that the EU is too complicated, I tend to answer: ‘Have you read the 1958 Constitution?’ Because I have read it.

And I can tell you that for 90 per cent of people who do not know exactly how the institutions work, it is boring. The treaties are the same.

Sylvain Kahn:

Absolutely. Moreover, the European political regime—another expression borrowed from Paul Mignette—suffers from the words chosen by national political leaders. That said, there are not so many of us who do this. In my book, I propose calling the Council of the EU ‘the Parliament of the States’. One can say the Parliament of the Member States if necessary. Because in practice, that is what it is. If you say that to a pupil in Year 9 or Year 11, or to someone you meet in the morning at the bar when having your coffee—that in the EU there are two parliaments, the Parliament of Citizens elected by universal suffrage and the Parliament of States, where there are 27 delegates—everyone understands. If you say that the European Council is the collective head of state, like in Switzerland, people will say: ‘Really, a collective head of state?’ They will not intuitively understand how it works, but they will immediately understand the expression ‘collective head of state’. In a previous book entitled *Le pays des Européens*, which I wrote with my colleague Jacques Lévy, we made a somewhat provocative proposal designed to provoke debate. It did not work at all at the time. We said: ‘in fact, let us elect by direct universal suffrage the 27 delegates or representatives of the Member States to the Council of the EU’. At least that would be clearer. We knew perfectly well that this proposal had as many advantages as disadvantages. But with the HRVP, for instance, if we called that person the Minister for Foreign Affairs. I know—I have discussions with Sylvie Goulard, who says to me: ‘not at all; he or she does not have the powers of a foreign minister’. No, but let us do better. Let us offer a slightly ‘amusing’ idea, in quotation marks, but one that is operational. Let us call that person the ‘European Minister for External Trade’. Because that corresponds to reality. We agree. And then let us call all national ministers ‘delegated ministers for trade’. That corresponds to reality. I am merely describing reality. It would already help people take possession of the thing.

But of course you can imagine that national political parties have no desire at all for such an evolution, because otherwise, after a while, people will say to them: ‘what is the point of having a French delegated minister for external trade?’, since the real minister is in Brussels. So if savings have to be made, or rationalisation carried out... Well, you see.

Even that is not much, but symbolically and politically it might not be useless.

Georges Vlandas:

Unfortunately, we have reached the end of what has been a very interesting conference. Sylvain needs to return to Paris fairly soon. We are already looking forward to welcoming him back on 9 June to discuss Ukraine.

Thank you very much for being here, and see you soon.

Sylvain Kahn:

Thank you for inviting me. See you soon.

On the Strategic Role of the Delegations of the European Union

Much hope had been placed in the Treaty of Lisbon as a means of creating a genuine European diplomacy: with the creation of the European External Action Service (EEAS), the European Union was expected to establish itself as an international political actor. Is it possible for the European Union to be present almost everywhere in the world through its Delegations? Is such a presence necessary and justified? These questions arise at a time of budgetary constraint and with the launch of the review of the Delegations network under the heading of 'Modernisation', while the European Union itself is questioning its own purpose and seeking to define its role.

With the Treaty of Lisbon, the Delegations of the European Commission were entrusted with tasks that had previously fallen to the rotating Presidency of the Council. Formally and symbolically, this represented a genuine qualitative leap towards an 'ever closer Union'. Heads of Delegation, now recognised as Ambassadors Extraordinary and Plenipotentiary of the Union - and no longer bearing the title of ambassador merely on an honorary basis, as had previously been the case - represent the European Union in third countries and international organisations, depending on the EU's status within them. They defend the EU's values and interests and must ensure the coherence and cohesion of the activities of the Member States. These responsibilities come in addition to implementing the external dimensions of the EU's internal policies, as well as the entire cooperation component on the basis of instructions from the European Commission, with a duty to act coherently.

Two logics nevertheless continue to operate in parallel, a situation which the creation of the EEAS has helped to accentuate: the 'intergovernmental' logic for matters relating to the Common Security and Defence Policy (CSDP), and the 'Community' logic for aspects relating to 'common policies', in Brussels terminology. Their reconciliation is, as far as possible, undertaken upstream at headquarters through the various Council groups, which then translate into instructions for the Delegations.

In principle, responsibilities are clear and delimited: the Head of Delegation wears the 'double hat', mirroring the High Representative, who is also Vice-President of the European Commission. Letters of credence are signed by the President of the Council, who is competent for CSDP matters, and by the President of the European Commission. The tandem is not, however, symmetrical, either in terms of resources or in terms of the chain of command, which follows different logics, including in the management of financial and human resources. Political arbitration is orchestrated through institutionalised procedures,¹ in particular through Council groups (COREPER, PSC, etc.), the 'Group for External Coordination (EXCO)', and management bodies such as COMDEL for resource management. This does not mean, however, that the strategies and objectives pursued are always unified.

This is currently being felt at a time when, in many respects, the EU stands at a strategic turning point and, in the absence of genuine political unity, the conduct of international relations is taking place largely outside the framework of the Treaties through ad hoc arrangements, such as the 'coalition of the willing' in relation to the war in Ukraine. This partly deprives the common enterprise of meaning, or at the very least delegitimises actions carried out strictly within the framework of the EU institutions. Consequently, although it would be essential to continue dialogue among all actors on precisely how to respond more effectively to threats and challenges, no reflection is currently under way on reforming the Treaties or on how to integrate the different instruments more effectively. The European Parliament's initiative to relaunch European integration - the Conference on the Future of Europe - which examined possible ways of making the institutional architecture more coherent, appears for the moment to have been buried, even though the Commission has worked on a number of recommendations since the conclusion of the proceedings.² Mario Draghi has recently attempted once again to revive the debate by referring to 'pragmatic federalism',³ though without arousing much enthusiasm. Occasionally, one actor or another - most recently the German Foreign Minister - suggests reintegrating the EEAS into the Commission, but no one would really wish to take the risk of proposing a reform, given how far apart the views are and given the risk of further unravelling an already

¹ Voir Andreone et Soret in Revue de l'union européenne 02/2024, n°675 (Daloz- Paris), pp. 10-16

² https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/new-push-european-democracy/conference-future-europe_en

³ <https://geopolitique.eu/en/2025/10/24/mario-draghi-the-pragmatic-federalism-doctrine/>

fragile balance against the backdrop of the pressure generated by a new race towards further enlargements.

In this context, in which there is an avoidance of revisiting the objectives pursued jointly and the means of achieving them, the so-called 'Modernisation of the Delegations network' appears, at the very least, to be an excessively bureaucratic exercise: organisational in nature rather than one responding to new strategic orientations or to a desire to become more agile, as its promoters claim. The most recent Foreign Affairs Council 'Development' of 18 May 2026 did place on the agenda the redefinition of the strategic role of the Delegations in the light of the Commission's new orientations on development aid, but without clarifying the rationale of the process already under way, except retrospectively. Thus, the technical adjustments carried out by the Commission services - DG ENEST for 'Finance and Contracts' activities, for example - have little connection with any strategic reorientation of resources. Nevertheless, this has profound consequences for the overall effectiveness of the system, which is being placed under considerable strain in order to cope with these changes, with new balances to be found within Delegations that are being deprived of resources - including through dismissals of local staff - according to a logic that is not understood by those affected by it. The situation is aggravated by deficient internal communication and a refusal of social dialogue, which has gone so far as the lodging of strike notice by staff unions at the European Commission.

Thus, from a strictly operational standpoint, and in the absence of any overall reflection on the systemic objectives pursued and the means of achieving them in countries where the EU has a representation, the political decision taken in the context of the ongoing exercise has been not to close any of the current 145 diplomatic posts, but to adjust presences according to the operational constraints as assessed by the European Commission in order to manage its activities under a new typology: Delegations with a diplomatic presence, standard Delegations and reinforced Delegations. An initial choice has already been made with the creation of ten Delegations with a reduced diplomatic presence and without any Commission staff. Yet nothing clearly indicates that the presence of a Delegation under such circumstances is still necessary, except, where applicable, the weak representation of the Member States (MS) in those countries. But the Delegations are not intended to replace the Member States, even if this is sometimes the case de facto, at least in certain representational respects, as in Afghanistan, for example. In practice, the diplomatic staff deployed by

the Member States around the world have not decreased significantly since the creation of the EEAS, and in any case not as a result of the rise of the Delegations. On the contrary, when a country becomes more strategic - sometimes precisely because of the EU's efforts and investments - there is renewed interest on the part of Member States, which consequently aspire to open a diplomatic mission there.

Conversely, the Delegations called upon to play an enhanced regional role ('Hub') are not, a priori, of greater strategic political importance. Nor is there any reinforcement of political staff (EEAS) within them, except to adapt logistical support and strengthen managerial capacity for larger teams, with the creation of the post of 'Deputy Head of Delegation'; this does not amount to a political-strategic partnership with the host countries. It should also be emphasised that, no doubt in order to avoid the debate, there is no impact study of the Delegations, either from a political perspective or, more broadly, from the standpoint of the 'implementation of policies' and cooperation programmes. There are, admittedly, evaluation systems in the latter field, but these relate more to the achievement of objectives as defined by the Commission services, with indicators of their own linked to the implementation of specific projects. Similarly, periodic inspections of Delegations are more a performance audit intended to improve the functioning of Delegations in terms of management and execution of their mandate than a review of their effectiveness as such. While inspection reports may serve to adjust the resources made available, they have neither the legitimacy nor the purpose of questioning the rationale of the policies pursued, still less the justification for maintaining a Delegation in a country, which is a political matter.

In a period of severe budgetary restrictions, the EEAS is merely managing the scarcity of its own staff. There is no reconcentration of staff released by the reduction of ten Delegations to their simplest expression towards other Delegations considered more strategic. The redeployment and creation of regional centres correspond to a concentration of Commission services outside any political consideration - at least any acknowledged political consideration - with consequences for support staff; they in no way amount to a refocusing of EEAS activities. It appears that the desire to 'keep the flag flying' (no post closures) prevails over the ambition of external projection. As for the argument of maintaining influence over every vote at the United Nations, it appears quite superfluous in the current context

of the disintegration of the multilateral system. Thus, despite the attempts at explanation provided, no rational justification underpins the process covered by the concept of 'Modernisation'. If one adheres to the Treaties and to current practice as codified in a number of internal documents, EU Delegations hold the EU presidency in third countries and perform the following main functions, without prejudice to strategic or political objectives:

- EU Delegations are responsible for representing the EU's foreign policy (projection) and for defending its values or norms (proselytising) and its essentially economic interests. They ensure the diplomatic representation of the EU and of the High Representative vis-a-vis the authorities to which they are accredited, conduct political dialogue, deliver demarches according to instructions received from headquarters, and issue statements, either alone, with the Member States or only with some of them, with aligned countries, and so on; all configurations are possible. A Delegation is above all the face of the EU, its embodiment and the privileged interface with the third country to which it is accredited; in other words, the privileged interlocutor for two-way communication, relaying messages from and to headquarters. It is, however, clear that although the Ambassador embodies this representation, the reality is multiple and requires 'repeaters' within Delegations and disseminators at different levels. One person alone cannot have such a degree of penetration in society, which would in any case lead to dangerous overexposure;
- The Delegations assume the obligations arising from the Treaty of Lisbon as regards embodying the EU presidency and coordinating locally with the Member States and the various actors acting on behalf of the EU, such as civilian or military CSDP missions, in order to act coherently and in a complementary manner in the 'Team Europe' spirit. This also entails conducting political dialogue with the authorities of the country of accreditation on behalf of the EU, delivering demarches and messages, and issuing statements. To that end, they organise and host regular meetings, at least monthly, at Heads of Mission level, and more broadly ensure cooperation with other diplomatic actors;

- Without prejudice to the specific chains of command of EU actors present in the host country, the Delegations must ensure a coherent EU approach towards that country;
- The Delegations contribute to strengthening global security and stability, and to the EU's resilience and crisis preparedness;
- They contribute to policy development and decision-making at headquarters through political reporting: analyses, assessments and recommendations for EU action, and monitoring of activities liable to undermine the EU's interests and values;
- The Delegations carry out information and communication activities on EU positions, as well as public diplomacy;
- They are also responsible for presenting and implementing the EU's common policies, such as trade, development, fisheries, health and the common agricultural policy, and ensure technical coordination with the Member States (politics, trade, development, etc.), set the agenda for and chair these meetings, and ensure their follow-up;
- EU Delegations are responsible for the EU's multiannual development cooperation programmes. They play a key role in aid programming and in the implementation of all development actions supported by the EU in the countries concerned. They ensure the day-to-day management of external assistance programmes, including administrative expenditure;
- They coordinate the implementation of all EU assistance, multilateral and bilateral, and steer EU joint programming processes;
- EU Delegations provide logistical support and assistance to all EU institutions. This includes support for high-level missions by directorates-general with an external dimension (trade, fisheries, migration), as well as for visiting European Parliament delegations;
- The Delegations have a 'residual' consular responsibility: consular protection in the event of crisis, assistance to citizens whose country of origin is not represented locally, and harmonisation of the conditions for issuing short-stay Schengen visas, such as documentary requirements. They may complement the action of the Member States at their request in crisis situations, including COVID, security crises and evacuations of nationals;

- It should be noted that the Delegations must also provide support to the Humanitarian Aid and Civil Protection activities carried out by the European Commission's DG ECHO.

But does the European Union have the means, the will and the capacity to fulfil all these functions through its Delegations? In many Delegations, policy dialogue with third countries is conducted on a transactional basis, drawing on financial contributions and the development of projects. Networking and work with the various official actors, civil society, the private sector and others are also, and essentially, carried out through the possibility of intervening and providing support - not necessarily and not always financial, but at least relational. This in turn feeds political dialogue, which otherwise cannot be conducted by EEAS political staff alone. Once such synergies no longer exist, or no longer exist in particular because of the ongoing exercise of modernisation and regionalisation of the Delegations implemented by the European Commission, not only can there no longer be any question of a comprehensive approach, but the system simply can no longer function in its initial configuration. Ambitions must therefore be revised accordingly, and the rationale of a traditional, autonomous diplomatic presence must genuinely be questioned - at least as envisaged in the concept inherited from the Commission Delegations - if the means to sustain it are no longer available beyond ensuring a mere presence. An attempt has been launched internally to define the minimum functions to be ensured by Delegations reduced 'to a diplomatic presence', if only in order to instruct the Delegations concerned as to their role and responsibilities, including financial responsibilities. But this remains a bureaucratic inventory.

The real question is therefore what a Delegation of the European Union does, or ideally should do, in strictly political and diplomatic terms beyond its 'organic' and institutional functions falling within the remit of the European Commission services, as described above. The temptation is strong to return to a historical and traditional definition of diplomacy, even though, by definition, it will necessarily be anachronistic. This nevertheless remains the starting point for the Member States, for which it continues to be the primary reference, to the point of 'snubbing' Union diplomacy as neither real nor professional, even though its diplomats now come from their own ranks. The case is easily made when referring to areas of competence that still largely fall

outside the prerogatives of the EEAS, such as the issuing of visas or commercial promotion, even though in both areas the EU may also have added value.

It is therefore essentially a question of identity. Projecting itself externally in order to materialise its existence and to attempt to carry weight and exert influence is, of course, the primary rationale. It remains necessary, however, to be clear about what precisely one intends to represent. The EU is perceived very largely through its concrete actions, which in many respects resemble those of a State, rather than through its image, unlike 'a country', to the great despair of its own communicators. The EU is based on a legal and abstract system of legitimation that cannot be grasped in a simple way. Speaking of values - which, moreover, have until now been common to the Western world - does not forge a distinctive identity enabling it to be accepted as a full actor, sui generis, on the international stage. By contrast, the EU's normative power (the 'Brussels effect') has a reality that is certainly legal, but also extremely concrete. In this field, decision-making power does not follow the logic of the External Service, either within the EU (EEAS) or within the Ministries of Foreign Affairs (MFAs) of the Member States, but rather that of the European Commission!

Consequences of the War in Iran

GRASPE Conference by Guillaume Duval – 11 March 2026

Georges Vlandas

Good morning, everyone.

We are here to discuss the consequences of the war between Iran and the United States and Israel: its consequences for the United States, for the region, for the European Union and for Russia.

Guillaume Duval is a French journalist and essayist specialising in European economic issues.

He is also a colleague, since he worked with Josep Borrell at the External Action Service as one of his spokespersons. He is also one of the founders and editor-in-chief of the well-known monthly journal *Alternatives Economiques*. He is a member of the Economic, Social and Environmental Council in France.

He is also a member of the editorial board of GRASPE, a journal that has existed for 25 years. This conference will be the subject of a publication in one of the forthcoming issues of GRASPE, before the summer.

Guillaume Duval

Good morning, and first of all thank you to Georges and Hugo for inviting me to speak on this subject today. I should say at the outset that I no longer have any particular information, since I no longer work with Borrell and Kaja Kallas. What I am going to say is based on publicly available information, which, as everyone knows, is very partial.

This morning I would like to say two things about the war launched today by Benjamin Netanyahu and Donald Trump against Iran. First, I shall begin by drawing a parallel with the war against Iraq in 2003; second, I shall review the possible ‘solutions’ or outcomes of this war and the role of the various actors involved in it, ending in particular with an actor you know well: the European Union.

This text predates recent developments in the situation, in particular the closure of the Strait of Hormuz. It nevertheless contains interesting elements.

So to begin with, I do not know where the debate stands in Brussels, but in France, where I am now, there is a debate about the legitimacy of this war.

I would say that, for quite a few actors, it appears a priori less illegitimate than the war against Iraq in 2003 may have been. Saddam Hussein was, first and foremost, a bloodthirsty dictator who also massacred his own people in Kurdistan, and so on. Yet he was probably still less bloodthirsty than the Iranian mullahs may be, who only a few weeks ago massacred more than 30,000 people last January.

The fact that he was a bloodthirsty dictator was, in 2003, an important motivation put forward by American neoconservatives in order to go to war, to embark upon a war against Iraq. Today, however, this is no longer a motivation at all for Donald Trump, as we shall return to, since he publicly says that he favours a Venezuelan-style solution: in broad terms, leaving the dictatorship in place provided that it agrees to renounce its ballistic missile programme and nuclear weapons, and grants the Americans access to Iranian oil. So in that respect, perhaps the Iranian mullahs are even more dangerous dictators than Saddam Hussein already was, but in fact that is not why the war has been launched.

On the other aspect, the Americans accused Saddam Hussein of being in league with the terrorists who carried out the 11 September attacks in the United States. It turned out that this was entirely untrue. As for the Iranians, they too have never had anything to do either with Islamic State or with Al-Qaida, since those movements claim Sunni affiliation and have always been sworn enemies of the Iranian mullahs.

Although this was entirely false in Saddam Hussein's case, it is more true in relation to the Iranian mullahs, who have links with Shiite factions in Lebanon, Yemen and Iraq, which they have used to destabilise the region.

But well before this war itself, those links had already been greatly weakened, since Hamas had virtually disappeared in Israel and had been greatly weakened after two and a half years of war in Gaza. The Lebanese Hezbollah had also been greatly weakened after the strikes, the disappearance of its leader, and so forth. The Yemeni tools remained in place, but they are nevertheless not truly very powerful actors.

The international support that the Iranian mullahs had, which had been very strong before 7 October 2023, was therefore already greatly weakened, and one could doubt the capacity of the mullahs to restore it in the near future, given the weakening of the Iranian regime both economically and politically within Iran itself. So this is not a very suitable justification either. The third justification put forward in 2003, as today, concerns weapons of mass destruction, the nuclear programme, and so on. It turned out that this was an entirely false argument in 2003. That justification simply did not exist. But we know that, as regards Iran, by contrast, there is of course, even if the Iranian mullahs deny it, an advanced nuclear programme with a military purpose.

The point, however, is that the agreement on the Iranian nuclear programme signed in 2015, before Trump blew it up in 2018, already made it possible to monitor that programme very strictly and to limit the capacity of the Iranian mullahs actually to acquire the bomb. Last June's bombings had already very considerably slowed everything that had been done in the meantime and largely destroyed what had been done in the meantime to rebuild and advance the programme. Negotiations had been undertaken with the Iranians before this war in order to put an agreement with the United States back in place on the nuclear issue.

And the Iranians were clearly prepared to go even further than in 2015 in terms of controls, given the weakening of the mullahs. So this too is not a very suitable justification for going to war this time. Above all, what makes this war in reality even more illegitimate and more dangerous for international law and multilateralism than the 2003 war was, is that this time the Americans and the Israelis in no way sought a green light, an agreement from the United Nations, before going to war, which had not been the case in 2003.

The Americans had therefore done a great deal to obtain the agreement of the United Nations, of the United Nations Security Council. They did not obtain it. But at the same time they had also sought to build the broadest possible coalition, which several European countries, France and Germany, had refused to join, though not the United Kingdom and not other Europeans, who went along with the Americans.

This time, there was nothing of the sort. And it was done entirely outside any international framework, without seeking

the slightest international legality, the slightest international legalisation of this war.

From that perspective, therefore, it is indeed much more dangerous than the 2003 war against Iraq, which already had very negative consequences, including in that respect. For all these reasons, although Hezbollah is genuinely dangerous, even bloodthirsty, there are few grounds for considering a priori that this war could be genuinely legitimate and useful. But that obviously depends on how it ends.

How it will end, no one knows for the moment. But there are three possible options currently on the table. These are the ones I will now review briefly.

The first is the one Donald Trump says he favours. And I think that is true. It is the Venezuelan-style solution. The regime remains in place, but it gives way on missiles, on nuclear issues and on oil. For my part, I do not believe in this solution at all, because Venezuela and Iran are two very different countries and two very different situations.

The situation is very different, first of all geographically, but also culturally and politically. Iran is a very old country, heir to one of the oldest known empires, which has never really been durably colonised. Iranian nationalism is therefore something very strong.

Venezuela, of course, also has Bolivar and all that behind it. But these are nevertheless much less ancient and much less deeply rooted histories. Moreover, I think that if the Iranian mullahs, who are already very weakened and deeply hated by the very large majority of the Iranian people, accepted Trump's conditions, they would definitely lose all legitimacy, since part of their legitimacy is still based on Iranian nationalism.

So I believe they would lose power. That is why, contrary to what Trump thought — since he really believed that, with the entire armada he had assembled, the Iranians would give way before he even needed to attack — they cannot give way, and in any event they will not give way under those conditions.

So, in my view, this is not a real solution. I know many people say that the regime is sufficiently

solid, that it can hold on, and that therefore things could possibly evolve in that direction. I think it is too weakened and too hated to be able to hold on if it were to go down that path.

The second possible outcome is a peaceful transition, in particular in the form of the return to Iran of Reza Pahlavi, the son of the last Shah of Iran, and the restoration of a royal, but perhaps democratic, regime — in other words, a transition, I would say, on the Spanish model. In some respects this would probably be the least unfavourable solution, whatever one may think of kings in general. Even so, I do not think it is any more realistic.

I think that the people in the mullahs' regime cannot accept it peacefully without fighting to the end to avoid it, because they are so hated that they know their lives would be at risk if justice followed, with trials concerning the crimes that have been committed, and so on. I think that Reza Pahlavi, even if he has some support in Iranian society, is nevertheless someone who has not been there for almost 50 years now and has spent most of his life abroad. The Shah's regime did not leave only good memories in Iran, even if that is now rather distant.

I think he enjoys relatively limited support within Iranian society, even if many Iranians would be prepared to accept almost anything in order to get rid of the mullahs. In any event, for the time being, he does not really have American support either, since Trump favours something else. So I do not think that this is a very realistic solution either.

