



2026 GLOBAL CONFERENCE

LEADING IN A NEW ERA



UKRAINE'S NEXT CHAPTER: BUILDING RESILIENCE ON EUROPE'S EASTERN EDGE

Announcer 00:00:01

Please welcome the panel on “Ukraine’s Next Chapter: Building Resilience on Europe’s Eastern Edge,” moderated by Matt Kaminski, editorial chair, Middle East Broadcasting Networks.

Matt Kaminski 00:00:25

Good afternoon, everyone—or still good morning—and welcome to what I think will be a fascinating and very timely conversation. Although Ukraine has not been in the news as much over the last couple of months as it has been over the last four years, it is still, I think, one of the stories that will shape the world to come. I’m Matt Kaminski. I’m also the editor-at-large of *The Arsenal*, which is a new publication based out of Kyiv that covers defense and security policy. And maybe to sort of set the table a little bit, it was almost a year ago this time—maybe a year and a couple of months—where President Trump in the Oval Office with President Zelenskyy said, “You do not have the cards.” And in that year since, it has not been an easy year for Ukraine. The US has effectively cut off aid. Ukraine suffered through a very difficult— I think the worst winter that it’s had throughout the conflict. It happened to be really freezing, but then it was much more exposed to Russian aerial attacks. The peace talks went off and on, but have really gotten nowhere. But then Russia has also stagnated on the battlefield. It is losing people and weapons at a rate that you’ve never seen in this conflict, certainly, but it’s hard to remember a conflict of any kind where a military force is bleeding as much as Russia is. And then you’ve had, obviously, February 27th and the beginning of the Iran war. So, a lot has happened. But to credit President Trump’s brilliance at coining phrases, I think we could probably stick with the “cards” metaphor and come back to it. And maybe I want to start with you, Mike Pompeo. Who has the cards now? How do you judge the strength of Ukraine’s cards?

Michael R. Pompeo 00:02:26

Oh, goodness. Well, first of all, thanks for having me. I appreciate it. I'm not sure the analogy holds terribly today. As just a pure military matter, moving across the boundary is incredibly difficult. I probably get to Ukraine four or five times a year. I've had a chance to get out near the line. Moving in either direction is incredibly difficult given the nature of the warfare and the assets that sit on both sides. As a geopolitical matter, you see this playing out precisely as we've seen throughout history. This is a proxy conflict in addition to a conflict between Russia and Ukraine. This is Europe and the West versus the civilizational destroyers—China, Russia, Iran—all teaming up. If I was here two years ago and told you there'd be 10,000 North Koreans fighting in Europe, you would've all laughed at me. And yet there they are. They're not there because Chairman Kim thought it was a good idea. They're there because Xi Jinping thought it was a good idea. He didn't want to send his own, but he sent North Koreans to fight and die. And so if you ask me where we'll be a year from now, it won't surprise me if we're in the same place because Vladimir Putin has no cost sufficient to deter him, and neither Europe nor the United States is prepared to do the necessary—to change the strategic conditions on the battlefield. I hope I'm wrong. I hope Ukraine prevails. I hope we allow deep strike all throughout Russia against military industrial targets and impose costs sufficient to convince Putin to back down. But neither President Biden nor President Trump, nor European leaders, have been prepared to do that.

Matt Kaminski 00:04:02

Do you think Ukraine is worse or better off now than it was a year ago?

Michael R. Pompeo 00:04:06

Oh, goodness. I don't know. I don't know the answer. You can't really answer that broadly. It was an incredibly difficult winter, but it is also the case that Ukrainians have demonstrated not only battlefield bravery, but an institutional capacity to regenerate, to be creative. Full disclosure, I sit on the board of the— the largest Kyivstar, the largest telecom provider. These guys are good. They're really good at building a business when towers are getting knocked down. The coverage in Ukraine is better than my Verizon service in Kansas. So that's not a knock—if Verizon's CEO is here, I love you, brother—but it is an effort to applaud the Ukrainians' demonstrated capacity to continue to thrive in the face of an enormously devastating effort by Vladimir Putin.

Matt Kaminski 00:04:58

Let me try to ask the same question to Orysia, who obviously is Ukrainian and has spent a lot of time working on Ukraine. Biggest change in the last year has been the loss of American support. Is Ukraine worse off as a result?

Orysia Lutsevych 00:05:13

Well, Ukraine is playing a different game from the very beginning, and I think President Trump misunderstood Ukraine's game. It's not playing cards, it's playing a sophisticated digital video game that is actually allowing Ukraine to open new opportunities on the battlefield. And that game, if we use the metaphor—underpinned by three things in Ukraine—and one, it's of course ingenuity and courage of its people. Everything what Ukraine does is done by its people, for its people, in defense of its nation. The second one is the robustness of its institution, something that the secretary mentioned, and its economy and its business leaders who are not waiting for orders from the top, who are not waiting for America or Europe to come, who from the very first day of the invasion took whatever resources they had. Farmers brought in drones, say, you can attach explosives, stop Russian tank columns heading into Kyiv. Other drones, sea drones, were used for feeding shellfish or crab fish, whatever they were feeding. Now they are doing very different kind of impact in the Black Sea and managed to actually strategically neutralize one of the largest sea fleets in Europe. And the third one, I think its allies. And here, of course, for Ukraine, it's very painful, and especially for Ukrainian people, it was, to be honest, degrading to see how President Trump called President Zelenskyy—democratically elected leader of European nation—a dictator, how he was doing it, and the