Unfortunately, I think the most likely outcome is civil war, the collapse of the regime and Iran becoming one more failed state. Initially, the Americans and the Israelis bombed the military installations and the bases of support of the Revolutionary Guards in a relatively targeted way. But still, what we see is that these bombings are broadening over time.

Oil installations are being destroyed; desalination plants are being destroyed. In any event, a great deal of civilian infrastructure is also destroyed when bombing is carried out so extensively and so heavily. If this continues for a few more weeks, it risks triggering a major humanitarian crisis within Iran itself.

All economic activity is at a standstill. Supplies that used to arrive in large quantities through the Strait of Hormuz, not only for the rest of the world but also for Iran itself, are no longer arriving. I think many Iranians must already be starting to suffer from this, if only in terms of food and drinking water. So we are moving towards an increasingly difficult situation inside the country. The Americans seem prepared to play on additional disorder by encouraging the Kurds to rise up and Iraqi Kurds to enter Iran. On the other side, at the border with Pakistan, there are the Baluch, who are ready to revolt and may perhaps be supported by the Americans. For the Kurds, that is less certain. Iran is therefore not Libya; it is not Iraq, because, as I said earlier, it is a very old country, a very old nation. But the idea that, as a result of this war, it could nevertheless come closer to that situation cannot be excluded. That may suit Netanyahu, as I will come back to, since he does not care whether it is a failed state.

But for the rest of the world, it is not Libya in terms of population either: it has 90 million inhabitants. For a country like that to become, in turn, a failed state is a major matter and a major problem. That is what I can say about the different conceivable scenarios.

As you will have understood, for the moment I am not very optimistic about the outcome of this conflict. After that, what game are the various actors playing?

Georges Vlandas

Is there not a possibility that, in the end, they hold out and remain in power?

Guillaume Duval

I do not much believe that. I think, in any case, that they will be crushed militarily in a very serious way. They are hated by 70 or 80% of the population.

They do have a certain base. But given what they have done over the past 50 years, and above all what they have done in the recent period, I do not see how they can manage to remain in power without the country being profoundly destabilised. But I may be wrong. From a distance, however, it seems unlikely to me. So what game are the different countries playing in all this?

Israel, and more specifically the Netanyahu government, is playing a dangerous game. But that is habitual for him. That is to say, it is very much within the outlook he has long had, which was already his outlook vis-à-vis Gaza and Palestine, and which was already his outlook vis-à-vis Lebanon and Syria.

It is really about asserting Israel's military power and building Greater Israel. Thus, they have invaded southern Lebanon. I am waiting to see when they will withdraw from it.

I do not know in how many decades they will withdraw from it. I do not know in how many decades they will allow Mount Hermon to return under Syrian sovereignty. I do not know in how many months the first Israeli settlers will say that they are going to settle in southern Lebanon. I think it is truly within an imperial perspective that he has embarked on this, and that he has involved Trump. Because that is essentially the story. I do not think Trump was necessarily very determined to go ahead.

But he knew that the Israelis wanted to go ahead, and he essentially followed them in this matter. So it forms part of Netanyahu's logic of imperialism and of Israel's, Netanyahu's, military hubris. I think that the final outcome will not necessarily be as favourable as Netanyahu thinks.

First, if Dubai and the United Arab Emirates, which today are Netanyahu's greatest ally in the region, are greatly weakened because Dubai has been bombed, influencers are beginning to be afraid, the airport is losing its status as a global hub because airlines are becoming frightened by the instability in the region, property investors are saying, 'this is all rather dangerous', and insurers no longer want to insure buildings in Abu Dhabi. Israel could therefore lose in this affair one of its main allies under the Abraham Accords. The United Arab Emirates pursued a very pro-Israeli policy, not only in the region in the strict sense, but they also destabilised other regions of the world.

They supported the independence of Somaliland in Somalia; they supported the RSF, the genocidaires of Darfur, in Sudan; they wanted a partition of Yemen. The United Arab Emirates were a very important ally for Israel in the region. They risk being greatly weakened as a result of this conflict, and that is not a good thing for Israel. Moreover, what helped Israel a great deal in the region was precisely the existence of the mullahs and their regime.

If that regime is greatly weakened or disappears, the game will in fact become much more complicated for Israel in the region, insofar as the other Sunni states, which accepted playing the game of Israel and the United States in order to protect themselves from Iran, will no longer have that fear. So it is not certain that, by playing this card, Netanyahu has not shot Israel in the foot. As regards Trump and the United States, this is a negative affair, especially if it lasts longer, because Trump had promised, in accordance with the wishes of his base, to refocus on the United States.

Trump had won the elections on the theme: 'We have spent far too much money, particularly in the Middle East. We would do better to take care of our bridges, our highways and our hospitals.' On this point, he is losing some support on the MAGA side. On the other hand, for the moment this does not seem to be translating into massive losses in terms of Trump's popularity. That may change if it continues, and if there are more American deaths. However, it obviously helps him to get out of the mire of the Epstein affair. It also helps him to move away somewhat from the major economic problems he was beginning to have inside the country, notably the fact that employment had fallen in January and February in the United States.

It is always useful to have a small war, at least if one wins it, in order to free oneself from domestic problems. It raises the price of oil. It creates additional problems for him in terms of inflation and Americans' purchasing power.

But at the same time it is very good for a significant part of his support base, namely the very large American oil companies and actors in the sector. It also makes it possible to revive exports in the United States. American shale gas and shale oil are profitable only if oil prices are very high.

So it has disadvantages, but it also has advantages for him. Obviously, if the affair drags on, if it does not end as he wishes with a rapid agreement with the Iranians and instead turns sour, that will be another matter for him. But for the moment, we are not there.

One of the major winners in this affair — everyone says it, but it is true — is unfortunately Vladimir Putin. It is true that he may appear weakened by the fact that he is not helping an ally, and that he is showing once again, after Venezuela, that he is not capable of helping his allies when they are attacked. But at the same time, it is a very good deal for him from the point of view

of oil prices, of course, and from the point of view of the lifting of sanctions on Russian oil exports, which the Americans are in the process of lifting. This will allow him to replenish his war chest. And he really needed it, because one of the things that was happening was that he was genuinely reaching the very limit of the internal economic difficulties generated by this war.

It is true that this war, as it has been triggered and conducted so far, would really lead one to say that, if Trump were genuinely under Russian influence, he would probably not behave otherwise. The other aspect that is obviously very important for the Russians is that the phenomenal quantities of sophisticated munitions currently being used — essentially American sophisticated munitions — both on Lebanon and on Iran, are munitions that will not be able to be delivered to Ukraine, paid for by the Europeans, in the coming months. This risks making Ukrainian resistance even more difficult, particularly in the anti-aircraft field, over the coming months, because the Americans will want to rebuild their stocks and will not want to release munitions. This is one of the reasons why Zelensky has become so strongly involved with the Gulf countries, offering them assistance and support to combat Iranian drones.

In particular, he hopes that the Gulf countries, which are overarmed by the Americans because they have a great deal of money, will in exchange hand over missiles to him, especially material with which to equip the Patriots.

There is another important actor in this, even though it has not said much for the moment: Xi Jinping's China. Xi Jinping's China has a great deal to lose. The whole of Asia is experiencing a very difficult situation strictly in terms of energy supply. We are in difficulty in terms of oil and gas prices, but for them it is not simply a question of price. For China this may even be less the case than for others. But for the whole of Asia, it is really a question of the availability of the resource. If the Strait of Hormuz remains blocked for a long time, they will no longer have oil and gas.

Countries such as Bangladesh and Pakistan are already taking rationing measures to deal with such a situation. China is not exactly in the same position. It has built up stocks, but it is still losing a very important oil resource for its economy. Its economy is in the process of reducing its dependence on oil, with many electric cars,

but oil supply nevertheless remains a very major problem for them, since they have few domestic resources. This is also a two-sided political problem for China.

There was a strategic agreement in 2021 between China and Iran. Iran is an ally that China is not really helping, and that it is not truly capable of helping. It probably plays a role in intelligence terms in helping the Iranians strike American bases, but for the moment it is being very cautious. This may cause it to lose credibility vis-à-vis all its allies, its vassals, if it shows that it is unable to support its allies when they are in difficulty. At the same time, it also helps China to show that it is a more reasonable and wiser international actor than Trump's United States. We shall have to see how they behave in the weeks ahead. If this continues, they will not be able to remain as inert as they have been until now, not with the very great risks involved.

I do not know whether this can happen, but it is possible that the Chinese may decide to take advantage of the fact that the Americans have depleted their stocks and have gathered all their forces in the Middle East in order to attack Taiwan now. It would not necessarily be stupid of them to think about that kind of thing and possibly to do it, because at that point it is true that the Americans would probably not have the means to counter them, nor would the Taiwanese. Finally, before concluding on Europe, among the great losers in this affair there are undeniably the United Nations and the multilateral system. I said so earlier. On this point it is really much worse than what was done in 2003. So is this the end of the end of the multilateral system of international law? That is more or less what Ursula von der Leyen was saying on Monday before the EU ambassadors. She seemed to consider that all of that was over and that we needed to move on to something else. It is not foolish to think that. In any case, it would be very serious for the EU, because we cannot play in the same league as the Americans, in the same league as Trump, in the same league as Putin. If, in the coming months, we really have to play according to the law of the jungle, 'might makes right', and there are no longer any international rules that count, the EU risks finding itself in a difficult position between Trump and Putin.

Moreover, this creates problems on issues that can be settled only at multilateral level, such as climate change, which are colossal and risk bringing about the end of humanity. If we are not capable of powerful multilateral and international action

in the coming months, then simply taking note of the end of multilateralism and adapting to that state of affairs does not seem to me to be a solution, at least not for the EU and not for the future. But this precisely allows me to move on to the final point I wanted to develop in this rather long introduction.

That was the question of the EU's position. For the EU, Iran is located in a region that is much more important than it is for the United States. It is a region that matters in terms of gas and oil supply, even if we depend much less than Asia on this particular region.

It is a region that is essential for all goods traffic between Asia and Europe. This traffic is very unbalanced, since the Chinese export much more to us than the reverse. But it still matters a great deal for Europeans in terms of oil and gas, even if we are not necessarily very affected in terms of flows.

We are obviously very affected in terms of costs and oil prices. It is a region which, if what I said earlier were to prove true — that is, if Iran were to become a failed state — would probably once again create enormous problems for us in terms of migration. But it is a region in which, at least until now and in fact since 2023, since the start of the war in Gaza, we are no longer able to play any role. That has not always been the case. The agreement on the Iranian nuclear programme that I mentioned earlier, concluded in 2015, was in fact first and foremost a huge success for European diplomacy.

It was really Javier Solana and his successors who worked enormously to make it possible, and it positioned Europe as a credible actor capable of helping to preserve peace and stability in this region, which, as I said, is central for us. We always have the impression that Europe advances through crises. But here, manifestly, the opposite is true.

We have therefore regressed in terms of influence and capacity for action in this region, in this affair. The most serious thing would obviously be — and the risk exists — that, in order not to upset Trump and in order not to lose his support on other dossiers, especially Ukraine, Europeans in turn commit themselves to the war against Iran and start following them, after the fact, by entering this war. I think that would be very dangerous for us if we followed that path. For the time being, that is not the case.

But I am very surprised that no one in Europe has so far tried to bring together the regional actors.

I forgot to mention another very important actor before speaking about us. That actor is Saudi Arabia. Saudi Arabia is the giant of the region. Saudi Arabia is at war with the United Arab Emirates on all the dossiers I mentioned earlier, and at war in the literal sense on Somalia and Somaliland, and on Sudan, where Saudi Arabia supports the Khartoum military against the others, against the Darfur genocidaires supported by the United Arab Emirates. So before this war, Saudi Arabia really was at war with the United Arab Emirates. It therefore does not necessarily cause them excessive sorrow if Dubai is destroyed or if Dubai loses its privileged status for the time being.

Above all, Saudi Arabia does not want, at any price, a regime to be installed in Iran that would be a vassal of Trump and Netanyahu. The Saudis are certainly watching this; apparently they were informed, and they gave their agreement for the Americans to go ahead, but they are watching all this with great caution.

There is talk of a European force to clear the Strait of Hormuz. If we were able to do that without thereby entering the war against Iran, it would indeed be something very significant from a European point of view. But it is true that, for the moment, I do not really see this project materialising in the short term, in any case.

Bringing Mediterranean aircraft carriers alongside Cyprus is nice, but it is of little use in this context. By contrast, I am very surprised that no one has invited Turkey and Saudi Arabia to hold a conference with us in order to propose a diplomatic solution to this conflict, secure a rapid ceasefire and propose diplomatic solutions to this conflict.

Why are Europeans not in a position — why do they no longer seem to be in a position — to address these interlocutors in order to propose something of this kind? I think that would certainly displease Benjamin Netanyahu. It would probably rather help Donald Trump to get out of the quagmire a little more quickly than what seems to be taking shape at present.

In any event, I think the EU's current attitude falls far short of what is needed and of what could be done. As for what Ursula von der Leyen said on Monday about multilateralism and

the United Nations and international law: yes, they are in very poor condition. But if they are in very poor condition, Europe must precisely take the lead in renovating, reforming and refounding them, because in any event we will need them in the future. We cannot play the same card as Trump on this. This region is absolutely central for us, and if it is central for us, we must be active and not merely reactive. It is very good to deal with repatriating Europeans who are stranded in the region, but this is a region that deserves more from us than that if we are to stop the disaster currently under way.

Georges Vlandas

Thank you. Before I give the floor to the audience, so to speak, I am sure colleagues will be very interested in asking questions and commenting on what is happening. I would like to make three remarks. The first concerns historical elements.

In 1956, Iran had a prime minister educated in France, Mossadegh, who was a democrat educated among us, so to speak, and who was overthrown by the Americans because he wanted to control his country's own resources. Subsequently, there was a dictatorship, that of the Shah, which was certainly secular but was rejected by the population, both by secular, even communist, tendencies and by religious forces.

There was then a revolt against the Shah which removed him from power, and the religious forces won — not alone, but they were the ones who prevailed. And what was the West's response? It was to support the war waged by Saddam Hussein.

You said earlier that he was less bloodthirsty than the mullah, but I seem to remember that he was the initiator of what Bashar al-Assad later did. Yes, he gassed the Iranian population, and at the time no one found fault with it. In any case, there was an eight-year war, after which this regime, feeling threatened, developed armaments and tried, like the Soviet Union after the Second World War, to have a buffer zone around it. Then there was the nuclear agreement, which the United States denounced, apparently without reason, since the others, England and France, remained in it. Negotiations were under way and were interrupted in the middle, while discussions were taking place, by military attacks.

I do not say this to exonerate the appalling mullahs' regime, but to underline that, in a sense, what is happening there is not a bolt from the blue, where evil, held in check by the forces of good, would have burst forth from the darkness; rather, it is the result of our own actions. And so I say this

to invite us to reflect on the fact that our own actions today may have, if not perverse, then at least negative effects.

The second remark concerns the USA. We like to say here that Donald Trump is mad, that he has no strategy, and perhaps we say that because he himself does not spell it out. He is operating within the society of permanent spectacle. The aim is to entertain, to divert attention from his real intentions or from sensitive dossiers. But if one looks at what he does, for example domestically, he makes people forget embarrassing stories about him. As the elections at the end of this year approach, there is an attempt to provide the population — or at least those who support him — with a feeling of power.

Then let us take the case of China. China is inconvenienced by all this. Of course, it hopes to obtain Taiwan. In relations between China and the United States, the Chinese president puts on the table that his priority is Taiwan. That is why he is keeping a low profile in the current conflict. Nevertheless, he is the one being weakened. The Gulf countries are allies of the Americans, but they are not entirely faithful allies. In recent periods, they have tended to show autonomy and even not to follow to the letter what was proposed to them. The crisis generated by the conflict with Iran creates problems in China.

Finally, Europe. The end of the world as you described it, based on international law — which was, moreover, a very relative world — weakens us, because we are the paragon of that system. So what threatens America more than Russia or China? It is Europe, because Europe is an alternative paradigm. Russia and China are competitors; they are not an alternative paradigm. We are an alternative paradigm. We have another vision of the world, another internal organisation of society, and we are the progressive camp, in a sense. We are all the more so because we are in a defensive period. In a period that is not defensive, one can say that our social law leaves much to be desired and that our democracy is weakening; but when we compare it with what is happening, we are the most progressive. Yet the current conflict weakens Europe.

At the economic level, Trump brings together arms producers, and the military-industrial complex plays an essential role in the United States, supported by the state. Indeed, it is one of the drivers of American growth. Multiplying production by four,

financed in part by the Israelis, by the Gulf countries and by the Europeans.

From an economic point of view, this war is an assertion of domination, and it demonstrates all the more the weakness of the United Nations system. It enhances Trump's own initiatives, through which he is trying to put in place another system of global regulation under his control, with an entry ticket of one billion dollars. So, ultimately, it forms part of a plan that corresponds both to his domestic political project and to his vision of the world. The fact that he says everything and its opposite does not mean that all this makes no sense or is not based on a vision. And then the third point is Europe. You say that Europe is in crisis, and I agree with you when you say that, until now, we have repeated that Europe advances because of crises.

That was true in the past, but this is not a chemical reaction; these are matters that depend on a political and social context. All the more so because Europe today is going through a crisis of its capacity to respond to the challenges it faces. And the crisis is all the more worrying because the diagnosis has been made and because, therefore, a reasonable remedy from the point of view of the system — that of the Draghi report — exists. But we are doing nothing with it.

It could be implemented; it could offer an alternative to strengthening, and yet it is not being implemented. And when we talk about the European budget debate, the budget is EUR 2,000 billion, which seems larger than before. But if we remember that the previous budget was EUR 1,300 billion plus the recovery plan, it is smaller in volume than it is today.

Hugo Arcangeli

Allow me to read you a question from Sarah: 'In your view, what is the real impact, whether current or medium-term, of this war on Turkey, a NATO country? Two phantom drones flew over Turkish airspace a few days ago.'

Participant

Thank you. I would like to return to the Vienna agreement and to what it represented. Without adopting American terminology, it was, as you very rightly recalled, a diplomatic initiative in which Europeans played a central role, notably Federica Mogherini. It was a negotiation conducted on solid foundations, belonging to a genuinely diplomatic approach.

On reading this dossier, it seems clear to me that Iran complied with its commitments. Some speak of bluff, but no: it was diplomacy, in the full sense of the term.

What then happened is, in my view, revealing of a collective failure. When the United States denounced the agreement, Iran turned to the Europeans, reminding them of their commitments. But European companies immediately retreated, fearing that they would lose access to the American market. It was, it must be said, a rather distressing rout, especially since we had built a genuinely ambitious diplomatic architecture.

Six years later, Mr Trump is pretending to relaunch a diplomatic process, thereby returning to the dismantling that he himself had brutally imposed.

This raises a fundamental question: is it a decoy?

Is the underlying message that the Americans do not want Europeans to play a stabilising role in this region? Or is the aim to maintain a certain confusion, in a context in which Israel is pursuing a vision of regional hegemony supported by Washington? If that is the case, we find ourselves de facto excluded from a region that directly concerns us in energy, geopolitical and security terms. The question therefore remains entirely open: what is the real objective? Why sabotage a diplomatic process that was largely carried by Europeans? And why today, under cover of a return to diplomacy, do those same Europeans seem to be sidelined?

Participant

The reference to Taiwan seems very apt to me. Personally, I do not think that this issue will arise imminently; the Chinese are pragmatic and know the real balance of power. That said, if the situation continues in this direction, it is a question that could indeed arise as soon as next autumn.

I also heard the idea that Europe represents an alternative paradigm, and I share it. It must be recalled that a large part of American culture is of European origin: these are people who fled Europe and projected themselves into another reality. And when one reflects on collective unconscious over the *longue durée*, I think Europe has always perceived itself as a continent with defined limits, whereas the United States still sees itself as trees growing higher than the sky. They remain anchored in this imaginary of an endless frontier, and this is an absolutely fundamental difference from us.

This is what we must emancipate ourselves from. For Europe, alas, is today in regression. And what must be clearly understood is that we are facing an existential war.

We do not know what Trump will do; he can change position three times in a day. Six months ago he presented himself as a candidate for the Nobel Peace Prize; today he is striking Iran. As regards Iranian football players, one day he says they cannot come to the United States, the next day that they are welcome, and the day after that that they risk their lives, so it is better for them to stay at home.

But what is certain is that this war is existential, not for the United States, which can turn around from one day to the next, but for Israel and for Iran. And that changes the situation completely.

This brings me to my fundamental question. I have heard the hypothesis of a prolonged war. And I am waiting for contrary arguments: what could allow us to think that this war will not last? Because even if the United States disengages, Israel will not withdraw. And Iran is playing for its survival, the survival of the regime, with a profound religious dimension. So yes, in my view, this war will be prolonged, and for a very long time.

What makes the situation even more dizzying is that we are talking about Iran, an immense country of more than 100 million inhabitants. We can clearly see that the Israelis have been pounding Gaza for more than two years, have razed almost the entire territory, and that there is still Palestinian resistance. Faced with Iran, they will not be able to do it. I therefore do not see how this war could fail to continue, but I am waiting for opposing views. Thank you.

Guillaume Duval

To return to your initial remarks: you are right, I did not go back into the older history, but the Mossadegh episode is directly linked to what I was saying about Iranian nationalism. Simply submitting to American diktats seems to me quite simply impossible; any Iranian leader who did so would lose a large part of his legitimacy in the current context.

On the nuclear issue, one essential point must be recalled: this story did not begin with the mullahs. It was the Shah himself who wanted to equip Iran with nuclear weapons. And for a large country of 90 million inhabitants, reflecting on acquiring nuclear weapons is not necessarily absurd; it is no more irrational

than it was for France in the 1950s or 1960s. As for the discourse according to which Iranian elites would use the bomb to destroy Israel, that is nonsense. Israel is itself a nuclear power, originally thanks in particular to France. There is therefore potentially a balance of terror. Those who would truly have a problem with a nuclear Iran would rather be the Saudis, which explains their particular attachment to this dossier.

On Europe as an alternative paradigm: yes, that is undeniable, and it is precisely for that reason that Trump and Putin are so determined to destroy democratic Europe. But for the moment we are not asserting this alternative character with much conviction. And there is a risk that this paradigm may destroy itself from within, notably if the far right were to win in France next year. Europe's prospects of offering a credible alternative to Putin and Trump would be considerably reduced.

On Turkey: it is a complex actor. The power in place is Islamist, historically close to the Muslim Brotherhood, who are the sworn enemies both of the Iranian Shiites and of the Saudi and Emirati regimes. Turkey also carries an imperial past that is badly remembered throughout the region it colonised, which makes it suspect in the eyes of many Arab actors. That said, in the current context it has moved closer to Saudi Arabia; it was already close to Qatar, which itself is linked to the Muslim Brotherhood. Above all, it is a considerable power, with a long common border with Iran, and it has no interest in seeing a failed state emerge in Iran, nor in seeing an additional autonomous Kurdish regime established in Iranian Kurdistan. It also has no significant oil resources of its own, which makes it dependent on energy prices. A lasting destabilisation of the region would therefore be very costly for it. For all these reasons, Turkey could be an important actor in bringing about a degree of calm, provided it is approached.

On the JCPOA: what happened after the American withdrawal is one of Europe's major failures. We were unable to resist the extraterritorial sanctions decreed by Trump in 2018: 'continue doing business with Iran and you lose access to the American market'. Yet we had a tool to respond to this, the Blocking Statute, but we were not able to implement it. Nor, for that matter, have we activated it to protect the International Criminal Court, even though that is currently a subject of debate in Europe. We have since equipped ourselves with a new anti-coercion instrument, which we have not yet implemented against anyone.

If one wants to assert this alternative paradigm, one must bare one's teeth when it is challenged. That was clearly not the case in this affair.

On Netanyahu's project: it is clearly Greater Israel. Not only denying and prohibiting the existence of a Palestinian state, by massacring or expelling Palestinians, or by establishing a system of apartheid, but also conquering neighbouring territories. They were already occupying the Golan Heights; they extended their presence in Syria, around Mount Hermon, after the fall of Bashar al-Assad. They are in the process of invading southern Lebanon. I would not be surprised if the objective were to colonise it, since they have just ordered the evacuation of all inhabitants south of the Litani, that is, 10% of Lebanese territory.

That said, I do not entirely share the analysis that this would be an existential war for both camps. I think Netanyahu is making Israel run an existential risk. First, if they eliminate the Iran of the mullahs, they will create monumental long-term problems for themselves with all the Sunni regimes, which will no longer have any reason to make the slightest concession to them, since the risk that bound them to Israel was precisely Shiite domination in the region. Second, their allies risk being weakened. It is probably the war too far. For some time there had been a sense that they were caught up in hubris. The cost is already considerable: tourism is once again dead for the whole season, and the weapons they are deploying in large quantities are weapons they buy. None of this is free.

Georges Vlandas

Israelis who are leaving the territory of their country.

Guillaume Duval

Today there are fewer people arriving in Israel than people leaving it, notably among the most educated and among those who have opportunities elsewhere. So even from a strictly Israeli point of view, I am not sure that this is a good deal, even if they were to win militarily, which they very probably will.

On the religious dimension of the Iranian regime, you are right; I may not have emphasised it sufficiently. These are people for whom there is life after death, and for whom dying as a martyr while fighting the enemies of Shiite Islam is a death that opens the gates of paradise, and therefore presents advantages, so to speak. This is one of the elements that leads me to think that these people are prepared to fight very far, and that fear of death will not be what brings them quickly to the negotiating table.

That said, I do not know where their stocks of drones, missiles and launchers stand. I therefore do not know to what extent they can hold out over time. And it should be recalled that the regime had already been very weakened militarily since last June's bombings.

So I am not certain either that, on a strictly military level, they have endless reasons to pursue a war capable of causing real harm to the region for a very long time.

Béatrice

Thank you very much for this presentation. It is rare finally to hear such a global vision of the situation, rather than the traditional black and white, the axis of evil against the axis of good, to which we are accustomed, even if one may wonder whether that axis is not sometimes reversed.

That said, the world is not Manichean. This brings me to my question, which a colleague has already raised, but on which I would like to insist: why is Europe so absent, so incapable of sustaining a coherent discourse and an articulated vision? Allow me to be direct, since we are here in a free space for discussion: I find these positions rather infantile. Why are we so stuck?

Igor

In your view, what are the risks that this conflict will spread to the rest of the world?

Georges Vlandas

Good. May I say a word before you respond?

On the question of European power, the criticism I would make is not one of prudence, compromise or hesitation, because we are in a situation of relative weakness. When one has responsibility for a community, grand gestures are not always productive. It is very easy to gesticulate and make sweeping declarations.

The real criticism is that we are not sufficiently taking the measure of the situation, and that we are not engaging in a forced march to place ourselves in a position of power. Let us take the example of the nuclear agreement mentioned by Catherine: if we gave way, it was because we did not have sufficient power to resist. And perhaps we were right to give way at that moment, so as not to provoke a crisis in Europe. So be it.

But the problem is that ten years have passed since 2015. Are we laying down the foundations of an alternative?

Are we saying to ourselves that there are things we can succeed in doing only together? Have we taken the measure of the challenges before us? There is the Draghi report, which is not a miracle, but it exists. Well, let us implement it: let us borrow at European level, EUR 800 billion more per year, and deploy it. That would enable us, in five or six years, to be in a position to resist.

Because at the moment countries are arming themselves, and it is pathetic. They are buying weapons systems over which they do not have full control, and we are spending billions of euros for nothing. On the common combat aircraft, the French, who have a lead, are resisting instead of understanding that, if we want to move forward together, we must accept compromises, provided of course that others also concede something, such as common borrowing.

That is what worries me at European level: our inability to take the measure of the situation. Everyone is aware of the problems, I think. But we are incapable of acting accordingly. As before every great crisis: before the French Revolution, people knew there were problems, and reformist solutions existed. Before the Russian Revolution, people knew that the population wanted peace and agrarian reform, those 'bourgeois demands', as Rosa Luxemburg put it, and they were unable to implement them. Moreover, the policy of small steps, presented as positive, overlooks the context. In a situation of deep crisis, a policy of small steps aggravates it, and may even discredit the 'right' solutions, because they appear ineffective.

We are somewhat in this situation of tipping point, where anything can happen without our really acting. Small steps might have sufficed in a non-crisis period, but today they are no longer a response commensurate with the situation. All possibilities are open, including the worst. That is my reaction; perhaps I am too pessimistic.

Participant

I mean, we can see all that. My question is why did we get here? Is it because we have American bases everywhere in Europe?

Georges Vlandas

Because of ourselves! Let us stop saying that it is the Americans' fault; it is because of ourselves!

Where are the political, trade-union and social forces in Europe that are pushing for action? Where are they? Where are they?

To say that it is the fault of the other — and others of course play a role, I do not deny that — but to stop there, pointing to the Americans, the Chinese, and so on, is to avoid an internal examination. It is to avoid asking what we can do, we, here.

For example, we could take the initiative of a public letter addressed to the three presidents of the European institutions, saying this to them: do not reserve the budget debate and the debate on the future of Europe for small technocratic circles or for the Brussels bubble. Take it into European society. Do not repeat what was done at the time of Brexit, when there was a recommendation not to intervene, and when the Brexiters were allowed to profess falsehoods without response.

We too, as individuals, have the freedom to act at our own level, modest though it may be, but we must cultivate our garden without looking elsewhere, and take our responsibilities. Let us say to our leaders: take the budget debate into the public square, into the agora, so that citizens know that it exists. Yes, that will create tumult, but democracy needs debates and confrontations. That is the strength of our model.

Instead, what do we debate in our countries? Issues that may perhaps have their importance, but that are not commensurate with the crisis we face.

Guillaume, would you like to react before we conclude?

Guillaume Duval

On Europe's absence: there is obviously the Ukrainian question, which makes us very cautious towards Trump; we are afraid of offending him, and several European countries are politically aligned with him. But the main problem, in my view, is that what now dominates in Europe, in the European Parliament, and increasingly in public opinion, is alignment with the Trumpist vision of the world: white supremacism, distrust of the countries of the South and of the Muslim world in particular. This prevents us from having an active and credible policy in this region.

This is reflected in two concrete things. First, Europe's entirely counterproductive attitude towards what has been happening in Gaza since 2023, which has destroyed the European Union's credibility on international law and multilateralism, in the Muslim world but not only there. I worked with Borrell: when he arrived in Chile, the first question Boric asked him was: 'What are you doing about Gaza? Why do you support

Netanyahu?’ This was extremely negative in terms of obtaining support from the countries of the South on Ukraine in international fora. We could no longer say to them, ‘support us in the name of international law’, when, at the same time, we allowed Netanyahu to trample on that same international law every day in Gaza and the West Bank, including by regularly destroying infrastructure financed and built by Europeans, without any reaction on our part.

Second, migration policy. Fortress Europe has a considerable reputational cost. I am not speaking only of labour migration: today, for an artist or a professor from sub-Saharan Africa, obtaining a visa to come and give a conference in Europe for a week is an ordeal. It is therefore hardly surprising that these people prefer to turn to Russia, to call on Wagner rather than maintain French troops to fight the Islamists.

That is the configuration in which we find ourselves: we are not credible in this region. If we do not want to be crushed between Trump and Putin, we must truly turn towards the countries of the South. Ursula von der Leyen said this on Monday before the ambassadors, but without so far mentioning the subjects that would make it possible to do so concretely. These are not only trade issues: they are political signals, principally those I have mentioned, to which climate must be added. If we want an alliance with the countries of the South, we must also put more money on the table to help them adapt to climate change and accelerate their energy transition — that is, do roughly the opposite of what we are doing now, since everyone is reducing their development aid budgets.

On the risks of the conflict spreading: in strictly military terms and in the immediate term, I do not believe in a rapid extension. But the destabilising effects can go very far through the economic route. It is not only oil; there are fertilisers, a large share of which is produced in this region thanks to the energy available; there is aluminium; there are plastics. All this can destabilise countries that are already fragile. I do not know what will happen in Egypt, but it is a country that is always unstable and very sensitive to oil and flour prices. Then there is what I mentioned about the South China Sea: will the Chinese take advantage of this to move on Taiwan? Will the North Koreans seize the opportunity? Cuba too could become a new crisis in the coming weeks. This focal point in the region can indirectly aggravate or trigger crises elsewhere.

On common projects in Europe: I am not really surprised that this is not moving forward. If I were in the Germans' position, I would do nothing with the French, neither on aircraft nor on anything else, as long as the possibility of a far-right victory in France has not been removed. That is logical: most Europeans today consider it the most likely hypothesis for next year. And as long as this uncertainty remains, European integration has no chance of advancing, because if that were to happen, it would be a catastrophe whose scale for European construction in all its dimensions we probably do not yet fully measure.

Georges Vlandas

Good. We are reaching the end of our conference. We have exhausted neither the subject nor colleagues' interest.

In any case, thank you for being here and for staying until the end. The next conference will be Mr Treiner's conference on stock energies and flow energies, which will in principle take place on 24 March.

We will also have Jean-François Drevet, on Turkey, on 18 March.

Thank you for being here, and do not forget that GRASPE, which has existed for 25 years, lives only thanks to the goodwill of those who run it. We have issued a call for subscriptions at EUR 50 per year, which would allow you both to support the journal and to receive a printed copy. Personally, I prefer that. But it is also available on the website. And on the website, we are trying to translate GRASPE into English. We have already translated four issues. And we will continue. Thank you very much, and see you very soon.

Europe Digital Sovereignty: where are we ?

With:

- Domenec Devesa, President of UEF, former MEP,
- Liviu Stirbat, EC Head of Unit for AI in Science,
- Christophe Leclercq, Founder of EuropeMediaLab & Euractiv
- Catherine Vieilledent, moderator, GRASPE, SecGen UEF
Groupe Europe, Member TED network)

Thursday January 15th, Press Club, Brussels

Catherine Vieilledent:

Good morning, everyone. I'm very happy to have you to discuss a big issue for everybody, EU officials but EU citizens as well, which we call EU digital sovereignty. It is a major issue today and we have the pleasure and honor to have with us Mr. Stirbat who is Head of Unit in charge of AI in science in the European Commission, DG Research. I know you are very busy so thank you very much for being with us. We also have Mr. Domenec Devesa with us, President of UEF and former MEP. He has a lot of knowledge about European policies including that one. Thank you for coming, Domenec. And we have Mr. Christophe Leclercq, who founded Euractiv and is very active in *EuropeMediaLab*. There were very busy days in the Residence Palace discussing the Trusted European platforms.

So, now I let the floor to Domenec Devesa who will introduce the debate and then both participants present their angle to the issue, then we will turn to several questions. We have some 80 people registered for online watching and we also have some very interested stakeholders like Mr. François Leray online. Mr. Devesa, the floor is yours.

Domenec Devesa :

Thanks a lot, dear Catherine and to the group UEF Europe which is organising this event, thanks for the opportunity of being here in my capacity as President of UEF but also former MEP, on this important topic of digital sovereignty. And thanks also to the revue GRASPE that helps organising.

It is good to mention François Leray, because my first mention will be the resolution that we adopted as UEF in our federal

committee meeting which François drafted. I will not go into the details, maybe François can explain later. But I think it is important to mention and to read it because we, as federalists, bring attention to this policy dimension in the big institutional picture that we always look at. But we know that sovereignty is a multi-dimensional concept. It was not so much used in European *lingo* until the speech by E. Macron at the Sorbonne about European sovereignty, and some people also named it “strategic autonomy”. Sometimes we get too taken up into the nominal discussion or “what is the difference between one and the other...I don’t think we should get too much into that. I think both convene, maybe “European sovereignty” in a stronger way, that we want to be self-reliant in some key elements of our policies. This multi-dimension you can find it in terms of geopolitical sovereignty, in terms of economic sovereignty, energy sovereignty, even food sovereignty, health sovereignty and of course digital sovereignty, just to name a number and put it in the context.

Political sovereignty is a very current topic and you can have it when you have the others and an important one is the digital dimension. Why ? because political sovereignty means that you can take decisions without undue pressure from other actors. Which is precisely what we have seen from the past year. January 20th is almost here and in one year of Trump's presidency, we had the threat to invade Greenland, the famous 5% of defense expenditure, the attacks on national strategic security last November, a former commissioner being sanctioned to travel to the US... All these things point to a lack of sufficient political sovereignty. It is also a question of strategy but I think also the strategy of appeasement that the leadership of the Union, the Council in particular, but also the Commission in my view, has been implementing for the past years, is the wrong strategy. But it is a bit connected to this perception that we are not sufficiently strong in terms of our strategic assets to face him. Then, what are we lacking? As I mentioned, we also lack military and defense sovereignty in the traditional sense. We are also focused on technology, artificial intelligence and digital tools. Of course these technologies are essential in defense, security and welfare but don't have sovereignty in the most common understanding of territorial defense because we have not activated art.42.2 on common defense, and even if Trump is threatening to invade Greenland, it seems that we still want to keep NATO. Not that I want to dissolve NATO but it is obvious we cannot put all the eggs in the basket of NATO. So we need a defense and security pillar and it is still not there in terms of territorial defense. In the pandemic, not even one gram of paracetamol was manufactured in Europe. Almost all the production was in India

so if there were restrictions or if they decided not to send any to Europe it would have been a big issue. So that is a lack of sovereignty.

On digital and AI, I saw that the EU adopted an important document in Berlin on digital issues with member states and it is an important point of reference. What I would like to say is that we know we are dominated by US products, we have in some cases alternatives to US companies but for credit cards they are only US companies for instance, and that could cause a huge problem. Another very practical example: as you know Trump has sanctioned the judges of the International Court of Justice. They are facing financial barriers now and it has not even been decided by a court and we have no alternatives to offer in these cases. We mentioned some ideas like open-source solutions, the EU institutions are already moving to that and this can be generalized. We are all using ChatGPT, Gemini etc. but we have some equivalent in Europe like Mistral (LeChat) and maybe they are not as widely used because they are not as good but maybe it is because we have not heard about them enough. So, I think digital Europe is a key topic and DSA & DMA are not sufficient because it is regulating what is here but because it is providing us the assets we need: self-reliance.

Catherine Vieilledent:

Thank you M. Devesa. The first thing perhaps now is to have the angle of AI experts who may have some responses to our concerns. As citizens and as EU officials, we are not in control of the digital environment or can we look forward to being in control ? We certainly have expertise but do we have levers, financial and others, to have an autonomous strategy for AI and for digital tools ? Mr. Stirbat, the floor is yours.

Liviu Stirbat :

Many thanks Catherine for the invitation, for the possibility to join you and share a bit of this angle which I find quite positive and quite encouraging so I will add some positive spin to the tape. For me, the inventory of issues and problems is very correct but to enlarge a bit the picture and the scope, it would also be nice to add a bit of balance to focus also on the positive. And that is where I'm coming in. As I was introduced, I am the Head of a Unit dedicated to the use of AI in scientific research. It is a bit narrower than AI in general, we have an entire department that we call "AI office", over a hundred people who work on AI specifically, its legislation and its development. Here we focus on AI applications in the short line, and we have full sovereignty on the applications that we have and a lot of strategic advantages as well, leverages where others depend on us. In short, my team was created rather

recently. I am always proud to say that it was created before ChatGPT and we are rather in the scientific domain: physics, chemistry, biology, sociology, even less known like volcanology or specific domain of archeology. So we were starting to speak about AI uses in science before ChatGPT.

In October 2025, the Union adopted a dedicated strategy for the use and the promotion of AI in scientific research. It was adopted on the same day but as a stand-alone document with a broader strategy focused on downstreams, on applications in industry take-up, on how to apply AI. We had two strategies adopted on the same day as part of the AI package. One focusing on downstream and industrial deployment and the other one, the one I was in charge of, focusing on the underpinnings of all of this, how to make sure that the science that Europe produces and funds remains competitive, for a competitive science which is the bedrock of economic competitiveness overall. So, maybe one word of what brought us to realise that we need a dedicated strategy for it and now we also enlarge the scope because we spoke a lot about the US and of course it is hard not to speak about the elephant in the room, that particular... partner, ally, “frienemy”? But triggering us gave rise to an analysis that we did on all the scientific publications worldwide (bibliometrics), we looked at the publications, the more cited ones, the most impactful ones and we were very proud to be ahead of the US in terms of the use of AI in scientific research. Then we enlarged the scope of the analysis and we noticed China being higher than the US and the EU put together in terms of the use of AI in scientific research. We spoke a lot to China experts who explained to us that China has developed expertise and strategic advantage in AI itself and they are using it as a leverage in other domains to catch-up. That was one of the reasons why China has leaped ahead of the EU in scientific research in domains where they have never been active before. In chemistry, or the strategic and historical domain of dominance of Europe, now China is just behind us or ahead already, thanks to the use of AI. So, this was a realization that we were at risk of losing the next generation of science, of being confronted with materials we had not even thought of. That is why we needed to inject a bit of energy into this and to facilitate the take-up of AI by European scientists.

In parallel of course, we need to make sure that science becomes companies, innovations, and products. I don't need to speak about that, it would be an entire conversation on its own. On the science side, we had this huge effort nevertheless. So we are like a flagship into this strategy that I mentioned, creating a European resource, a virtual pan-European institute dedicated to the use of AI in science in all the disciplines where we pulled together data,

funding and talents, the most important ingredient in sovereignty, in particular for AI, and also computing capacity which is really important and an area where we are quite advanced. The EU has for a decade been investing in super computers that are jointly owned by the Union and the member states, that run amazing sequences of calculations and have been used for physics or climate modeling and we are now already before the public attention and hundreds of billions US big tech is investing. We are already at the AI age, we have AI factories now and soon we will have AI gigafactories. So again, we are well positioned there and because we use a lot of technology and we develop a lot of chip technology ourselves and a very green and efficient production, definitely the greenest one. To make it more concrete for you, there is one operated in Finland called Lumi at the north of the country and it is climate positive, in the sense that it is not just climate neutral but the excess heat and energy consumption is redirected to nearby towns.

We develop a lot of models ourselves so the reliance on the technology is not just what you see everyday, the big models like ChatGPT or Gemini but in scientific domains there are specialized models and I think the most famous one is the one that won the Nobel price in 2024 for chemistry and that was AlphaFold, developed by Google Deepmind. There are a lot of others for specific uses but the Union is, together with Germany and France, at the forefront of funding the development of these models ourselves. So, we are in a good place to have our own chemistry, physics AI model and advanced materials. We happen to be advertising this rise of resources for AI in Europe, it was launched by the Danish Presidency and the European Commission in November in Copenhagen. We had as an opening speaker Mr. Joshua Bengio, who was one of the three godfathers of AI, he is Canadian and engaged with the Canadian government. His institute "Low zero" is looking to establish a presence in the EU as well, so it was fantastic to see other views and he was very supportive of the Union's efforts in science. He was supporting the AI Act as well. You can see that even in the top layers, the Union works with the best and the US is not the only one. I will stop here on this kind of illustration but maybe we will go further after.

Catherine Vieilledent:

Thank you Mr. Stirbat, are there some questions in the room?

Domenec Devesa :

There is one comment that I think is important: I think we are not sufficiently aware, I put myself in that list, of our advantages in supercomputing and AI for scientific research, the modern

sectors. There is a science competition but at the same time we don't have European companies in, let's say, the top 20. The social networks everyone uses are American, X, Facebook... For AI it is much more US than European. So I am not saying that what you describe is a niche but we are weaker in some generalist fields.

Liviu Stirbat :

Absolutely, and I think you are right but I was trying to say that it may be niches indeed but a lot of them invested for Europe's strength. If I can just give you another example, with chips. Chip manufacturers, by far the biggest ones are Taiwanese but the technology that they do cannot operate without the technology Europe produces. You need chips but at the end of the day, it is just a tiny bit of technology and you need to power it, operate it, link it to the other chips and so on. For this, European companies are in a good place. Europe has a lot of cards even if we may have lost visibility on competition, indeed ChatGPT is bigger than Mistral in terms of users, for now, but we have a lot of other uses and we need to keep that in mind.

Catherine Vieilledent:

Thank you. Good thing to hear that science is pushing for research and is trying to push-on the applications. Now I pass the floor to Christophe Leclerc, who has been very busy these days and can tell us more about democratic processes and media.

Christophe Leclerc:

Thank you. I will start with a short intro in French, to use a language that is common to most of us, and then I will continue in English.

[In French]

First, I'm very pleased to be invited here by the UEF. I am a member of the UEF and of the European Movement. I have a few activities on the side; people here in Brussels know me as the founder of Euractiv. I now run the think tank Europe Media Lab. We have two main activities. One is very practical: tripling the number of press correspondents from Eastern Europe here in Brussels, because there were far too few, none from Moldova, very few from Georgia or Armenia, and not enough from Ukraine. So that is the practical side. And we also have a more policy-oriented, strategic strand, which currently focuses on trusted European platforms, I will come back to that.

But to connect with what was said earlier, I'm fully aligned, and actually quite reassured by what I'm hearing: that policymakers and major NGOs like ours are fully aware of the importance of strategic autonomy and sovereignty, two slightly different concepts, and I will come back to that as well. I believe we need

to do everything possible to convince all governments, and not only the European institutions, which are in some sense already “pre-convincing.” I am also reassured by the fact that Europe was already ahead in certain areas of AI, and by the fact that in B2B domains we are not doing so badly. The problem is B2C, and that is what I will try to address, rather than from an AI angle, from the angle of the information space. In a way, the question we have to ask is: how are we going to protect our democracies? And I think we are at the heart of an important issue, not only for us federalists, but for all Europeans who are attached to democracy.

My short presentation will have 5 main points : Past regulation, Policy, Political context, European platforms and finally the next steps. You will find plenty of next steps online, notably on my LinkedIn profile or on the website EuropeMediaLab.

First of all, past regulation. I think the EU institutions and of course the other parties, government etc, have done a good job in the past mandate, so I subscribe to DSA, DMA and Media freedom Act. I suggest also reading the Media Action Plan which people had forgotten. My main point is that sovereignty is not just the ability to set our laws and to enforce them, which is a regulation aspect, but it is also strategic autonomy, which means having resilient and big enough actors in order to choose the services that we use. I don't mean this in a protectionist way, despite my heavy French accent, I do mean that we need to compete. And by the way, I was a competition official a long time ago so it is still part of my DNA in a way.

The political context for the past year now. You talk about Macron's speech that did not have much impact at the time ; more recently he said something more specific, he said “We are incredibly naive to entrust our democratic space to social networks that are controlled by large American or Chinese entrepreneurs.”. And I think it is a good reference and based on that, there was the Berlin summit on digital sovereignty. By the way it was not conceived as an EU summit but many people, including myself, said “Virkkunen has to be there and many others” and in fact it is useful because the EU is a bit slow, for many reasons which we can regret, but it is a fact.

A number of good documents have been published around the same time and the strategy already has something interesting about social media platforms with a strong MediaLab, that was a good start and in the Democracy shield, there are a number of good things. Frankly it is a lot of a summary of things that are in process, civil society oriented, so pleasing a lot of actors in the sectors which is not bad but I would not say that this is a very clear strategy and there are some points which are essential for what we discuss now, strategic autonomy. So, the intention is clear but what is missing is the action, where you have action is

mainly on things which have a possible connection with MFF, money etc. But in this area, I don't think that it is only about money. It is a lot about the market, using regulations but in a smarter way, not having a 5-year process of ping-pong between the Commission and the Parliament. We need that, but we need other things as well and I will try to explain it.

Since the arrival of Trump, I have been thinking a lot about what we can do. I sold the company Euractiv, so for two years I have been more free, I am not retired, I am very active with EuropeMediaLab, and I was thinking about our new policy in tech so I talked to a lot of people, media organizations, but also the people making the social media platforms which is essential tool for any kind democratic debate, and its advertising. I hardly ever hear about advertising in this town, it is not necessarily bad actually. People in the advertising circles are thinking a lot about ethics and don't want to connect with some brands and bad stuff. Five years ago, there was a wonderful initiative called "Global alliance", responsible media, and it was big brands like Unilever etc., telling the big platforms "you need to self regulate yourself, to have fact checking, moderation etc. Otherwise, we withdraw our advertising." And that was very effective. A lot of my friends in the EU institutions, and a whole ecosystem thinks that it managed to control the social media platforms but believe me, money talks, it was more on the advertising that influenced it. That is why we have to work a bit more closely with them. To make a long story short, we thought that what we need to develop is an alternative to the social media platforms from the US and China. It sounds hugely ambitious and indeed it has not been tried before. But now it is a must, not just an opportunity.

Five years ago, the RRT Foundation, which later became the European Media University, together with IDAC, an institute that has been growing significantly in France, won a tender to carry out a visibility study for DG Connect. This was in fact triggered by the European Parliament, by your colleagues, very smart people, who thought that we needed a European Facebook. It was a dream that I somewhat shared. We then conducted many interviews, carried out quantitative analyses; it was quite scientific. At the end of the day, we concluded, much like Thierry Breton did in his assessment, that we had to focus on B2B, because B2C would not work. Media companies were reluctant to share their brands and to have competitors in their own markets, which is a typically European syndrome. So we recommended a content-sharing platform for media, focused on the quality of media content. This led to a tender. And now you have an excellent alliance between news agencies, called the European Union. It works well, but it is limited to B2B. When I heard the new head of public affairs at Facebook give a speech in January, just after Trump's inauguration, - he had replaced Nick

Clegg, someone we know better and who had been here - when I heard the way he addressed the audience, with MEPs in the room, basically telling them, “I don’t care,” and “if you have a problem, talk to Daddy Trump and see what happens,” I thought: my God, we really need to go back to the question of creating alternatives to American social media platforms. I won’t speak too much about this because, as you know, the situation has only worsened.

On the B2B side, however, there has been significant progress recently. I would like to highlight Eurostack. It is an alliance of around 300 companies providing services for cloud data centers and related areas. They have done a great job engaging with the Parliament, the Commission, and at the Berlin Assembly, where they gained strong visibility. There are now good guidelines. I believe the entire European sovereign cloud sector is going to grow. In this area, as in others, we are seeing what I would call “fake sovereignty.” Amazon, Microsoft, and others have recently developed so-called sovereign cloud offerings, typically in Germany and for technical reasons elsewhere. They now claim to provide sovereign solutions. I even saw that the French Ministry of Defense has signed something with one of them. So, in my view, in the future there will be three types of offers. First, clearly foreign offers. Second, semi-sovereign offers, where providers say in the contract that they will never follow orders from Washington or elsewhere, but this depends on contract compliance, which, as we know, is not always guaranteed. And finally, there will be truly sovereign offers. In the specific area of social media platforms, this is what we are now trying to develop.

Alongside the Berlin Summit, there were a number of fantastic events. One was organized by an open-source developers’ association. I was invited to speak there, together with Alexandre Alizé and others. I was very impressed by the participants. I expected young coders, the typical profiles you might imagine. In reality, about half of them were former employees of Amazon, Google, Facebook, and similar companies, people in their 40s and 50s who wanted to do something better for Europe. We therefore decided to work with Eurostack, the organizer, and to follow its model while accelerating our advocacy. We have had influence in the democratic field, although progress on social media platforms takes longer. These platforms must be European, and therefore multilingual. This is more complex than what you see in the AI application strategy. That strategy remains very general. Many paragraphs include an action box with concrete next steps, but here there are none. So we are interacting with the Commission. I have just come from the event we held on Sunday, the Transformudia event. At the previous event, we had the pleasure of presenting the AI strategy. This time, the focus was

much more on debating with key stakeholders, not only institutions, what these trusted European platforms could be. We had a plenary session, followed by meetings with heads of cabinet, directors-general, and others.

More importantly, we had senior representatives from the media sector: for example, the EBU, the European Broadcasting Union; startups; and two leading players from the media industry. Basically, they all said: yes, it is possible, and there is a market need for this. So, what is TEPS? It is a piece of legislation. It defines a standard for what a trusted platform is, specifically a trusted European platform. If you meet the criteria, subject to a process still to be defined, you receive the label of “trusted European platform.” I don’t think this will make much difference for users. Users are driven by features and content. But it could make a difference for two other important actors. First, investors, equity, venture capital, and possibly sovereign funds, because it then becomes something that can be invested in through InvestEU or national equivalents. Most importantly, it will make a difference for the advertising sector. How much advertising money will they be willing to allocate to such platforms in the future? That will depend on reach, of course. This raises the question of what resources are needed to bring these platforms to the millions of users required. It also depends on how much advertising becomes trust-driven.

That is why we are suggesting that the Commission carry out a feasibility study to define the scope. Some argue that a feasibility study is unnecessary because initiatives already exist. That is, in my view, incorrect. Part of the Commission’s mandate is precisely to help shape the market by defining standards and producing a reference study, which could be done very quickly. Before my Brussels career, I worked at McKinsey. Such a study can be completed in three months. We know McKinsey well, both positively and negatively, but for this type of work, they can deliver solid results. The other thing we are suggesting to the Commission is to establish an expert committee, as is done in many other fields. I myself was part of the High-Level Expert Group on disinformation seven years ago. Many commitments were made at the time by American social media platforms, but they were not fulfilled. So now we need to be more assertive and do it ourselves. This expert committee is needed to clarify in more detail the criteria for trust and for being European. I can address those criteria during the Q&A. We held a workshop after the plenary, and I will conclude shortly. Giorgio participated, as did many others, and these technical criteria are already being further developed.

So the next steps, three points. First, engaging with major players. For example, the EBU and the European Round Table of Industry are very interested. That reassures me: this is not just about young startup founders. Second, at a high level, several people have told me that there should be a reference to this in the Council conclusions in March. Yes, that is doable. It relates to competitiveness and defense and sits at the crossroads of both. We have allies. And finally, this may surprise you, what excites me most is that on January 30 we will have a hackathon here in Brussels. You may not have heard of FOSDEM. It is an organization that brings together 8,000 open-source developers every year, and this year it is in Brussels. They want to create an open-source village focused on European issues. When I heard this, I suggested organizing a hackathon on defining the features of trusted European platforms, and that is what we are doing. I like the idea of having, on one side, the European Council, and on the other, a hackathon, and trying to build a bridge between the two. Voilà. Thank you.

Catherine Vieilledent :

Thank you. We also have the consumer and media-driven approach, which is positive. When the EU is not making sufficient progress, it is not only the institutions; it is also the Member States, moving at different speeds. That is a problem. So let us emulate the fastest ones. Yes, absolutely. Thank you. I don't know whether there are questions from the room, or if anyone would like to react. The discussion has been very positive and encouraging, and I think it goes in the right direction. I took notes, I learned a lot, and that is the value of this event. I am grateful to be here. People are pushing. We also have someone online, François Leray, who authored the resolution mentioned earlier. I believe he is also convinced that you can contribute. Mr. Leray, are you ready?

François Leray :

I will try to introduce the resolution in a very concrete and practical way. Here you can see that I am using the Vivaldi browser, which is Norwegian. I no longer use Gmail. Here is my drive. You can also find video meeting tools instead of Zoom, if you are looking for alternatives. I have my calendar, my emails, about 95% of my use cases, as a former Google power user, are covered. You can leave Google. There are now digital alternatives in Europe. I will show you what this looks like on a smartphone. On the left, you see a smartphone with GAFAM applications in a professional context, Slack, DocuSign, and so on. On the right, you see a selection of European-based alternatives that already exist and could replace them. There is a sense of urgency, as Domenec said, because of geopolitical developments. Every day

we use Google, we must be clear about the context we are in. European alternatives already exist. They may not cover 100% of use cases, but I use them, and it is worth trying. We are also activists. As activists, these are choices we can make to help small European companies grow. It is also a way to put pressure on the US digital sector, which relies heavily on European consumers. Because we lack a European public space, we do not think at the right scale. We remain confined to national public spaces and forget that across Europe there are many initiatives. Here is a small personal selection of European applications. In France, we are often unaware of what exists in Norway, the Baltics, Poland, Germany, or Switzerland. When I worked on the resolution for the UEF Federal Committee, I was surprised by these facts. I personally use mailbox.org from Germany instead of Gmail. I use Mistral every day instead of ChatGPT, only occasionally do I need ChatGPT. How can you find these alternatives? There are websites that aggregate them. I invite you, as activists and policymakers, to explore them and see what European alternatives already exist. Finally, a point from the resolution: policy matters. There is one issue I would like to highlight for the Commission. Often, when services recommend platforms like Amazon or Uber, they never suggest European equivalents. For example, my provider Orange recommends Amazon as a marketplace, but there are European alternatives. Legislators could consider requiring that when a European company recommends a non-European service, it also proposes a European equivalent, such as Bolt instead of Uber, or FNAC alongside Amazon.

That is all I wanted to present. Thank you for your attention.

Catherine Vieilledent:

Thank you, François. Perhaps you could circulate the links you showed so people become aware of the available services. Visibility is a key issue. We have many small initiatives, but unless national administrations and European institutions actively select and promote some of them, based on legal criteria such as competition, nothing will change and we will continue using Zoom, WebEx, or Teams. There needs to be a strong public push to give visibility and information. Personally, I want reliable information. I don't want to test 20 platforms; I want trusted guidance from public authorities to help us make this urgent transition.

Christophe Leclercq:

Yes. I liked the intervention, and it gave me two ideas. One is about procurement, and the other about broader policy. On procurement, a lot of people advocate for a "European preference." It already exists, in a way, in certain areas. And that

was one of the main messages of the Berlin Summit you mentioned. And perhaps we should reframe it, because it sounds protectionist and it creates all kinds of problems. There is also an issue with the WTO, because the WTO still exists, whatever some people may think. We could call it the “European comparison act.” It’s like in any kind of procurement: you have to show that you are doing something for diversity, that you have thought about gender, and so on. There could be something in any public procurement procedure that would be a bit like what François said: you can choose an American computer, but you must explain why it is better than a European computer. So you have to do the intellectual exercise of comparison. So I think, as a slogan, “European comparison” would be pro-choice, pro-market, about comparing options. The other point is about policy. One thing I didn’t mention when I spoke about trusted European platforms is the fear that exists in this city, and we have run into it.. I hope we’re off the record, so I can say that the main issue is in the cabinet of the President of the Commission. And I can see why it’s a problem: if you have to choose between continuing to send weapons to Ukraine and the risk of upsetting Moscow and some people in Silicon Valley, you might choose Ukraine. I have helped a lot with that, so I understand it.

But we should think back. Some of you are as old as I am, and you remember “Television Without Frontiers.” It started with the French and a few enthusiasts who wanted to protect their cinema from Hollywood. And if I fast-forward, the compromise was that Europe could subsidize its film industry, but the market would remain open. And I think it’s the same in this area. And it’s not so much about subsidies; it’s about saying: yes, the market remains open. I saw in a LinkedIn discussion that some people were saying we should boycott Google and Microsoft, well, good luck. We should start by promoting our own offers, as François said. Personally, I’m going to move my personal uses to Vivaldi and Cotton. For Europe Media Lab, we are waiting, because it’s more complex. So things happen in steps, and then people become more aware. But the main message is: pro-choice, pro-competition, pro-market, something the Americans can hardly object to.

Catherine Vieilledent:

Thank you, Christophe. Perhaps we don’t entirely agree, you and I, because I think one of the EU’s strengths is that it has parameters and values, and we can use regulation to promote new products and startups, to encourage and try to invest, which is very necessary, but also to have clear language on how to regulate the market. We do not want platforms that promote hate and

disinformation. You are not arguing against values and regulation, are you?

Christophe Leclercq:

No. I'm saying it's not enough. That's the problem.

Catherine Vieilledent:

Because there is, of course, an attack right now under the big tech lobby, and of course the United States has a €139 billion surplus in services, mainly those royalties coming from platforms. So there is a huge economic stake in this. And there is a very strong campaign trying to "simplify." I don't know whether we should simplify or whether we are restricting the impact or the scope of our personal data rules. There may be room for adjustment, but on the other hand, under pressure, we don't want to give too much leeway to major tech players to train their systems. And AI is part of that too, because AI needs a lot of data. And I still remember, five years ago, a woman saying that in AI and technology, quantity is quality. Of course, there is no limit to the amount of data. So what happens with quantity? There isn't value in quantity alone, but there is value... I don't know what is happening with personal data and AI training. What balance is the EU trying to strike to facilitate innovation, promote our competitiveness and leadership, and strengthen our European ecosystem? I don't know if you have a view on that.

Is there another question?

Audience:

That wasn't a question; it was in response to what you said. I was really surprised on Sunday, at a conference on European platforms, to discover that one of the solutions being offered, BlueSky's "atmosphere," the "Euro-atmosphere" for different social media, uses values as one of its main selling points. The logic of this organization, because it is an activist-driven company in the United States, is that they have 16 million users... or 40 million, compared to 300 million for Twitter. There is an order-of-magnitude gap with Twitter, but with 40 million users. In the BlueSky app, Twitter-like, but there are others, they embed values. They offer technical solutions for any company that wants to build something like Twitter, Facebook, Instagram, or TikTok. They provide technologies that make it easier for entrepreneurs, under two conditions.

First: values, transparency, the ability to do research, and clarity about what is allowed and what is not. Second: a "poison pill," as you call it, meaning the company cannot be sold to Silicon Valley. If you have been supported by the BlueSky community, which is now developing in Europe as "Eurosky," this is not secret, it is

happening now, it means that if you are sold to one of the Silicon Valley champions, you lose access to the technology. So it's as if everything disappears. And a major plus is portability. The image they use is like mobile phone providers: you would be outraged if, when switching, as I did, from Scarlet to Orange, you had to rebuild all your contacts from scratch. That's what happens on Facebook, Instagram, etc.: if you leave the platform, you lose all your contacts. BlueSky is fully interoperable. That is the technical side. So when I signed up to BlueSky, I got a "portal" that could be used in the future, Instagram, Facebook, whatever the app may be. They call it an "atmosphere," which is a good image, because that's where you get oxygen. You have the values, and you have the poison pill, so that it doesn't happen like Twitter, which was originally developed by, let's say, pro bono, good communication people, and then eventually the board said, no, we sell to Elon Musk because there's too much money. If that happens, boom, the technology disappears. And those values are a real proposition for Europe.

Thank you for your attention.

Liviu Stirbat:

I think it confirms my enthusiasm for being here. I think the conversation is extremely valuable and very important. And perhaps just to react on procurement: it's something we, at the European Union, are looking at. The procurement framework was reviewed this year, and there has already been a lot of debate across sectors and packages about European preference, or "buy European," for different reasons. All of this will feed into the broader procurement package. I think it is really, really valuable to talk about this and to compare ideas. It's quite refreshing.

I can give you an example. In the Biotech Act, which was adopted at the end of the year, we had discussions about restricting certain procurement or giving preference to European providers for biotech services, based on something very important that should be mentioned here, and that I have had the opportunity to address: economic security. This policy was launched in the previous College, and it introduced a new approach: looking at specific technologies and assessing risks linked to them. We started with four: semiconductors, AI, biotechnology, and I'm forgetting the fourth, but several more follow, like advanced materials, and so on. We look at value chains, identify Europe's dependencies, so that we are not surprised when these dependencies are weaponized by other actors, and also identify reverse dependencies to protect and strengthen them.

A positive example, where we should remember, as Europeans, that we have many strong cards in our hands, to use Trump's imagery, is the semiconductor industry: ASML is a Dutch crown

jewel that global chip production relies on. And economic security at EU level was, if you like, an expansion of EU action into an area where the EU has limited competence. The reason the European level began acting in economic security was precisely because the Americans told a Dutch company, ASML, what it could export and what it could not. That was an intrusion into sovereignty. That is the example of intrusion into sovereignty. As a result, that Dutch crown jewel was blocked by the US government from exporting to China. So we have economic security. We are examining many other technologies. One of them is biotechnology. As part of this biotech analysis, we identified several cases where European citizens' biological data, such as newborn screening tests, are DNA-sequenced in China, because the Chinese offer is much cheaper than Europe's. So it is a situation where our genetic data is, in effect, stored in China. You can see the implications. We are looking for WTO-compliant ways to address and reduce this potential dependency. Procurement is a very clear and useful example.

On visibility, and I really appreciated the presentation, I will look at the goeuropean.org offer. Very often, markets come up with solutions and responses to market situations. And now we are in a situation where the market is becoming less "market" than it used to be. The Americans have deviated from market orthodoxy. The US government buys shares in Intel and other tech companies. That's a situation where markets are distorted, and the European market is rising to the challenge and offering solutions. I wanted to give an example. I'm not in advertising, but I think cloud services are a very good example. For a long time, cloud services were dominated by American hyperscalers, Amazon AWS, Google Cloud, Microsoft Azure, and others. But as a result of sovereignty concerns, and distortions when the US government begins saying these companies must handle data in certain ways, an unexpected European champion emerged: the Schwarz Group, the owner of Lidl and Kaufland, which is now selling cloud services, sovereign, genuinely sovereign, not the "third thing" you identified. A food retailer is now offering cloud services, real sovereign services, coming from a sector that was not pushed by government, not politically mandated by anyone. The European market has strength and it responds well to market signals, and the distortions we now see are market signals.

And perhaps just to conclude my reaction to the concerns you raised, indeed, around the simplification drive and the omnibus series, what I can tell you is that we work on these topics very carefully, with a lot of reflection. Also, on the amendments in the digital omnibus adopted in November last year, we have huge consideration for the rights and values that already exist and must continue to be protected. But we also have to find the right

balance, in line with the Draghi analysis: we must be able to keep all these rights, benefits, and protections while continuing to improve competitiveness. That is why we must find the right balance, and I am convinced that, with the time we have, and in the hands of the Council and Parliament, it will continue, perhaps even be improved. And the very last point I wanted to make is, once again, about the media landscape. We talk a lot about the United States, and as you heard, the United States is not a monolith; it does not speak with one voice. There is one very loud voice, and companies too, Meta has shifted overnight and is now doing certain things, but there are also other companies like BlueSky, and many alternatives. The United States is quite rich in such alternatives, and it's very interesting to see them. There is a lot of incoherence and inconsistency in what the United States is currently doing. The Trump administration tells us to respect market forces, but they accuse us of censorship while they themselves censor, by demanding access to social media data from people who want to travel to the United States. That is why we must stay the course, pursue our own interests, focus on our strengths, and keep going, doing what we are doing well, while adjusting and fixing what needs fixing.

Catherine Vieilledent:

Now, I think there is a request for a question from this gentleman, Mr Andrea Mairate. Please keep it short, because I believe there are questions online too, or they are more or less covered. Yes. Somebody else as well, you come from Nantes and you came to Brussels to discuss sovereignty, among other things,

Audience:

I was wondering, regarding BlueSky: if they target Silicon Valley as a place they cannot sell to, can they sell to other countries or other companies? In other words, is it targeted against the United States, or is it more broadly targeted, so that they cannot be sold to other companies outside the EU?

Christophe Leclercq:

Yes. There has been... Let me clarify a few things. Eurosky is essentially a network of open-source experiments. And I think, Giorgio, you were speculating a bit, and you might be right, but I'm not sure they are the equivalent of BlueSky in Europe. They cooperate. BlueSky is two different things, as Giorgio said, but let me put it even more clearly. On the one hand, it is a commercial company with an interface you can use, with its 40 million users, competing with Twitter. One day, it could be acquired by Silicon Valley. I was on stage in Berlin with the number two at BlueSky. They are very good people, with values, and so on, but still, they are trying to build something. But behind

them, there is the BlueSky “atmosphere” that Giorgio described well: a set of open-source tools that can be used by anyone, whether in Europe or elsewhere, who wants to build social platforms. And that is why the hackathon we are doing at the end of the month, and many other, more important things, are based on that kind of open source. And perhaps because we are in a world of big organizations and people who respect big companies, some think: “Oh, if it’s done by small organizations, maybe it’s not good.” That is not true. And you probably have more examples than I do, but sometimes, for key platforms, small organizations are absolutely decisive. So I think a microblogging platform will emerge in Europe from this technology, in cooperation with BlueSky, but it won’t be BlueSky itself. And probably there will be several competitors, but that’s OK because there is interoperability. There will be a debate about multiple platforms sharing the same infrastructure.

Catherine Vieilledent:

Andréa, I think you had a question.

Andrea Mairate (Graspe):

Well, I'd like to bring to the discussion one element that maybe was not discussed. I think as part of the sovereignty debate, we should talk about investment. And in Europe, we don't have or we haven't achieved a critical mass of investments. Well, if you think that I'm an economist, so I'm not an expert in AI or whatever. We have a saving rate of 15% more or less. The saving rate is quite high. Which means, globally, we have 40 trillion in savings in Europe. 40 trillion. This is double EU GDP. OK. The problem is that we have fragmented capital markets. They are not efficient. They are relatively small. And they rely essentially on bank financing. So, not all the sources, equity, venture capital, and so forth. So, the problem is as the Letta report that you all know put it, how you can mobilize those savings into investment. Because this is a problem. If we want to be fully independent or sovereign or autonomous, we need to mobilize investment. I mean, to a scale that is sufficient. The U.S. has come up with a plan of \$500 billion for AI.

In China, they also invest a lot. And they are relatively independent in terms of digital infrastructures, and they have big national champions as well. So, I think this is, if we don't address that issue, I think we can discuss technical solutions. There are a lot of ideas, a lot of interesting things. But otherwise, we will not sort out the problem. So, either you do it with borrowing, but this is ruled out. So, we have the capital market solution. But this is still in the Council. I mean, it has been there for 20 years. Five action plans. So, last year, 2024. Why is it that it's not making...

It's very complex. I mean, you have cross-border investments. I was going to say, when are we going to have a digital single market? If you want sovereign digital infrastructure, you have to invest.

Catherine Vieilledent:

But, actually, how do you weaponise this huge amount of European savings, a big part of which goes to the United States? And why... Well, is it because we don't have a unified single market? That is, we have 27 jurisdictions and they want to keep their capital with themselves or what is the problem behind this absence of progress in terms of the capital markets union?

Audience:

I've worked so long on this topic. I think we must remain coherent with the European story. The structures that we have there are there for a reason. We cannot just hope it will happen. For the last 30 years, since the European project started, Europe, from its structure, has always favored market access over other policy approaches. Europe is the only economic area in the world that has actually applied or proclaimed to apply standard textbook economics, yeah, of competitive markets. No other area has done this. The Americans have never done that. The Americans have, for example, always been more Canadian than the Europeans. Always. The Americans have always used state craft to scale domestic industries. The Internet is one of them. It was a military project in the beginning. It's not the only one. Japan has massively used state craft to scale high-end technologies. They have scaled five generations of computers until Bill Gates came and killed them with the PC, and so on. China has never done anything else. China is a state craft to scale technology and has never really opened its market to international competition, and that's it. So now it's really a massive challenge for the European model because the European model allowed rather small European companies to compete worldwide because we always favored market access.

We're the only economic area in the world that has a legally binding unilateral commitment to free movement of capital. There's no other place in the world. With a legally binding commitment, you can go to court and you immediately win if you can show that one of our governments has hindered you to invest in one of our economies. You win immediately, hands down. It's not even a point to go to court because everybody knows this by now. There have been famous cases in the 70s and 80s and no government has even tried to do something like that. So I think this model is now challenged because we had many European small and medium-sized companies who were in their market

niche: monopolies, duopolies, maybe three or four. So in my home country, in Austria, there are plenty of companies who were monopolies in their niche.

Of course, you only produce a very little thing for the international production and supply chain. But in that niche, you are the best and you are the only one. So Europe actually allowed itself to compete on the most ambitious economic model where you have to be the best in your sector. And that worked. But now, if we lose market access, then this model breaks down. And for us, this is a huge challenge because we have not learned any other model. This is the model we know. We know to be the best on a very small thing, even be a monopolist on a world market. But suddenly, if we don't have access to China market, to US markets, to Latin America, because all over the place, not only the state craft, the state industries, but now also trade barriers are erected, then our model is directly challenged. And this is a huge, huge, huge challenge now for us. And we have not found so far really an answer to that. And I think Christophe mentioned the other big problem, why it's so difficult in Europe to use state craft and scale industries like the Chinese or the Japanese or the US, because we cannot decide politically on how to distribute the benefits.

If you want to scale something, you have to pick a winner. So if the Commission, for example, decided tomorrow, which I hope someday will happen, to not use Microsoft Word any longer, which is the crappiest software ever invented, and Microsoft is much flying under the radar in all these discussions. For me, Microsoft has done by far the biggest damage, way more than Google and Facebook and all the others combined. Microsoft Word is the biggest innovation killer in the 20th century, flying completely under the radar. I can explain to you in a separate session. But we cannot pick winners. Politically, we are not able to pick winners, but I think we have to start trying and have the courage to pick winners and to scale them on the European side. And, of course, the public institutions should start with that.

Catherine Vieilledent:

Thank you, I'm sorry I have to interrupt you. Thank you for this challenging economic perspective. This is a provocation, but because we said we would keep going, we will keep going.

Thank you very much.

US tariffs. What can Europe do?

GRASPE Conference – Guillaume Duval – April 2025

Georges Vlandas: Thank you for attending this conference organised by the GRASPE review, which has just celebrated its 25th anniversary. We published a special issue to mark the occasion, in which you will also find an article by Guillaume Duval, our speaker today. In that article, he was already analysing the consequences that Trump's election in the United States might have.

Guillaume Duval is a former colleague. He was a speechwriter for Commissioner Borrell. He is a member of the editorial board of the GRASPE review and also, if I may say so, a very well-known economic journalist.

Today, we are going to discuss a current issue, namely the decision taken by Donald Trump on 2 April last to increase tariffs significantly, in a somewhat across-the-board manner, on all — let us say — the countries of the world.

Recent changes have taken place, which Guillaume will tell us about. Guillaume, over to you.

Guillaume Duval: Good morning, and first of all, thank you, Georges, for the invitation. It is always with pleasure and interest that I take part in this kind of exercise on European affairs, especially in the present period.

The invitation had been sent out, and the text written, before Donald Trump reversed course — the day before yesterday — on the tariffs he wanted to impose. But the question continues to arise, and it calls for responses from a European point of view. For the time being, a three-month period is opening. And, in any event, tariffs have already been imposed on steel, aluminium, cars, and so on.

What I wanted to say to you at the outset is that one may think Trump is not very rational, somewhat mad, and so forth. But this crisis has not come from nowhere. It marks the culmination, or at least the end, of a forty-year period that began at the end of the 1970s, with Ronald Reagan and Margaret Thatcher in particular — a period of liberalisation of trade flows and, above all, capital flows, which created profound imbalances. In the long run, those imbalances were in any case unsustainable.

The real winners were therefore the owners of those companies and their senior executives — but not really the populations.

The countries that fared well in this context were first and foremost those that did not play the game. Initially, this was Japan, then Korea, and then China. These are countries that benefited from trade openness while continuing to protect their domestic markets very strongly and to support their companies very actively.

Conversely, the other countries of the Global South — primarily the countries of Latin America, or those of Africa — did not really benefit from this period. They did not manage, through it, to trigger a self-sustaining dynamic of economic development. They now find themselves in a difficult situation, and inequalities with the developed world did not really narrow during this period.

In the countries of the North, the developed countries, what occurred throughout this period was, on the one hand, a very strong movement of deindustrialisation and, on the other, a widening of inequalities: between a minority of the population, linked to the winning multinationals, and the rest of the population, which was exposed more than before to competition from low-cost countries with weak environmental constraints, and so on.

In the case of the United States in particular, this led to stagnation in purchasing power — indeed to a decline in the recent period marked by inflation — for the majority of the population. There has been an absolutely considerable increase in inequality, accompanied by a very sharp deterioration in infrastructure.

The clearest sign that the United States is doing very badly is Americans' life expectancy. It is one of the countries in the world that spends the most on health, but also, among developed countries, the one where people live the shortest lives.

All this has led, in the case of the United States, to a considerable double deficit: a trade deficit, on the one hand — which Donald Trump talks about a great deal — and a very large public deficit, on the other. This deficit is linked in particular to the fact that

the United States maintains a military effort that is quite exceptional at international level. It seeks to remain present, and militarily dominant, throughout the world, and in particular also to provide for Europe's defence.

This military burden borne by the United States is becoming increasingly difficult for American public opinion to sustain. But the most extreme form that these imbalances take, for the United States, remains the public debt, which is exploding.

For a very long time — almost until the 2000s — the level of American public debt and that of public debt in Europe were roughly equivalent, if expressed in billions of euros. Today, American public debt is more than twice that of the European Union. The United States, as such, is now more indebted than France — one of the most indebted European countries — and is almost approaching levels of indebtedness comparable to those of Greece, as a proportion of GDP.

One may therefore say that a cycle has come to an end. It had in any event become necessary for the United States to undertake a fairly strong, fairly abrupt change in economic orientation. One may think, and one must think, that the way Donald Trump is going about it is obviously not optimal — I shall return to that from the point of view of American interests. But it was fairly clear that something important had to happen in order to try to reduce both the United States' trade deficit and its public deficit. Throughout this period, the Americans benefited from a world that in some sense functioned upside down: the savings of countries of the South — which should have financed their own development — were in fact used to finance American deficits and imbalances. To a lesser extent, this was also true of our own savings in Europe.

In this context, it is therefore not surprising that an adjustment eventually came from the United States. That said, Trump's announcements of 2 April — mentioned earlier — amount to a real absurdity, even from a protectionist point of view.

The method used was completely absurd. We saw that the tariff rates decided upon depended solely on the level of the external deficit with each country. This is wholly irrational: even if one wishes to pursue a protectionist policy, that is not how it should be done. A tariff policy should be built sector by sector, activity by activity. One should try to limit taxes

on imports for which there are no substitutes — because one is in any case obliged to import them — and which are useful inputs for the American economy. Conversely, tariffs should be strengthened on products in the sectors that one genuinely wants to develop within the country.

Basing a trade policy solely on bilateral trade deficits with each country, and applying tariff rates according to those deficits, is entirely counter-productive — even from the point of view of coherent protectionism.

It is stupid, including from a technical point of view and even from the point of view of someone who is protectionist. Had it been maintained, it would also have had major geopolitical impacts, because the countries most heavily taxed were all the Asian countries outside China — China too, of course. But if you impose very heavy tariffs on Taiwan, Korea, Japan, Vietnam, and all the countries of South-East Asia, Pakistan, and so on, there is only one thing you can do: drive them into China's arms, which is not, a priori, what the Americans wanted. And that is in fact what had already begun to happen, insofar as there was a meeting a few weeks ago at which Japan, Korea and China agreed to respond together to the American tariffs that were being announced. So it was stupid. It led to a sharp fall in American and global stock markets. As you know, stock markets in the United States are much more important than in Europe, in particular because of the role they play in relation to pensions. But I think the most important factor from Trump's point of view, and what most convinced him to change tack, was the rise in long-term interest rates on American public debt. Not only is American public debt very large — much larger than European debt — but, in addition, a significant part of that debt has to be refinanced in the coming months. For the time being, American interest rates are around 4.5% per year. If they were to remain at that level, it would be largely unsustainable for the United States. They rose by almost one percentage point following Trump's tariff announcement. So I think that, above all, was what made him retreat.

There are discussions in the public debate as to whether this was simply market manipulation. I think that, by retreating, he did engage in market manipulation. And he certainly gave some information to his friends and so on before doing so, to enable them to make money. But I do not really believe in the hypothesis of a pre-written scenario in which he would have said: "I am going to impose all these tariffs and then withdraw them three days later

in order to negotiate.” I think he really was forced to retreat, for the reasons I have mentioned. The other very strong reason is that there is, despite everything, a major contradiction between the interests of American multinational companies and the protectionist lobby. I think you have all seen or heard the insults exchanged between Elon Musk and Mr Navarro, who is Trump’s trade official — Musk called him a complete idiot, a total fool, and so on.

There is indeed a major contradiction within the Trump system around these issues, arising from the fact that American multinationals absolutely need — in Musk’s case, in addition, the Chinese market — but also the world market, and the European market in particular.

Europe’s share of the world is declining, but it still represents 18% of global GDP and 18% of global consumption. One fifth. That is still a very considerable weight, especially in a context in which American multinationals are increasingly excluded from the Chinese market and are retreating in countries of the South in the face of Chinese multinationals precisely. Therefore, from the point of view of American multinationals, the European market is an absolutely essential market. This is particularly true for digital multinationals. What gives digital companies their value is the number of people they are able to cover, the network effect they are able to achieve, and the quantity of data they are able to collect and subsequently monetise. Thus, having the European market is something very important for American multinationals in particular, especially in this area.

To go further, more specifically on Europe: with the United States, our trade in goods is of the order of one trillion euros a year. As far as our exports are concerned, this consists mainly of cars, machinery and pharmaceutical products, with a trade surplus of around EUR 200 billion. But we also have trade in services with the United States of the order of EUR 750 or 800 billion — thus almost at the same level as trade in goods — and here we have a deficit vis-à-vis the United States exceeding EUR 100 billion. I have only the 2023 figures: for services, it was EUR 109 billion. On bilateral trade amounting to EUR 1.6 trillion, we have a European trade surplus of around EUR 100 billion. That is not much in itself; it represents 6 or 7% of trade. So what can be done? What should Europeans do, now that a period of negotiation is beginning?

There are several possible attitudes, which have been presented in the public debate.

The first attitude consists in doing nothing. In other words: the Americans, by doing this, are shooting themselves in the foot; they will increase prices at home; they will find themselves in recession. We need only let them do it. This was the attitude, in particular, of Olivier Blanchard, the former chief economist of the IMF. It is not necessarily as foolish an attitude as it may appear. It is true that if we respond, on the trade front, by applying one dollar of additional tariffs on American products for every dollar of American tariffs, we also import into our own economy the type of negative effects that American policy produces at home: that is to say, a little more inflation, a little less activity, and so on.

But the problem is also that we are dealing with someone who respects only power relations, who respects only people who stand up to him. So it is rather difficult, from that point of view, to do nothing, because that can only encourage Trump to want to go further.

The second option — I have already mentioned it — consists in responding on the terrain of trade, with the disadvantages I have already described: that is to say, importing more inflation, limiting activity, plus the obvious risk, if we respond blow for blow, of escalation on Trump's side, of the kind he pursued with China. For the moment, we are not there, since this three-month period is opening. But it is not easy to predict how it will end, and what will need to be done at that point.

The final option that had been envisaged was the use of the anti-coercion instrument, created in 2023. This is an instrument that allows Europe to respond to attacks on the trade front through a much broader range of measures. In particular, I mentioned earlier the imbalances in the exchange of services with the United States. This could potentially make it possible not merely to act on the terrain of goods, but to act on the terrain of services, and to punish, in one way or another, multinationals, particularly digital ones. In any case, this digital issue is undoubtedly absolutely central to the exchanges that may take place with the United States. We might possibly be able to buy a little additional gas, but in any case, for the time being, the United States does not have that much more to sell, on the one hand.

And, on the other hand, that is really not in line with the direction of history as regards what we want to do in Europe, even if it would indeed be good to get rid in particular of Russian LNG, which we continue to buy in significant quantities, notably in France. It would be very unfortunate to commit to buying more American weapons. We are, after all, in a phase in which we are trying to rebuild a European arms industry, on the one hand.

And, on the other hand, we have seen the extent to which buying American weapons is a security risk, insofar as the United States Government wants to retain control over their use. So I do not think there is much to negotiate on the strictly commercial side. What the Americans are likely to insist on a great deal, and where it would be very serious if we gave way, is indeed digital regulation. That is what matters to Musk, Amazon, Facebook, and so on. Rolling back the DSA, rolling back the DMA. On that point, therefore, I hope, and in any case I would advise, that we stand firm in this negotiation and do not give way. And this is likely to be one of the central elements that the Americans will demand in the tariff negotiations.

The other thing — and I think that, if we were to enter into a confrontation with the Americans, we really must also act on the fiscal front — is to manage to tax, and to put an end to, the tax dumping practised by a number of tax havens within Europe itself. The European Commission has begun to address this by using the powers it has in the field of competition. We know that dealing with tax havens is difficult, because unanimity prevails in the fiscal field. But the Commission has begun to attack Ireland and Luxembourg on competition grounds, saying that with the gifts you are giving to multinationals, you are distorting the internal market, which is true. So we have means of acting against American multinationals, notably on the fiscal front, if the situation with them degenerates.

The other thing we can and must do, and which the Commission has begun to do, is to bypass the United States. United States trade represents 13% of world trade. It is the leading export market and the second-largest importer in Europe, behind China, and one way of bypassing the protectionist will of the United States is indeed to turn more towards the rest of the world, which is not necessarily a bad idea. Thus, there is CETA, which is being applied with Canada. A rapprochement is possible with the free-trade efforts that are being put in place between the Americas and Asia outside the United States. There is the question of Mercosur.

The French are very opposed to that agreement for mainly agricultural reasons, but in the present context it seems rather more sensible to conclude this kind of agreement and to try to develop our economic ties with that region and other regions of the world.

That, I think, is what I wanted to say to you by way of introduction. In the United States, there is a brutal and irrational evolution, but one that nevertheless reflects the end of a cycle that had produced major imbalances. In Europe, we were right to keep our cool. We must nevertheless be ready to fight the battle in the future, especially if the Americans seek to attack digital regulation in Europe, and we must indeed develop our links with the rest of the world.

This implies, beyond the trade agreements I have mentioned, having a coherent policy on migration issues, and also agreeing to maintain a significant effort in terms of development aid, despite the budgetary problems we may have within Europe. The question of whether Europe steps in to replace aid now that the Americans have drastically reduced their international assistance is therefore a serious question, and one that is essential for the future.

It is certainly a budgetary expenditure, but I think that in the context in which we find ourselves, where it is indispensable to develop our economic but also political links with the rest of the world in order to confront both Trump and Putin, this is a very important question, even though it is very much underestimated in public debate in Europe today.

Georges Vlandas:

Thank you, Guillaume. The floor is now open to the audience.

Christian:

Good morning, and thank you for this fairly comprehensive presentation. I am among those who think that, overall, this action by the United States will be fairly beneficial for Europe in the medium, or even the long, term.

First, because I think we were far too committed to the United States — I was about to say to American policies, but not since Trump; for many years. So this will enable us to distance ourselves, and perhaps it will also enable us to assert ourselves. When I see that the first reaction to the tariffs is to try to negotiate with Trump, I cannot imagine a worse strategy.

Because, in fact, what is happening? He imposes tariffs, the rest of the world gets down on its knees, and we negotiate with him. In other words, even without winning anything, he has already won.

Europe is a very large market, a major power. And I think it is broadly comparable to the Americans in scale. And Europe can also, when Trump says to us: “Listen, remove your inclusion, your diversity”, reply: “If you do not have inclusiveness and diversity, we will no longer do business with you.”

Canada is much more dependent on the Americans. That does not prevent Canadians from retaliating vigorously; they are also much more vigilant and forceful. Despite that, I think that all countries will diversify away from the United States, and that will probably make the world economy much healthier. I will also take this opportunity to say that when Trump tells us “increase your military expenditure”, we do not insist enough on the fact that most global imbalances were created by the Americans, and it is not for the Americans to create global imbalance and for the rest of the world to pay.

You create the imbalances in the world, you pay. And one must also bear in mind that most balances have always been struck in the interests of the United States, and that we ourselves have never benefited as much as they have. So they benefit, they create the problems and they pay. That is normal; it is not for us to pay for their policy, which in any case bothers us most of the time.

If Europe feels somewhat disconcerted, it is because I have the impression that in Europe we have always positioned ourselves in relation to America. We have never positioned ourselves in relation to ourselves, and I think it is very important that we position ourselves in relation to ourselves, so as to define our standards, our own matters, and adhere to them, and also to put the United States back in its place.

And when they tell us that they want to reindustrialise by increasing the cost of all inputs, that will damage their reindustrialisation. So in any case, even their policy is counter-productive in relation to their objectives. And since the United States will in any case decline with these policies, that will be all to the good and will allow us to assert ourselves even more.

Giorgio: Two points. First, I myself had withdrawn from politics in order to focus on my role as a civil servant. And in 2016, Brexit was what brought me back into politics. I am not the only one. Many movements were launched in Europe, and this attack by the United States, this war — it is a trade war

that should be compared with the military war that Putin launched two years ago against Europe — is, in my view, beginning to trigger a similar wave, with many young people coming to see me and saying: “we want to do something.” I do not know whether you are also sensing this; certainly, where I live, there is a desire to react, following the Canadian example that Christian mentioned, and it is really fantastic.

I do not know a more peaceful people than Canadians, but now everyone is in the mindset of saying: “no deal with the United States; we are not buying American products”, and poor American tourists are afraid to go to Canada — wrongly, because Canadians welcome them well when they visit. But what I have seen online is that Canadians have worked on their image so effectively that there are now many Californians applauding Canadians. It is really an example to follow.

It is passive resistance, resistance using the instruments they have, which has strengthened Canada in its identity, insofar as that existed. If I were a Canadian conservative, I would be furious: they were going to regain the government, it was going to fall into their hands, and now they will not succeed because Trump is “helping” them.

Let us come to the European mission and to what should be done. All Trump’s friends are really in a very bad position at the moment, because everyone is saying to them: “look at what he has done. Are you going to do the same?” That is a point one can see from a positive angle.

A question for Guillaume: Trump said to Zelensky: “You do not have the cards.” I learned the following week that Trump had berated the Danish Prime Minister over Greenland, while the American Secretary of Agriculture had gone to Copenhagen asking them to sell eggs, because Trump had made an electoral commitment on the price of eggs, which has doubled since he was elected. Here, we are the ones holding the cards. Could we not do something very, very targeted on eggs? For example, send eggs to the United States with “EU” written on each egg. It is aid coming from Europe; it has a price, and the price of the eggs we sell to the Americans will be twice the current price. Do very targeted things like that, with a publicity dimension. That is what Juncker did, I think, five years ago, when he targeted Harley-Davidson and Trump backed down. I imagine there must have been other examples, but I would like to know Guillaume’s view on that.

Guillaume Duval: Yes, thank you for these two pertinent interventions. So, will the action of the United States be beneficial for Europe? That is a very broad question and, at this stage, it does not seem obvious to me. I hope that what has just been said about the European far right being embarrassed by what is happening with Trump will serve as a deterrent among the European population. For the moment, what I observe, both at French and at European level, is that this does not seem to be working very strongly. For the moment, in the polls, the far right is still at the top in France. It may indeed come to power if there are general or presidential elections in France. Moreover, I had hoped that this would also somewhat cool the traditional right, which would say to itself: “Goodness, this is really very serious; we really must raise the barriers again vis-à-vis the far right.” That is, to some extent, what happened in Germany, and it is very important in Merz’s attitude in recent weeks, which is not necessarily the attitude he had a few months ago. But what I observe in France, as at the level of the European Parliament, is that this does not really seem to be the case for the moment. For the traditional right as a whole, it does not yet seem to have concluded that it really needs to cut ties and raise the drawbridges vis-à-vis the far right in response to what is happening in the United States.

Moreover, I would nevertheless draw your attention to what I think is a very decisive element: the next presidential elections in Romania. The Romanian president does not have all the powers; he is not the French president. But if the far right wins in Romania, then we are really in a very bad position. That is to say, after Romania, Moldova necessarily falls, and Bulgaria, which cannot be very far behind. In other words, we have an eastern flank beyond Hungary and Slovakia that becomes extremely sensitive to both Putin and Trump. So there is this shared idea, which I share, that we all hope this shock will be beneficial for Europe and will mobilise Europeans. But one must nevertheless be careful.

It is very convinced Atlanticists who are leading the battle on behalf of Europeans against the Americans, whether Kaja Kallas or Ursula von der Leyen; these are people who were originally very Atlanticist. And, in a sense, I think that is a good thing, because it is easier for them to be anti-American than for people on the left. If people on the left had had to oppose Trump, they would have been suspected of being anti-American; the right would have attacked them. Here, no one will attack von der Leyen if she takes a firm line vis-à-vis the United States, because they really cannot

be suspected of being anti-American. Contrary to what I said just before, that is therefore, in fact, a good sign. Then, the decisive question in economic terms is money. This is already a major shock to interest rates on European debts. It will be a non-negligible economic shock that will probably reduce activity and increase unemployment. It is a shock that in any case requires a very significant investment effort, both in defence and in technology. In order to deal with all these cumulative shocks and come through them well, money has to be put on the table. The problem in that respect is that the only way to do it properly would be to borrow jointly at European level.

The problem is that we are not at all heading in that direction; we are not making any attempt to move that way. Von der Leyen has not been able to do anything in that direction. And what has just happened in Germany, in particular the fact that the German coalition has decided to borrow heavily at national level, points rather in the opposite direction, because it is likely to make Germany very opposed to additional European borrowing. What is going to happen will have very negative effects, particularly on Italy and France. Interest rates for Italy and France are already very high, and these are countries that can no longer borrow or invest. In addition, there is a risk of growing divergence within Europe, which would aggravate the political problems because of the economic problems that this situation will create.

We are a large market, a great power, but only if we manage to preserve our unity. And that is precisely what is problematic today in this context, as is the weakness of the means we are deploying at European level to deal with these difficulties. There is one element I did not mention at all, and I was wrong not to do so: a significant part of the European response to Trump's tariffs must also be a citizens' mobilisation to boycott American companies. It is often said that boycotts are not effective. That is completely false. A company, when it is making a lot of money, has profits of around 5% of its turnover. If its turnover falls by 2%, which seems entirely negligible, its profits in fact fall by at least 1%, because most of its costs are fixed and do not vary according to sales volume. If its profits fall by 1% when they had been 5%, that means they fall by one fifth, or 20%. That means the share price collapses by 20%. That means managers' stock options collapse by 20%. And that means there is a very significant effect, even if, a priori, the decline in turnover remains

limited. So, yes, I think it is indeed necessary to develop Canadian-style actions on a citizens' basis in Europe. It may be difficult for the European institutions, or even national governments, to launch this kind of slogan, but in the present context it can be very effective, particularly vis-à-vis American multinationals that support Donald Trump and that he has to listen to. On eggs, it is interesting; it would be a fine symbolic idea.

Georges Vlandas:

We have the impression, Guillaume, that there is a kind of shift in the world. There was a paradigm that operated until the fall of the Berlin Wall. That paradigm was that the United States ensured the defence of the global capitalist market. It was the only gendarme that existed. It did indeed finance arms expenditure. This was not only a negative role, since the arms industry generated technological spillovers that were then reimported from the point of view of innovation, and that served as a powerful engine. Thanks to that, they had the reference currency and could, especially after the 2008 crisis, consume more than they were entitled to through international exchanges. So they were, in a sense, living on credit, and China, with its monetary surpluses, was buying Treasury bonds.

We are therefore arriving at a turning point. After the fall of the Berlin Wall, there was an extension, an extensive growth of the economy, an accumulation of capital. Expansion took place over the entire surface of the Earth. Now we are facing a new situation that profoundly threatens the world order and the hierarchy of nations resulting from the First and Second World Wars. And one may ask whether Trump is not creating chaos in order to reshape power relations to his advantage. He does not have time to wait for Europe, with its decision-making process, to grasp the scale of the threat. But he is creating contradictions among us, openly supporting all anti-European political currents, including far-right currents.

For China, for him, this is the moment to strike. Because today China is the world's leading producer. It also has networks of influence. For example, you mentioned the meeting that took place in Asia between South Korea, China and Japan. But I believe I read today that the Chinese president was going to travel, for example, to Malaysia, Cambodia and elsewhere.

Perhaps we should frame the terms of the debate not in terms of simple trade negotiations in which an increase of 15% is demanded and, in the end, we are relieved if we end up with only 10%.

The important thing is not to see whether or not we negotiate, but to understand that the issue is the reshaping of the global architecture in terms of power. The United States now holds this position, and it can do it. We shall see how things evolve. But we can see that, on the one hand, Europe is harmless. We make speeches, we meet, we embrace, we touch each other, because that has become the new fashion among leaders. Every time one leader meets another leader, there really has to be this physical contact to pretend that all is well. There are, for example, scenes between Macron and Trump that are surreal. But in the end, we do not really take many concrete decisions, and internal contradictions increase. You spoke of Romania, indeed, and of Bulgaria tomorrow. And so we are in a situation of extreme tension. One may ask what the purpose of all this is. It is not just a game of trade negotiations. Why should we suddenly take what he says at face value and not say that, ultimately, it is merely a discourse of convenience for him, to justify what he is doing here? If one has to strike, it is now, not in 15 years, because in 15 years we would be weaker. And that is why I think that what is at stake here is something other than what appears on the surface, and that the stakes are much more serious than is perceived. At the same time, we are witnessing a crisis of regime, because there is not merely an economic crisis and international tensions, but also the capacity of our elites to respond. You said at the last conference that the fact that they are Atlanticists, the Germans perhaps, means they are best placed to fight. But the German Chancellor has done what needed to be done at German level. However, he must provide a response at European level... And you have just said that what he has done at German level prevents what needs to be done at European level, and saving only Germany in a Europe that is in decline is not the right solution either. And as for citizens, that is not going well either.

Guillaume Duval: Trump's worldview, I think, is fairly clear. It is a nineteenth-century vision: the clash of empires, the return to classical imperialism underpinned by protectionism. Fundamentally, the United States developed and became a great power in an extremely protectionist manner. It became free-trading once it was dominant. So his worldview is that. It is to blow up all the multilateral frameworks, the WTO and all that — none of it matters. What matters are power relations. It is a power relationship in a classical imperial logic. I do not think it can work. There is an international economic infrastructure that has been put in place, on which one

cannot go backwards. You cannot return to the logic of the nineteenth century. No one in today's context is going to come and invest in the United States to reindustrialise the United States, especially in a logic in which the United States is becoming a dictatorship where no one is sure of property rights or where there is no longer a rule of law. No foreign investor is going to rush to build factories in the United States. And even though Trump backed down on these tariffs, because he saw that the markets were collapsing and that interest rates on American debt were rising, he backed down. But interest rates on American debt have not fallen again. They remain as high as when he decreed these tariffs, when they had jumped by one percentage point because he broke the confidence of international investors, and no one — at any rate not as many people as before — will buy American debt securities. They will look for other outlets. So I think that is his logic, but that it cannot work.

Georges Vlandas:

Do you agree with Olivier Blanchard? Do you think the system will regulate itself in some way?

Guillaume Duval:

I think there is a risk that it will crack everywhere, including militarily, but in any case, the way he (Trump) sees things, and a possible success, will not happen. Now, I do not know how far it will go with the Chinese. I do not know what will happen in Iran. If Israel attacks Iran, I do not know where that will lead. I do not know either where we are going in Ukraine, I do not know where we are going in Israel; there are many reasons to think that things will go badly at all sorts of levels. What I simply think is that the way Trump sees things, and a possible success, will not happen.

Then, on Germany, yes, I said earlier that I thought it was rather negative, in any case from the point of view of European mobilisation. On the other hand, I think the Germans have understood one thing — and perhaps that can nevertheless allow progress — namely that their mercantilism, which consisted in relying on exports outside Europe, has its limits. So they will certainly — German industry certainly thinks — that the future of German industry lies much, much more than they have thought over the past 20 or 30 years in the rest of Europe and in the revival of consumption in the rest of Europe.

On that point, it may perhaps play a positive role in the future. But it is true that right now, when we would need to borrow jointly in Europe on a significant scale,

I think it will be more difficult because the Germans have decided to do it at national level.

Yves Caelen: I can perhaps raise a question, which is obviously that all these situations in the relationship with the United States will also have an impact on the redeployment, let us say, of world trade as a whole. How do you see the impact of this new situation on new risks, but perhaps also new opportunities, as regards our trade relations with other countries? We are thinking of Asian countries in particular, perhaps also South America, but also Canada, for example. Will things be reconfigured, and what are the most likely developments? Thank you.

Guillaume Duval: The most likely, I do not know; but the most desirable is indeed to succeed, in a certain sense, in isolating Trump and avoiding a contagion of protectionism of this kind, and to succeed in developing economic, but also political and technological, relations with other parts of the world. That means, on the one hand, the G6, the developed countries minus the United States — Canada, Australia, Japan... And, on the other hand, indeed, the countries of the South, the countries of Latin America, the countries of Asia outside China, the countries of Africa. But this also presupposes a fairly profound change in attitude on the part of Europeans, who have had a very marked tendency — reinforced by the rise of the far right — to withdraw into themselves, to consider that the rest of the world no longer interested them very much, and to adopt an extremely cautious attitude, particularly on migration.

So, if we want to succeed in this, it means that we have to change our mindset quite profoundly, and change policies, including in financial terms. I mentioned development aid earlier, but the same applies to the fight against climate change. If we want to save the Paris Agreement despite Trump's withdrawal, it is absolutely indispensable: we will have to accept putting more money on the table to help with the energy transition, the green transition, in countries of the South, in order to compensate for the absence of the Americans. So yes, that is what should be done; that is what would be desirable. I do not know whether Europeans are capable of it today. I hope so, but I am not sure.

Georges Vlandas: There is a question in the chat: "What would be the solution, apart from protectionism, for the United States and European countries with a high trade deficit to reduce it, taking into account the fact that the rest of the world is developing more and more?"

Guillaume Duval: In any case, the United States had to manage to reduce its trade deficit. There is only one solution, and it is politically very painful: reducing consumption in the United States. The alternatives would be to increase taxes in order to reduce the deficit and reduce debt at the same time. But it is true that this is very difficult to sell politically. The protectionist illusion is easier to sell than saying that consumption will be reduced.

Georges Vlandas: Yes, he is already beginning to say, I believe, that in a first phase it may be worse, but that it will improve in a second phase, and that thanks to tariffs there are already billions of dollars coming in. In any case, the terrain we are facing is extremely shifting. There is another comment in the chat saying: “speaking of the role of the citizen, it should be noted that there is a trend in Europe towards increasingly violent repression.”

Guillaume Duval: What is certain is that the protectionist temptation very clearly exists in Europe too, and the question of whether it will be strengthened or weakened by what is happening in the United States is not yet settled at this stage. The question, indeed, of public freedoms, the capacity to protest and the defence of rights in this area is a central question and will be decisive. We saw earlier a retreat over recent years. We shall see whether we can manage to reverse the trend. But it is as you said earlier, Georges: one has to be Gramscian in these matters — “both pessimism of the intellect and optimism of the will”.

Georges Vlandas: Yes, well, that can serve as a form of partial conclusion. You can be sure, Guillaume, that we will come back to you during the second school term to take stock in the light of events. We have a changing political context, but one in which our freedom of action as citizens is also increasing, despite repressive tendencies. It is becoming clear that we must play a role and that, ultimately, delegating that role is no longer enough. Thank you very much for coming. If you have no further concluding words, we can end with that quotation from Gramsci.

Guillaume Duval: Thank you very much !

The countries of the Caucasus and their relations with the EU

Lien vers les [planches](#) utilisées lors de l'exposé...

GRASPE conference by Jean-François Drevet on the countries of the Caucasus and their relations with the EU

Georges Vlandas: Today's meeting concerns the Caucasus, a region situated between the Black Sea and the Caspian Sea, which now comprises three countries: Georgia, Armenia and Azerbaijan. With this conference, we are continuing our survey of the Union's surrounding region. We began with the Maghreb and are now continuing with the Caucasus.

We may go on to consider Turkey, or Greenland and Iceland. We will complete this tour in order to gain a clearer sense of the environment in which we find ourselves. This conference is led by Jean-François Drevet, who is well known to you; he is a regular speaker and a member of the editorial board of the GRASPE review.

GRASPE has been operating for 25 years on a voluntary basis. We have a website and we invite those who consider it worthwhile for the review to continue to make a contribution of EUR 50 per year, or less if EUR 50 is too high an amount. This would allow us, for example, to cover some costs: our speakers contribute free of charge, but sometimes they come from other countries and we then have to pay for their hotel and travel. In addition, we publish 500 copies of the review, which also entails a cost.

So, if you wish to make a contribution, you can ask us to send you a few issues of GRASPE by post; that way you will also have the printed version. Now, without further delay, and thanking you once again for your presence, I give the floor to Jean-François.

Jean-François Drevet: Good morning everyone, and thank you for the invitation. We are indeed beginning to make something of a 360-degree tour of the countries in Europe's neighbourhood. We are doing so for various reasons. One of them is that current affairs around Europe are problematic. They involve a number of difficulties that Europe is encountering with its neighbours. Some of these were foreseeable, because they go back several years. Others are obviously

new, but in any event the situation has deteriorated sharply over the past few years. You may perhaps think that the Caucasus is not especially important for you, and it is true that only a small number of our colleagues are interested in, or work on, Caucasian issues. Nevertheless, it seemed useful to examine it, quite apart from the general cultural interest by which we are all motivated, insofar as each of these three countries represents an experience of the European Union's foreign policy, with a number of problems and difficulties. Since these difficulties have not been resolved, we now face additional problems.

In other words, each of these three countries illustrates the difficulty in its own way. In the case of Georgia, this can be seen in the capacity to bring a country into the European Union. You are all familiar with the cases of Ukraine, Moldova and so on, which are currently recognised candidates. We came close to recognising Georgia alongside the other two not very long ago; then, for reasons that we shall try to explain today, that candidacy was postponed as a result of external pressure, particularly from Russia, and of a negative evolution. This is what is referred to, in relation to various countries such as Turkey, as 'backsliding': a country that was in the process of meeting the accession criteria is, following the most recent elections, now moving away from them. Azerbaijan has a much less close relationship with the European Union, but it is the European Union that is becoming dependent. In order to find substitutes for Russian gas, we had to turn to Azerbaijan, which is not a democratic country and clearly has no wish to become one; thus, in effect, we move from one problem to another. We want to renounce Russian gas because it represents a dependency for us. Ms von der Leyen went to Azerbaijan at the time when we wished to free ourselves from Russian gas, and the Azerbaijanis were relatively cooperative, but they also made it clear that they should not be pressed too hard on democratic issues.

We have countries that are dependent on Europe, but we also have countries on which Europe is dependent, particularly energy-exporting countries, and one can clearly see that this has consequences for the balance of power in our relations with them. Finally, the third country is Armenia, which is struggling with fairly serious problems and raises the question of its capacity for association with the European Union. In this case accession is not even at issue; indeed, they are not candidates, even if it interests them. The problem lies in the transition from partnership to association, insofar as in reality they are associated with Russia.

The move towards association with Europe entails a shift in foreign-policy orientation that Armenia may not have the means to undertake, because it is surrounded by neighbours that are outright enemies, by which I mean Turkey and Azerbaijan, and the only neighbouring country with which it has relations, apart from Georgia, is Iran.

This is therefore, to say the least, a complicated neighbourhood, and it very severely limits Armenia's capacity to develop and, above all, to make use of its independence. We are confronted with three cases that are somewhat textbook examples: Armenia for partnership, Georgia for association and Azerbaijan for energy dependence. We have three situations that show how the balance of power between the European Union and its neighbours is evolving, and perhaps that is what is interesting beyond the particular case of these countries.

In legal terms, we have the European Neighbourhood Policy. The three countries of the Caucasus were not initially included, but the Georgian and Armenian diasporas proved very effective and influential in Brussels. When the first draft of the neighbourhood policy was prepared, it did not include Transcaucasia. A number of people made themselves heard in Brussels, notably the perpetual secretary of the Académie française, Hélène Carrère d'Encausse, who was of Georgian origin. She was able to be quite persuasive, both with the French authorities and with the European authorities, and as a result it was decided to include these three countries in the neighbourhood policy alongside the other Eastern Partnership countries and the Mediterranean countries. They are now part of the neighbourhood policy. As regards agreements, we have two partnership agreements, one that is operating with Armenia, one that does not really operate with Azerbaijan, and then the issue of Georgia's accession, which I mentioned earlier. That is, by way of introduction, what can be said about these countries. Quite apart from their distance and their somewhat marginal aspect, they are of interest because they are in an unstable relationship with the European Union, deriving from their unstable foreign relations with the countries of the region. They have quite a few neighbourhood problems. Europe is certainly not the worst neighbour with which they are confronted, but they have a problematic future, which is somewhat connected with the future of our own neighbourhood relations with the twenty-five countries on our periphery.

This is a question that arises, and our colleagues, both in the External Action Service and in the Commission, are working on improving or redefining the neighbourhood policy. We have not always paid sufficient attention to our neighbours, because

European integration is an operation that has been oriented rather towards internal policies. Foreign policy has not always been accorded much importance; attention has been focused on trade relations with America, China or Mercosur, and perhaps insufficient value has been attached to the relations that should be maintained with the countries immediately surrounding the European Union. The European Union has grown, and has gained weight and importance by developing its policies, all of which has consequences for the neighbourhood. Without being critical of what has been done, since many things have been accomplished, the weight and the problems of the neighbourhood have perhaps not been appreciated as sufficiently important.

As a result, a relationship that was a kind of friendship, more or less economically motivated, has become a conflictual relationship with a number of countries. The fact of having a conflictual relationship with certain countries, I am thinking in particular of Turkey, also has negative effects on the countries neighbouring Turkey. We did not concern ourselves very much with all of this, and now it is coming back to us. We are discovering with dismay that our energy dependence has worrying effects on the balance of power that we can have with our neighbours, and that this is becoming a very important point in the management of European foreign policy. This is obvious in relation to the energy component, but it is also true of other issues such as nuclear safety or the environment. It is clear that we cannot disregard our neighbours, their opportunities, but also their difficulties. That is why I shall proceed with the case of the Caucasus, emphasising those aspects that have an impact beyond the bilateral relationship.

I shall present some general data on this region, since it is not very well known, and then we shall look at the three countries one after the other, their relations with the European Union, and finally a particular case on which I shall say a few words: the North Caucasus, which forms part of Russia. Everyone has heard of the Chechens, a people that has experienced tragic events. This is an important point because it is an area of Russia where non-Russians are in the majority, unlike Siberia, where 80% of the population is Russian. The North Caucasus is a region affected by Muslim extremism, and these small autonomous republics have remained predominantly occupied by what were called the 'titular peoples' in Soviet phraseology. They have an aspiration to autonomy from Russia that is not satisfied by the current system, and this constitutes a source of instability for Russia and for the countries of the Caucasus that lie just on the other side of the mountain range.

I shall now turn to a few legendary aspects that are quite characteristic. The Caucasus is known in the Bible: Mount Ararat rises to more than 5,000 metres, and it appears that Noah's Ark managed to float as far as that. Mount Ararat is in Turkey, but it is visible from Armenia; one need only open a window in Yerevan to see this summit, which keeps its snow almost all year round. There is also the myth of Prometheus, chained in the Caucasus, which is a reference known to everyone, and then there is the Golden Fleece.

The Caucasus is part of mythological legend and of the Bible; one senses that this is not a marginal region, but something that lies at the heart of our Greco-Roman culture. Mythology passed through it with Prometheus or Jason, just as Noah and his Ark certainly landed somewhere, probably in a place less elevated than Mount Ararat, but I shall adhere to the biblical interpretation. Was it the volcano that gained altitude, or did Noah's Ark land elsewhere? I shall not pronounce on the final outcome. It is a region marked by very great diversity in terms of languages and religions. There is a problem of democracy because it does not exist in Azerbaijan, where, indeed, it has never existed. We are seeing regression in Georgia and progress in Armenia, although the opposite could just as well happen in the near future.

In economic terms, the results are very average. Apart from oil and gas in Azerbaijan, these are poor regions; they were already poor in the Soviet era and have remained so. It is a conflict zone, and this must be kept in mind because the current situation there is not easy. I have included figures in this presentation, which you will receive in PowerPoint and which you can easily obtain, since I am circulating it through the Commission network. I am not going to go into all the population, area or GDP figures in detail, as that would take a great deal of time. Nevertheless, one notes GDP of around USD 20,000, perhaps EUR 17,000 or 18,000, which is not very high, since it represents less than 50% of the European average. There is therefore a gap between these countries and their European neighbours such as Greece or Cyprus. Economic catch-up is an issue for the entire Eastern Partnership and the Mediterranean countries, but I shall say no more about it.

I have used a map from a Soviet atlas to show you how complicated the situation is. In this mountainous area, peoples have intermingled and been juxtaposed. If you liked the Balkans, you will see that the Caucasus is even more complex, with all the consequences that this may entail.

There is an impressive linguistic diversity; I do not know whether there is elsewhere in the world a territory where five alphabets operate alongside one another in this way: the Georgian alphabet, the Armenian alphabet, Cyrillic, Latin and Greek. In religious terms, the diversity is also very pronounced. Muslims are found rather in the north; Christians are found in the north, mainly Russians, but also, and above all, in Georgia and Armenia. There are two categories of Christians: the Georgian Orthodox, attached to the Ecumenical Patriarchate of Constantinople, and the Armenians, who broke with the Church of Constantinople well before the arrival of Islam. The Armenians are Monophysites, like the Copts, the Jacobites or the Nestorians. They separated over the question of the identity of Christ. This is a rupture that represents one of the major fractures of the Byzantine Empire and has never been healed, although it is an apparently purely theological controversy: is Christ a man, a god and a man, or only a god? The Monophysites consider that there is only one nature. Among Muslims, it is somewhat the same. Azerbaijanis are Shiites, while the others are predominantly Sunnis, especially in the north of the Caucasus. What should be retained is that this diversity, in a mountainous space, has produced very strong particularisms, the Chechens being the most obvious example. For centuries, people lived side by side with very different beliefs and languages. Dagestan, for example, has around twenty languages in a territory smaller than Belgium.

Georges Vlandas: Perhaps the mountainous and geographical nature of the region encouraged this diversity. Had it been merely a plain, the most numerous or most warlike peoples could have invaded the others, whereas here the parcelling of the territory caused by the mountains made it possible to preserve particularisms.

Jean-François Drevet: Absolutely. Everyone keeps their language; people live in their own valley, separated from others by high mountains, and a thousand years later they have preserved their idiom. Demographically, there is a transition: currently, the fertility rate is between 1.5 and 2, which is below the replacement rate. In Muslim countries, the rate is slightly higher because the transition there was delayed by the social system. We are not in a particularly disastrous situation; fertility rates are now below 2.1 and infant mortality has become very low compared with what it was twenty years ago. Modernisation dates from the Soviet period, with an almost universal literacy rate. In economic terms, however, incomes remain low, especially in rural areas.

The Soviet legacy kept these countries in a kind of deep freeze, isolating them from the rest of the world. The southern border of the Soviet Union was closed. Between Turkey, a member of NATO, and Georgia, the land border was closed; it was not possible to cross by car. The same was true between Iran and Azerbaijan. For almost a century, these countries lived in profound isolation.

In relation to human rights, I always make this calculation because it gives a rough indication. It is not impressive; in terms of corruption, they are all poorly ranked. Georgia stands at 53rd and Armenia at 47th. Armenia is improving while Georgia is deteriorating. As for Azerbaijan, it remains poor. It has a relatively high level of corruption and, since corruption and oil go together rather well, it being an oil-producing country, one finds a higher level of corruption there than elsewhere. This is not the only case; it often happens. As regards press freedom and freedom in the world, Georgia is classified as 'partly free', with a downward trend. Armenia is also 'partly free' but with an upward trend. For Azerbaijan, the situation is stable, but stable in the category 'not free'. The Reporters Without Borders index, moreover, places Azerbaijan near the bottom, in 167th place out of 180 countries, which is not brilliant. Georgia is 114th, which is disappointing for a country that not long ago was regarded as a possible candidate. Armenia, for its part, is progressing and stands in 34th place, which is a good result; it has risen considerably in recent years. This changes according to the period, but the trend is clear: Georgia is regressing, Armenia is improving and Azerbaijan remains at the bottom of the ranking.

Let us turn to a point of history. I shall not dwell on it too much, since it belongs to the past, but if you look at the map you see how these three countries were literally caught between three empires over the course of their history. First there was the Ottoman Empire, which was dominant between the fifteenth and the beginning of the eighteenth century, explaining the conversion of a large part of the population to Islam. On the other side, Iran was far more extensive than it is today; Azerbaijan, which is Shiite, and Armenia, which remained Christian, were part of the Iranian Empire in the seventeenth century. However, the imperial winners were the Russians, since the whole territory was subjected to Russia during the eighteenth and nineteenth centuries. Little by little, the Russians advanced, driving out the Turcoman nomads who roamed the steppes, and reached the Caucasus.

They crossed the range because Georgia, in order to escape the Ottoman Empire, turned towards Russia by accepting the authority of the tsars. The Russian army then succeeded in pushing back Iran at the beginning of the nineteenth century, and then the Ottoman Empire, to reach the present borders. The conquest of the central Caucasus was much more difficult; the Russians had difficulty subduing the Caucasians, but they managed to do so by the mid-nineteenth century at the cost of ferocious military campaigns and mass population displacements. A large part of the inhabitants of the western Caucasus, notably the Circassians or Cherkess, took refuge almost entirely in the Ottoman Empire. It was a bloody conquest involving mass deportations, rather like the conquest of Algeria for the French.

Then came the Soviet Union. Proletarian internationalism led to administrative divisions in the form of Russian dolls. Three federated republics were created - Georgia, Armenia and Azerbaijan - within borders fixed by Stalin in 1922-1923, which correspond more or less to today's borders. The North Caucasus was divided into a large number of autonomous republics where the titular peoples remained in the majority. This is a difference from Siberia or other Russian regions, where Russian immigration eventually outnumbered local populations or led to complete Russification. In the Caucasus, although the Russian language advanced as a language of culture, it did not become the everyday language; these peoples preserved their national languages. This is a notable exception in the Soviet Union because, despite a schooling policy that valued Russian as a means of social advancement, local practice persisted. Even today, at international meetings, one sees delegates speaking English or French officially, but as soon as the session ends, representatives of the three countries naturally speak to each other in Russian. It is their common language of culture. The same phenomenon is observed in Central Asia: an Uzbek and a Tajik will communicate spontaneously in Russian, rather as Indians use English.

The Caucasian powder keg is a crucial point for us Europeans. How can these countries be made to cooperate when conflicts are omnipresent and fuelled by interference from Russia to the north, Turkey to the west and Iran to the east? These imperial powers do not contribute to stabilising the region, which results in considerable military expenditure, particularly between Azerbaijan and Armenia. Armenia, however, lost this competition because it has only 2.5 million inhabitants and no oil, whereas Azerbaijan has 10 million inhabitants and benefits from the oil windfall. Azerbaijan has devoted 5% of its GDP to

the purchase of military equipment, particularly from Israel. Armenia, equipped only with Russian weapons, was defeated in the conflicts of 2022-2024, resulting in the loss of Karabakh. The list of conflicts is long: Chechnya, Abkhazia, Nagorno-Karabakh, to name only the main ones. Diversity does not necessarily lead to stability, and there are around ten conflicts that we in Europe have, with a certain naivety, described as 'frozen', whereas none of them really were. On a map, one sees that the situation is bad both to the north and to the south. The principal conflict between Georgia and Russia has resulted, since 2008, in Georgia becoming a genuine protectorate. Abkhazia is occupied by the Russians, who distribute passports there, and South Ossetia is also under Russian control. The Russian army is now stationed 30 kilometres from Tbilisi, less than an hour's drive away; it can take the Georgian capital whenever it wishes.

As regards the losers and the winners, we have already begun to address this. The principal and most recent conflict was that of Nagorno-Karabakh; I shall return to it when presenting Armenia. What happened, in fact, is that Russia was supposed to defend Armenia, or at least that was how it was envisaged. Azerbaijan received support from Turkey, which supplied drones to the Azerbaijani army, and these drones worked wonders - that is, of course, an expression. The drones were very effective against Armenia's old weapons, old Russian weapons dating back to the Soviet period. Consequently, Nagorno-Karabakh lost its Armenian population; there were 150,000 Armenians in Nagorno-Karabakh, and I do not know whether even a few remain. Turkey thus demonstrated its effectiveness in relation to Russia. This is quite an important change because, historically, Russia had always won the wars. Armenia had therefore placed itself under Russian protection, but that protection did not work. In reality, it was Turkey and Azerbaijan that won, with consequences that I shall mention later.

Another important point concerning the three countries is the question of the Silk Roads, now known as the 'Middle Corridor'. This refers to the construction, through the Caucasus, of a route linking Europe and Asia. Nowadays, when one flies to Asia, one can no longer overfly Russia; one is therefore obliged to pass lower down, further south. Since Iran cannot be overflown either, an axis is used that passes above the Black Sea, crosses the Caucasus and the Caspian Sea, arrives in Kazakhstan and then continues towards China. If one tries to go north, Russia is closed to us because of Ukraine; if one tries to go south, there are Iran, Syria and so on, countries that are not very acceptable.

Aircraft do not fly over them, which is regarded as a good thing. Even Turkey: when I went to Japan recently, the aircraft did not fly over Turkey but passed above the Black Sea. It is therefore a rather narrow corridor linking Europe and Asia, with oil and gas economic stakes that have become relatively important. Previously, one flew over Russia or the North Pole and it worked very well; now, Russia, with its 17 million square kilometres, represents an enormous obstacle between Europe and Asia. Overflight is no longer possible and one is obliged to pass via the Bering Strait when coming from the west, or via this small Caucasian corridor when coming from Europe.

This small corridor is conflictual. The map shows the Turkic-speaking countries, that is, a kind of solidarity that Turkey is trying to develop with Central Asia via Azerbaijan. Since Armenia lies between Turkey and Azerbaijan, there is very strong pressure to secure a right of passage through Armenia. This is not straightforward because Armenia resists, but it is a very important unresolved geopolitical focus. It interests the Chinese because the Silk Road dates back to the Middle Ages and already passed through this area. Now that it is no longer possible to pass through Russia and certain Middle Eastern countries are unacceptable, only the Caucasus remains. In order to export oil and gas from Central Asia and Azerbaijan, it has to be brought to Europe via Turkey or the Black Sea. This complicates matters: a company wishing to build a gas pipeline wants to operate it for at least thirty years; if the area is not stable, the investments will not be made. Some pipelines, moreover, have been closed for years for political reasons. The role of Russia, which concentrated all the gas pipelines running up towards Moscow, is now being called into question and we have difficulty finding alternatives. Fortunately, we have liquefied gas by ship, but in closed seas such as the Caspian this does not work well. If a ship is loaded in Baku, there is nowhere to go by sea without passing through Russia to the north in order then to reach the Black Sea.

In terms of energy exports, this is a major difficulty. I would point here to the enclave of Nakhchivan, which belongs to Azerbaijan. It is connected to Turkey by a small border, but one has to cross Armenia to reach it. Even internal communication within Azerbaijan is not possible. In the Soviet period this did not matter because there were no materialised borders, but today it is a real problem. The south-eastern point of Armenia bordering Iran is the centre of all tensions: Azerbaijan would like an extraterritorial corridor.

We see here situations reminiscent of those that triggered the Second World War, such as the Danzig Corridor. For the moment, relations are so bad that it is hard to see how this can be resolved. We are in a situation of neither war nor peace. Azerbaijan has heavily armed itself and, not being a democracy, has an interest in the war - or at least hostility - continuing. A dictatorship needs an enemy in order to maintain itself. It has been spending EUR 5 billion a year on military equipment for the past ten or fifteen years. Israel continues to supply Azerbaijan even though Azerbaijan cooperates with Turkey; diplomatic relations are not simple, but the balance of power is very favourable to Azerbaijan.

We shall now look at the countries one by one: three countries. I shall not go into the internal details of each nation. Let us begin with Georgia, which lies further west. When one goes to Georgia, one is always very surprised to see how popular Stalin has remained. In his birthplace, Gori, there was still - at least the last time I passed through - a statue of Stalin that was easily fifteen metres high; it cannot be missed. His birthplace, a small wooden house, has been topped with a construction that looks like a Greek temple. It is quite curious, but I would say that Georgians continue to like Stalin as Corsicans continue to like Napoleon: he is the Georgian who succeeded. People do not weigh up too much the good or evil he did; he is a man who made himself known and who made Georgia known. Then there is the much more sinister image of Beria, who was the great master of the Gulag throughout the Stalinist period. His fate was tragic because he did not long survive Stalin, having been eliminated by his party comrades. In Beria's time there were two million people in the Gulag, in a Soviet Union that had a little under 200 million inhabitants. We say that our prisons are overcrowded, but one can see that this represented an enormous number of people.

As regards the territorial question, Abkhazia is a small territory situated on the western slope of the Caucasus, with an absolutely wonderful climate. There is no winter; tea can be grown there. It is a kind of riviera even more beautiful than the Côte d'Azur. It was one of the great tourist centres of the Soviet Union because, for the Soviets, a country without winter is a complete dream. This extraordinary mildness of climate continues into Russia towards Sochi, where the Olympic Games took place. The territory is populated by Abkhaz, who are Muslims, whereas the Georgians are Christians. Things did not go well between them even in the Soviet period and, at the time of the collapse of the Union, Russia retained this territory.

The secession dates from 1991-1992. The Georgians have never managed to recover this territory, which de facto belongs to Russia, somewhat as northern Cyprus belongs to Turkey. No one has recognised this annexation or the independence of Abkhazia, but the Russians have been there for thirty years and have no intention of leaving. When one has one's feet in the water in the middle of winter after spending one's youth in Siberia, one is capable of appreciating the difference.

Then there is Ossetia. The Ossetians are distinctive because they are one of the rare peoples of the Caucasian mountains to have remained Orthodox Christians. They were allies of the Russians during their penetration of the Caucasus. Like the Swiss, they are found on both slopes. In North Ossetia, there is an autonomous republic that gets on well with the Russians. In South Ossetia, it is tiny, with not even 100,000 inhabitants, but it allows Russia to have a foothold on the southern slope. Tbilisi, the capital of Georgia, is only thirty or forty kilometres from South Ossetia. That means that the Russian army is there and can take the capital whenever it wishes. This explains why Georgia's European aspirations are particularly obstructed by the Kremlin. The demarcation lines come very close to the city.

At one point, their objective was not so much the European Union as NATO. They wanted the protection of the Alliance. George Bush pushed the Europeans to accept Georgia as a candidate, but France and Germany refused. One may ask whether that was a good idea, because the Georgians found themselves without protection. Putin made them feel in 2008 that he regarded their former membership of the Soviet Union as a lasting commitment. Since they also do not want Ukraine to join NATO, we did not dare to integrate Georgia between 2005 and 2008. Did we have the means to do so? That is a question, but not having done so makes the situation even more difficult today. That is what Nicolas Sarkozy and Angela Merkel thought when they opposed the Americans. Today, they have applied to join the European Union, but an oligarch, Bidzina Ivanishvili, has managed to take power in Tbilisi under electoral conditions that are difficult to understand, while the polls showed 80% of Georgians in favour of accession. They submitted their application in 2022 at the time of the invasion of Ukraine. The Union took time to reflect, but in November 2024 the government suspended the negotiations that were about to begin and postponed them until 2028. The oligarch claims that Georgia will be a member in 2030, so he does not reject the principle, but in fact he is doing everything to prevent it from happening.

This resembles what we once experienced with Malta: one puts a foot in the door, then changes one's mind before returning later. For Georgia, it is complicated. They are said to be engaging in 'backsliding', like the Turks, because the Copenhagen criteria in the field of democracy are no longer being respected. The suspension comes from the Georgian Government itself, not from the European Union.

Let us move on to Armenia. It is a sad situation because, whatever policies were pursued, they led to failures. One of the main points is that of Nagorno-Karabakh, a region that Stalin attached to Azerbaijan although it was populated by more than 80% Armenians. It was a way of keeping an Armenian region within Azerbaijan, perhaps simply divide and rule in order to create mutual dependence on Moscow. Feeling threatened by Azerbaijan, Armenia joined the Eurasian Union in 2013, the economic union of Russia with Kazakhstan and Belarus. It submitted to Russian pre-eminence in order to retain Nagorno-Karabakh. Then, in 2018, there was a colour revolution: the Armenian people rose up against a corrupt and pro-Soviet administration. Putin then indicated that, since they wanted democracy, they would have to fend for themselves. As Azerbaijan, for its part, was making massive military investments thanks to its oil, the Armenians found themselves without Russian support against a much better equipped adversary. They faced Azerbaijan with completely obsolete weapons and lost the war.

For Armenia, the tragedy goes back a long way, to the genocide of 1915; I use the term genocide because it is officially recognised by the United Nations, whereas in Palestine matters are much more disputed. According to the statistics of the period, which are not entirely reliable, there were more than 2 million Armenians in 1914; it can be considered that there were around 2 million Armenians throughout the Ottoman Empire. By 1922, at the end of the Ottoman Empire, not even 400,000 remained. Some disappeared; they did not all die, but the loss represents at least 1,700,000 people. Among those deported, many died and others were directly massacred, but some nevertheless managed to escape, forming an Armenian diaspora settled throughout Europe, particularly in France, as well as in the United States.

It is very difficult to calculate the exact number of victims as long as Turkey does not accept that investigations be conducted or precise estimates made. We know that this represents more than a million killed, the others having been dispersed. I cited the University of Minnesota because it seems to me that they are

specialists in this field, but no one will ever know how many were in fact victims of deportation or massacre. There are books on this subject in almost every language and it is quite well documented because in 1915 there were still Europeans living in the Ottoman Empire, notably Germans, since Germany was Turkey's ally. German missionaries testified and gave quite precise accounts of what happened at the time; the Armenians then collected these testimonies, so we know more or less what happened.

The problem today is the recognition of the genocide, a complex question. After the war, the Turkish Government of the time, having driven out those responsible for the genocide - known as the Young Turks, or Yeni Turks - held a trial in Istanbul in 1919. It sentenced the perpetrators to death, but people did not yet speak of genocide because the concept did not exist; they spoke of war crimes. This was quite well documented by a Turkish court, which provides us with relatively precise foundations. In 1985, a United Nations commission examined the matter and certified the crimes of 1915 by qualifying them as genocide, drawing on the example of the Jewish genocide. Unfortunately, another example was later recognised, that of the Tutsis in Rwanda. We therefore have three genocides officially recognised by the United Nations, although there could be others, such as those of the Yazidis or the Herero in Namibia. I shall not take a position on the question of Palestine because it is a debate that lacks objectivity on both sides, which does not currently make discussion possible.

There are 33 countries that have recognised the genocide. The countries that refuse to do so are Turkey and Azerbaijan, for obvious reasons, as well as Pakistan out of solidarity. They refuse to admit the existence of a genocide, claiming that a few massacres took place but that it was not so serious, or that the Armenians massacred them in return. This caricature clearly illustrates the attitude in foreign policy. As the Armenians say, not only did they suffer a genocide, but denial amounts to wanting to kill them a second time; refusing to acknowledge what happened is morally a second massacre. Turkey continues to resent the Armenians and closed its border in 1994. That border has therefore been closed for around thirty years; it had also been closed throughout the Soviet period, so the inhabitants are used to it. By contrast, when I went to Armenia, I saw that the aircraft coming from Europe overflew Turkey; it was an Armenian Airlines aircraft and overflight was then authorised, but the land border remains closed. When one approaches it, one has the impression that the Cold War has not ended,

because it was the border between Turkey and the Soviet Union, and there is an abnormal number of soldiers in the region.

The Turks claim that the Armenians want to reconstitute Greater Armenia and recover territory in north-eastern Turkey, but it is difficult to think that they would have the capacity to do so. The Kurds are now there. There were 500,000 Armenians in Azerbaijan at the time of the last Soviet census in 1988. Nagorno-Karabakh had only 150,000, which means that between 400,000 and 500,000 people were expelled. Ethnic cleansing is a reality in this region; Armenia is today a diminished country compared with what it might have been. As regards Nagorno-Karabakh, Stalin's delimitation more or less corresponded to the ethnic map, which was the basis on which the Soviets fixed internal borders using very precise atlases. This map in Armenian shows that the Armenians did not confine themselves to Nagorno-Karabakh; they wanted to annex the surrounding territories and kept them for twenty years. In doing so, they stabilised the provisional. From the point of view of respect for the borders inherited from the Soviet Union, Armenia was in the wrong: first because Nagorno-Karabakh officially formed part of Azerbaijan, and secondly because the Armenians invaded western Azerbaijan and drove out its inhabitants. Ethnic cleansing was first carried out to the detriment of the Azerbaijanis. Despite the efforts of the international community to stabilise the matter through territorial exchanges or attachment, the Armenians did not wish to give up their gains. Ultimately, they did not realise that the balance of power was shifting to their detriment.

Azerbaijan, with its 10 million inhabitants, its gas and its oil, had the means to prepare its revenge, whereas Armenia, lacking oil and having a tiny territory with 2.5 million inhabitants, was not in a position to defend the territories it had conquered. Azerbaijan took its time, but when, in 2022, it felt ready and Russia was occupied with Ukraine, Azerbaijan decided that the moment had come to act. It was militarily ready and it showed it. The map is complex, but one can clearly see what happened: there is no longer any Nagorno-Karabakh and there are no longer any Armenians in that territory. Azerbaijan is recovering its borders, officially recognised by international law. This is hard for the Armenians to swallow, but one can say that the matter is settled; there is little chance that these people will return to a territory they had occupied for more than 2,000 years. In one way or another, the new Armenian administration considers that a line must be drawn under this affair.

This is not very popular in Armenia, but they consider that they must do without it. Moreover, Azerbaijan may not be satisfied with what it has won, which leaves the question open. It is a situation of neither war nor peace, as we know in other regions of the world, with tendencies towards renewed hostilities. When one is facing a dictatorial country, matters can turn bad quite rapidly, especially since the balance of power remains very unfavourable to Armenia. Armenia has only the international recognition of its borders with which to defend itself, but it is surrounded by Turkey and Azerbaijan, while its relations with Georgia are not excellent. The only country with which it maintains good relations is Iran; one can see how isolated this country is. They are so worried that, in order not to displease Russia once again, they do not even dare to apply for membership of the European Union. Russia having abandoned the limited support it previously gave the Armenians, the situation is badly engaged for them.

Azerbaijan is a kind of Caucasian emirate. It has 10 million inhabitants and significant resources. Oil production is declining; it reached as much as 50 million tonnes, but since this is one of the oldest oilfields in the world, dating back to the nineteenth century, it is beginning to decline. This was the era of the Nobel brothers; if we have Nobel Prizes today, it is because Nobel made his fortune in this region through oil exploitation. It is truly the prehistory of oil production, and Baku was at one point the place in the world where the most oil was being extracted. After the end of the Soviet Union, American companies returned and, with current techniques, managed to revive the fields. This is probably the end of the story for oil, but not for gas, because there are still many possibilities.

Consequently, when we Europeans needed to seek an alternative to Russian gas, Ms von der Leyen went to Baku and obtained an agreement on a kind of priority access to Azerbaijani gas. It works, but the problem lies in transport: the sea and the Caucasus have to be crossed, and the borders are not always friendly. One solution is to pass through Georgia to the Black Sea, or via the gas pipeline that reaches Turkey. All this works but is not ideal; it creates additional costs and political uncertainty. For the Southern Gas Corridor, capacity would have to be doubled to reach 20 billion cubic metres, which will take time and will not meet with unanimity. The Russians, who would prefer Azerbaijani gas to transit through their territory, will certainly not make matters easier. On the Russian side, the gas pipelines have existed since the Soviet period and the pipes are already there. In terms of competition, it is simpler to use a network that already functions, by sending the gas along

the Caspian to join the Russian network towards the Baltic or Romania.

This gives value to the famous corridor, which is an essential element for the export of Azerbaijan's wealth. For the moment, in the absence of agreement with Armenia on passage through its territory, tension persists. Observers consider that this tension is largely Azerbaijan's responsibility, because a dictatorship needs enemies in order to maintain itself and to justify the absence of freedoms by the state of war. As regards relations with the European Union, it must be said that for Europe this is not a priority. We are on the eastern margins, in an area of precarious stability. These countries are not major partners: if gas is set aside, they represent around 20% of our trade. The Armenians trade more with Russia than with the European Union. Georgia trades somewhat more thanks to its access to the Black Sea, and Azerbaijan buys products in Europe, but the Chinese are becoming the main trading partner. Partnership agreements have been signed and they have been integrated into the neighbourhood policy, but this Eastern Partnership does not work very well: Belarus is outside it, Ukraine is at war, Moldova is in a precarious situation, and the results in the Caucasus are limited. It is difficult to intensify relations because the partnership with Azerbaijan amounts to energy dependence, and Armenia does not dare submit its application for membership for fear of angering Putin, which would certainly happen.

And then Georgia made something of a false move; it submitted an application that was recognised, but the situation is now frozen and is not progressing very well. This notion of relationship, whether partnership, association or candidacy, means that none of the three works in this region. This challenges us regarding the management of our external relations because these three models do not work here. I am not saying that this is the fault of the European Union, but a number of criticisms are addressed to us. We are told, for example: 'You Europeans do off-the-peg; you do not take account of diversity and you offer only one model.' This was already familiar with the Soviet Union and is not especially appreciated; we should be capable of doing tailor-made work with them. We are therefore being called upon to revise our foreign policies and our models of association or accession, because local diversity is such that these countries are not able to fit our rigid frameworks. In Georgia's case, the Copenhagen criteria did not work because they were forced to suspend their candidacy. As for Armenia, which would deserve to become a candidate in terms of political criteria because it has established a functioning democracy for

about seven years, its principal need is security. Europe, however, does not offer it protection, particularly vis-à-vis Russia, because Europe does not have the means to do so. Finally, Azerbaijan is willing to sell us its gas, but refuses to allow us to concern ourselves with political questions. It rejects the political conditions of the 'more for more' approach developed under the neighbourhood policy; it does not want political conditions. We therefore see a blockage in all three cooperation models.

The responsibilities in all this are another debate, but it means that our current foreign policy responds neither to our needs nor to those of these countries. This raises democratic, principled and diplomatic problems, but we are obliged to acknowledge the inadequacy of the instruments. The relationship does not progress because the tools are not appropriate. There is a need to review our approach in order to create a somewhat more developed external policy, taking greater account of geographical, social and economic realities. The model we launched in the 2000s no longer works, and this must be recognised. I shall mention very briefly the Black Sea Economic Community. The Commission recently developed a strategy for the Black Sea that has much merit, but it has remained at the theoretical level. We are no longer in the concrete sphere but in the long term, which is inevitably attractive, but the response to the immediate problems of these countries is not provided.

A brief word on the North Caucasus, which is part of Russia. The Caucasians were deported by the Tsars in the mid-nineteenth century, then Stalin carried out mass deportations during the Second World War. Putin has not been very gentle with the Chechens either. It is a region that has been rather badly treated for a century and a half. These peoples remain majorities in their own lands but are dominated and underdeveloped. The best known are the Chechens, but there are others, particularly in Dagestan, where around twenty peoples speaking different languages can be found. Peace must be ensured for these people; until now, there has been a kind of modus vivendi between Putin and the Muslim dignitaries, but these are forms of domination and the populations are not asked for their opinion. One also notes the presence of movements such as al-Qaeda or Islamic State, which wish to create an emirate in the North Caucasus. To conclude, we are seeking a different relationship. It is necessary to manage the combined influence of the Turkish, Iranian and Russian empires, which does not favour stability because each defends its own interests. The economy does not function very well apart from oil and gas, which only Azerbaijan possesses,

and the borders are not stable. Conflicts can resume at any moment, which is regrettable for the local population, confronted with both poverty and insecurity. Thank you for your patience.

Georges Vlandas: I read in the chat: 'Wonderful presentation, thank you.' Perhaps for analogous cases the presentation should be divided into two or three sessions, even if that means repeating the introductory part, because compared with the Maghreb this was much more complex. It was necessarily a very long presentation. I shall pass this on: is it possible to trace the origin of Baku gas?

Jean-François Drevet: That is geological, in fact; it is the geology of the region that created what is called an anticline. Within this anticline are oil and natural-gas traps. Rather like in the Alps, the Caucasus produced very significant geological movements that trapped oil and gas over geological time. The oil of the Caucasus almost came to the surface; it had long been known. In fact, it was known in antiquity, but people did not know what to do with it, and it was in the nineteenth century that they realised it represented wealth.

Georges Vlandas: Very well. What do Georgians mainly live from? Could you give us again the references of the books cited?

Jean-François Drevet: They have agriculture. Agriculture favoured by an excellent climate. They make good wine, I can confirm that and so can you. They therefore have agriculture which, under the Soviet Union, represented a real blessing because it was the agriculture of a warm or temperate country. Georgians went to sell their vegetables at the Moscow market in the middle of winter; they took the plane with their sacks of potatoes and sold them very well. There is an obvious complementarity. Georgia is virtually the only region of the former Soviet Union with a favourable climate. Consequently, they long lived from agriculture. They have more of a business sense than the Russians and had organised export channels for their fruit, vegetables and wines. This worked very well. Moreover, Russia, in order to fight alcoholism, considered that promoting wine was a way of preventing people from drinking too much vodka; Georgia and Moldova were therefore favoured in the planned economy of the Soviet Union. Viticulture was encouraged. In Moldova they have good wines but also less good ones; in Georgia it is quality viticulture in all these small valleys where they produce excellentes. excellent things.

They therefore did well from that. As regards industrialisation, the results are average. Azerbaijan had cotton, so textiles were produced to clothe all these people, which is already a reasonable result, since winters are cold. But it is not a region with a very modern industry. The Soviet legacy mainly leaves ruins; I visited industrial zones in Georgia about ten years ago and one could see what forced industrialisation had been. Most of the establishments were in poor condition, but I hope for their sake that this has changed since then.

Georges Vlandas: You mentioned the fact that Stalin and Beria came from Georgia. What is quite interesting is that Stalin, despite being Georgian, almost found himself in a minority within the Russian Communist Party on the question of nationalities. Precisely because he had put in place fierce repression in Georgia at the time of the creation of the Soviet Union, which passed through the recognition of the different nationalities that did not exist in tsarist Russia. Stalin, instead of favouring Georgia as Khrushchev had done for Ukraine with Crimea, repressed it to the point of taking internal risks. In his testament, Lenin had in fact pointed out Stalin's great brutality with reference to this episode.

Jean-François Drevet: To that repression, indeed, because Georgia was Menshevik and remained so until 1922 or 1923. One of my wife's ancestors was there at the time when the Mensheviks were in power.

Hugo Arcangeli (GRASPE): Thank you to Jean-François Drevet for his presentation.

The next conference will be on 19 February with Hubert Krivine, on his book *La Terre, des Mythes au Savoir*. This conference will examine the accumulation of scientific knowledge about the Earth, starting from religious knowledge and moving towards scientific knowledge. It will be followed by three further conferences with Jacques Treiner to examine the use of the Earth's resources by the current economic system.

Climate activism in European Institutions: my history of EU Staff for Climate

By Nikos Kastrinos⁴, December 2025

In 2018 I was team leader for foresight in DG RTD. My task was to promote the use of foresight in our DG. I spent my time looking at relevant research, organizing relevant projects and talking to groups of colleagues and stakeholders about the future. Less about the future we think we know and more about the future we may be unaware of. Although, I soon realized that policy-making often remains, by will, error or negligence, unaware of futures we know. A range of such futures involve climate change, slow and fast, violent and incremental, anthropogenic and non-anthropogenic.

Climate change is one of the most explored areas of the future. It is impossible to think about the future and to not be emersed in the pervasiveness of climate change. Yet, climate change futures are often ignored. The EU has a climate policy, with its own interests and objectives, which take a share of EU resources and decision making. Horizon Europe, the Programme for Research and Technology, stipulates that at least 35% of the total budget is allocated to climate-related objectives. While climate related objectives may involve a slowing down of global warming, there is no guarantee that that remaining 65% of the budget will not be, wittingly or unwittingly, contributing to the acceleration of global warming.

It is difficult to see how this type of policy set-up(s) will stop the accumulation of systemic risk associated with climate change. Many people in the foresight community share the feeling that nature is like the proverbial frog in warm water that gradually but steadily approaches boiling point.

In 2018 Greta Thunberg started her protest in front of the Swedish Parliament, and Fridays for the Future⁵ evolved into a global

⁴ Nikos Kastrinos is a former official of the European Commission. All views expressed in this article are views of the author and do not necessarily reflect the views of the European Commission, nor engage it in any manner.

⁵ See <https://www.unep.org/championsofearth/laureates/2019/fridays-future-movement>

movement to fight climate change. This was a time of rapid rise in popular awareness of climate change issues, and numerous meetings in which experts provided us with the latest research results and understandings of climate change. Many of those experts were profoundly worried and did not hesitate to share that fact. In such meetings I heard colleagues complaining about the “schizophrenia” (many actually used the term) of understanding climate change and working on EU policies as if there is nothing wrong. How can you discuss shipping lanes across the north pole when you understand a Blue Ocean Event⁶ as a climatic tipping point? For some, the ability to ignore climate change shows the resilience of the human spirit – policymakers doing their job in difficult circumstances. For others this was indicative of psychosis. It was in such meetings that I first understood that climate change has important implications for human resources policy in the Commission.

Having this discussion with colleagues involved in the trade union movement brought me to U4U and GRASPE. What kind of staff mobilization could sensitize leadership to the true pervasiveness of climate change? How could we convince our leaders to overcome the logic of sectorizing climate policy and take on the challenge of climate change? Spontaneously, groups of colleagues started to meet to discuss options for activism.

EU Staff for Climate

In spring 2019, a small group of colleagues created a Facebook page titled EU Staff for Climate, set up a functional mail box, printed banners and brought them to a rally of Fridays for the Future in Brussels. The banners acted like a lighthouse. Soon a large group, myself included, found themselves marching behind the banners of EU Staff for Climate. At the end of the march it was agreed to hold a public meeting and EU Staff for Climate invited a representative of DG CLIMA to present the Communication “A Clean Planet for all - A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy”⁷.

The meeting was attended by 60-70 people. Following the presentation of the communication, there was a discussion of proposals of steps that could be taken. Colleagues made suggestions and those were put to a vote. One suggestion that prevailed was to draft a manifesto for a movement – a set of demands that could be addressed to the new leadership of EU institutions, which would take up duties in the Autumn of 2019.

⁶ See <https://youtu.be/OLIGq040ReM?si=AI6NizK9vz2AWdCc>

⁷ European Commission (2018) A Clean Planet for all A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy, COM/2018/773 final

Different working groups started drafting texts. In the first instance some colleagues were advocating very brief and targeted messages, others somewhat longer texts with strong justifications. It was soon realized that the shortest document was the one that should be sent – and participative workshops were held to decide on the final points to be included, and the sequence in which these should come. The final text, drafted after the meeting was circulated to all participants.

The process and approach were inspired by a [petition of the staff of Amazon.com](#) calling on their leadership to take action to alleviate global warming effects of company activities. EU Staff for Climate included members from all staff Unions. With the help of staff unions, when the petition was launched for signature, staff across the institutions became immediately aware of it. Very quickly the petition gathered thousands of signatures.

Two weeks after the launch of the petition a number of colleagues were called to a meeting with DG HR in the Commission. By that time the petition had more than 6000 signatures. In the meeting DG HR colleagues were critical of the approach of making staff views public outside hierarchical channels. How can staff express views outside hierarchical channels? The same question was addressed to the Commission, a few months later, by Markus Buchheit, MEP (AfD)⁸. The Commission's response, in March 2020, recalled that “an official has the right to freedom of expression” and that the “publication ... was not liable to seriously prejudice the legitimate interests of the EU⁹”.

By October 2019, the petition had gathered 11012 signatures, covering about 15% of all staff. At that time we were invited to brief Vice President Timmermans, responsible for the preparation of the European Green Deal, on the contents of our petition. We spent a whole hour with the Vice President and his cabinet and delivered a paper of 42 pages with a comprehensive set of proposals for the European green Deal.

In December, the President's speech to the EP, presenting the European Green Deal, seemed to take on board the tone and even some phrasings of the petition. The European Green Deal itself seemed to have taken up a small number of our proposals. There was elation in EU Staff for Climate.

The petition was delivered ceremoniously to each of the heads of cabinet of the three Presidents of the Commission, European Council and European Parliament in February 2020. In all three meetings, the heads were asked whether the energy transition

⁸ Question for written answer E-003906/2019 to the Commission

⁹ E-003906/2019 Answer given by Mr Hahn on behalf of the European Commission (3.3.2020)

needed to be prioritized given that the digital transition was poised to boost energy consumption¹⁰. In all three meetings the response was that “the digital transition is part of the energy transition”, implying that there will be no prioritization between the two.

Questions about the relationship between the European Green Deal and climate activism and whether the activists should be appeased or emboldened by the policy declarations of the European Commission, tore through the ranks of colleagues who signed the petition. Was our petition a stage in a longer term struggle to bring institutions to recognize the truth of anthropogenic climate change, or was it an opportunistic explosion that achieved its goal? This sort of questions amplified issues of identity: what is EU Staff for Climate? What are its values? What are its objectives? We organized many meetings in which such issues were debated, plans were formulated and texts were drafted. Working groups were set up and position papers were drafted but, in time, the dynamism subsided. EU Staff for Climate was no more a vehicle through which EU Staff could raise their voice on important issues of our times. Between 2022 and 2025 EU Staff for Climate produced five position papers which, despite their analytical quality, left little trace in European policy and politics.

The EU Staff Fund for a Fair and Sustainable Future

In March 2020 it had become clear that COVID 19 was posing major challenges for Europe. The North of Italy was facing a fully blown pandemic and Russia sent supplies and personnel to help the struggling Italian health system. We felt that it was important for people in Europe to feel the solidarity of the staff of EU institutions – over and above any acts of the EU bodies. We were aware that many colleagues were donating money to energise volunteering and the non-profit sector to help. We decided to set up a fund to federate the donations of colleagues in order to make the financial help from EU Staff more visible. The EU Staff COVID 19 Solidarity Response Fund was supported by all trade unions.

The first projects the fund supported were to support medical professionals starting from Italy and then targeting other countries that were hit hard by the pandemic. Soon we began to target especially vulnerable communities, at risk because of the simultaneous pressure from the pandemic and the restrictions aimed to minimize the spread of the disease, mostly in poorer

¹⁰ For the growth in energy consumption since see EIA (2025) Global Energy Review. <https://iea.blob.core.windows.net/assets/5b169aa1-bc88-4c96-b828-aaa50406ba80/GlobalEnergyReview2025.pdf>

countries where the needs were the highest. As the pressures of COVID began to lessen we began to discuss with our donors, in public events, the possibility of turning towards a philanthropic profile that combined ecological and social objectives. In July 2021 when Belgium, Germany and the Netherlands were hit with significant flooding, we launched a specific call for supporting victims through non-profit organizations. We quickly raised about €100000 with which we supported mostly specialist schools and social spaces for disadvantaged communities, that needed to be operational in September.

Based on that experience we decided to dedicate the fund to a combination of ecological and social objectives and changed its name to “EU Staff Fund for a Fair and Sustainable Future”. At the same time the Russian invasion in Ukraine was creating new needs for humanitarian assistance. At that point we were approached by colleagues from different staff organizations asking whether we could use the infrastructure of the fund to direct donations towards Ukraine. We started a special campaign for donations to Ukraine that is still ongoing. We have supported humanitarian assistance projects in Ukraine itself and vulnerable Ukrainian refugees in neighbouring countries. In parallel we launched various partnerships that help us identify worthwhile projects with important environmental and societal dimensions that receive support from the fund. In its first five years of operation the fund donated more than €2M to support some 140 projects across Europe, achievement that was noted by President von der Leyen in her 2025 Christmas message to all staff.

State of play and perspectives

While the management of the fund and many of its donors come from the EU Staff for Climate movement, the two are separate. The fund and the movement exist side by side, supporting one another but without any of the two swallowing the other one. The fund donates in the name all EU Staff. Some colleagues feel that the appropriate responses to climate change are legislative rather than financial. If there is a trade-off between legislative and financial response, then financial investments could even provide excuses for governments to avoid taking appropriate legislative and regulatory measures. Moral ambiguity is strongly present in the politics of both climate and philanthropy. But moral ambiguity should not stop us from doing the right thing: helping people in need and combating climate change at every opportunity.

Across Europe, climate change – a scientific truth about the risks our planet is facing – is increasingly stigmatized as a political attack on the economy in general and on poor people in

particular¹¹. And those positioned to suffer the biggest harm from climate change are opposing policies to tackle it¹². Or at least this is the way the problem is framed in current institutional settings: a problem of knowledge and ignorance¹³. Yet in reality it is a problem of democracy. At its root lies secrecy and loyalties to interest groups that cause bias. Open discussion and deliberation can enable democracy to effectively tackle climate change. After the crisis of “yellow vests” in France, president Macron backed the organization of citizens assemblies promising that his government would implement their recommendations. The assemblies produced recommendations but the government went back on its promise, implementing only a small portion of them¹⁴. In today’s context, activism can, and should, become a force for truth – especially when the world’s scientific community stands firmly behind that truth. Speaking truth to power is a value that stems from the protection of impartiality, objectivity and independence in the statutes of civil service across the democratic world.

Through EU Staff for Climate we have come in contact with grassroots climate activist movements in other international organizations as well as in broader society. Through the activities of the fund we have discovered a trove of interesting projects driven by enthusiasm and dedication, that are generating hope for the future. Amongst young people in particular, in all parts of Europe, small donations go a long way. The words we hear most often is that “you make us feel that someone notices and cares”. This quality of “caring” for things and people is at the heart of climate activism. Activists care for the damage and the suffering caused by global warming. Showing that the staff of EU institutions care is a very important, underappreciated, contribution to the European project.

¹¹ See for example <https://www.euractiv.com/news/economist-slams-eu-climate-policy-as-ineffective/> and <https://www.fraserinstitute.org/commentary/global-warming-policies-hurt-poor>

¹² See for example <https://carnegieendowment.org/research/2025/09/climate-backlash-europe-green-transition-farmers-protests?lang=en>

¹³ See <https://europe.mercycorps.org/en-gb/blog/climate-change-poverty> and <https://www.cleanenergywire.org/news/right-wing-populists-challenge-europes-climate-efforts>

¹⁴ See <https://www.dw.com/en/frances-citizen-climate-assembly-a-failed-experiment/a-56528234>

Viewpoint

New resources for the European budget?

Jean-François Drevet, October 2025

(text published on 9 October 2025 in TELOS under the title: EU, the other budget under discussion.)

Presented by the European Commission in mid-July 2025 as “an ambitious budget for a stronger Europe”, is the proposal for the 2028-2034 multiannual financial framework (MFF) commensurate with the needs of a European Union faced with the multiple challenges of climate transition, rearmament and competitiveness-related investment, in addition to current expenditure, notably that of the common agricultural policy (CAP) and cohesion policy, not to mention the debt-servicing costs arising from repayment of the recovery plan?

The Letta and Draghi reports (EUR 800 billion) have highlighted the need to increase investment substantially. While it is always possible to claim that the private sector can be mobilised, these new priorities inevitably involve the public sector and, in particular, the European budget. Moreover, the gravity of the international situation is giving rise to major new requirements, especially in defence, including the pledge made at the most recent NATO meeting to raise military expenditure to 3.5% of GDP, which also affects the European budget, even though the EU has no competence in this area.

Despite its growth, since the 2028-2034 MFF proposes an increase in real terms of more than 40% compared with the previous framework, the overall size of this budget remains very modest: 1.26% of EU GNI on average between 2028 and 2034 (EUR 2,000 billion over seven years). Admittedly, the Commission has gone as far as its prerogatives allow, but is the stated ambition commensurate with the challenges and threats that have multiplied recently? Is it possible to meet all these obligations while remaining below this ceiling until 2034?

For many experts, the credibility threshold for the European budget would be far higher, at 3% or even 4% of GDP.

The inadequacy of revenue

At present (2025), the Member States finance it through a contribution based on their gross national income (GNI, 64%) and a VAT-based contribution (16%). Only 19% of revenue consists of own resources, derived from customs duties (14%) and a contribution based on non-recycled plastic packaging waste (5%). Yet these new revenues are partly hypothetical, as the European Court of Auditors has pointed out.

The “frugal” countries argue that Europe should not receive more: they oppose both an increase in revenue and recourse to borrowing of the kind used in the recovery plan. In several countries, including France, populists are even campaigning for a reduction in national contributions. Moreover, increasing transfers from national budgets is not within everyone’s reach. Some countries, including Germany, which has abolished the “debt brake”, can do so, but many others, such as France, have reached the ceiling of their tax burden and borrowing capacity. Even if some margin can be found by “spending better”, a slogan regularly invoked by proponents of budgetary austerity, it will not be possible to go very far in this direction. Unless the Union embarks on massive borrowing, if a substantial increase in the European budget is deemed necessary, new resources must be found for it independently of national budgets.

In the past, the Commission has made several proposals, most often in vain, that would reduce dependence on the Member States. In the MFF, it proposes an emissions trading system (EUR 9.6 billion per year), a carbon border adjustment mechanism (EUR 1.4 billion), higher taxation of uncollected electronic waste (EUR 15 billion) and excise duties on tobacco (EUR 11.2 billion). Together with a flat-rate contribution from large companies, to which we shall return, these new revenues should generate around EUR 58.5 billion per year at 2025 prices. Yet these new revenues are partly hypothetical, as the Court of Auditors has indicated.

The perverse effects of the race to the fiscal bottom

Tax specialists have long been examining a reform of corporation tax, which is the subject of debate not only in Brussels. Not only do large companies, especially multinationals, benefit from the advantages of the single market, but the intensification of tax competition between Member States has led to massive reductions in corporation tax, causing a significant shortfall for public treasuries.

This “race to the bottom” has been accompanied by artificial transfers of profits to countries offering the most attractive rates (below 15%). Through the negotiation of tax rulings (“sweetheart deals”), many multinationals have managed to secure even lower tax rates. Without being illegal, this optimisation process leads to distortions of competition and substantial revenue losses to the detriment of countries that have maintained higher rates.

According to the Tax Justice Network (TJN)¹⁵, the losses inflicted by “lower-tax” countries on others (“tax loss inflicted on others”) amount within the EU to USD 74 billion per year, of which USD 55 billion results from the conduct of the five most accommodating countries: first Ireland (USD 34.3 billion), followed by Luxembourg (USD 9 billion) and the Netherlands (USD 6.3 billion), as well as Cyprus and Malta (USD 3.6 billion and USD 1.8 billion respectively).

A special report by the European Court of Auditors¹⁶ is consistent with the TJN’s conclusions. It deplors the development of “harmful tax regimes and corporate tax avoidance” and their negative effects, “such as the erosion of foreign tax bases and an unfair allocation of the tax burden”. In plain terms, at least five countries are preventing others from maintaining their tax rates and are developing practices detrimental to the proper management of the single market.

In September 2024, the case of Apple was the subject of a judgment by the Court of Justice in Luxembourg: the company, which was paying only derisory amounts in corporation tax, was required to pay EUR 13 billion to the Irish Treasury, which did not want the money; several countries then claimed a share of this payment.

According to *The Economist*¹⁷, by contributing 83% of corporation tax for 10% of jobs, multinationals have turned the island into a rentier country, to the detriment of its partners. As practised in Ireland, but also in the Benelux countries, Cyprus and Malta, transfer-pricing manipulation has acquired a macroeconomic dimension, becoming a source of statistical asymmetries between the accounts of the euro area and those of the United States¹⁸.

Correcting these imbalances is therefore an important issue with several dimensions that cannot be developed here.

On the one hand, the easing of taxation in favour of multinationals creates strong inequalities between large and small firms: those that generate the highest profits are also those that pay proportionately the least. In France, this inequality has just been recalled by an INSEE note of 2 September 2025: according to 2022 data, the gap to the detriment of SMEs would be 50%¹⁹.

On the other hand, between 1980 and 2020, the average corporation tax rate worldwide fell from 50% to 24%²⁰. This reduction in the tax burden on companies, combined with the payment of massive public subsidies²¹, resulting from diverse but convergent measures taken over several decades, may place a heavy burden on households, which are forced to finance public expenditure that is very difficult to reduce, given existing protections and an ageing population, thereby leading towards a social race to the bottom already observed in some countries.

The Commission's attempts

From a European perspective, a degree of tax fairness is necessary to ensure respect for competition and the proper management of the single market, responsibilities

Commission, that fall within the Commission's remit, while taxation itself remains a competence of the Member States and of Council decisions taken unanimously. It is then necessary to have the capacity to enforce such rules, given business secrecy and the limits of tax cooperation. In an economy based on the free movement of capital, the scope for public action is therefore limited, but not non-existent, as is sometimes suggested.

Tax competition is not merely an internal problem for the Union. Despite progress in the fight against tax havens, accommodating legislation persists on the EU's doorstep. The opposition of the United States must also be taken into account: Donald Trump has come to the rescue of his multinationals and clearly intends to secure their exemption from European taxes. Has the world become prey to another generation of "robber barons²²", a new nobility intent on exempting itself from its burdens? In fact, the Member States have lost part of their fiscal sovereignty, but they find it difficult to acknowledge this.

In the absence of international agreements, and following the OECD's failure to create a consensus on a minimum amount of corporation tax, pending implementation of the tax convention within the United Nations framework that TJN is calling for, any reform now rests on the EU's political will.

Despite its importance, the Member States, which otherwise exercise close scrutiny over expenditure, do not seem in any great hurry to increase their revenue by effectively combating the tax optimisation of which they are nevertheless victims. In the name of their sovereignty, they oppose the Commission's legislative proposals²³ and show no excessive zeal in applying them when they are adopted²⁴. As long as opposition from some of them persists, it will be very difficult to move towards fair management of corporation tax.

As envisaged by the Commission, allocating part of this tax to the EU budget, although justified by the advantages that large companies derive from the single market without having contributed directly to its financing, will not be easy to obtain. Yet tax harmonisation between Member States would also be a means of securing new resources for the Community budget and, in particular, of assigning to it a fair contribution from multinationals. This explains why they are wholly opposed to it, as are the most accommodating Member States, which intend to block any progress in this area by abusing the unanimity rule.

The CORE proposal (Corporate Own Resource for Europe)

Already discussed in a previous chronicle²⁵, the allocation of part of corporation tax to the European budget is now included in the 2028-2034 MFF. Among the new own resources, the Commission proposes a flat-rate contribution from companies with turnover exceeding EUR 100 million, according to procedures to be determined subsequently. Its rate would most often be below 0.1%.

The Commission expects it to generate EUR 6.8 billion per year in additional revenue. If it were introduced, it would be possible to raise the rate, which is still very modest: at 1% of turnover, it would yield EUR 68 billion per year and considerably more if consolidated tax bases were created at EU level.

This is an additional reason for those who oppose it to fight it vigorously, by multiplying technical objections. Yet these objections can be overcome. As for the risks of evasion towards more accommodating jurisdictions, there are ways of addressing them. As the impact of the Brussels effect²⁶ shows, while it is understandable that a Member State may no longer have the means to defend its fiscal sovereignty, the situation is different for an entity of 450 million inhabitants, provided it has the political will to do so.

Notes

15 Tax Justice Network, *State of Tax Justice*, November 2024, 80 pp.

16 Combating harmful tax regimes and corporate tax avoidance, Special Report No 27, Luxembourg, 29 November 2024, 76 pp.

17 “The Emerald petro-state”, in Charlemagne, *The Economist*, 14 June 2025, p. 21.

18 See the Éco Notepad note by Banque de France economists Jérémie Montornès and Marie-Baïanne Khder, posted online on 3 February 2021.

19 “SMEs pay more tax on profits than large companies” (*Le Monde*, 4 September 2025, p. 9).

20 See Mickael Sixdenier, *On the Social Cost of Fiscal Dumping, Lower and Upper Bound Estimates: How Much Race to the Bottom Hurts People at the Bottom*, Master’s thesis, Paris School of Economics (PSE), 47 pp. (supervisor: Thomas Piketty).

21 See Matthieu Aron and Caroline Michel-Aguirre, *Le grand détournement, comment milliardaires et multinationales captent l’argent de l’État*, Allary Éditions, Paris, September 2025, 213 pp.

22 Expression that appeared in 1859 in The New York Times to characterise the unscrupulous great capitalists of the Gilded Age in the United States.

23 Which cannot be detailed here, notably the European directives on administrative cooperation in the field of taxation (Directive 2011/16/EU and subsequent directives) and the BEFIT proposal, Business in Europe: Framework for Income Taxation (in French, Entreprises en Europe: Cadre pour l'Imposition des Revenus), of September 2023.

24 Exchange of tax information in the EU: solid foundation, cracks in the implementation, Special Report of the European Court of Auditors 03/2021.

25 See "L'Europe doit investir" (Futuribles No 464, January-February 2025, pp. 115-122).

26 See the work of Anu Bradford, discussed in Futuribles No 437, July-August 2020, pp. 111-118: "L'effet Bruxelles, une stratégie d'influence ?"

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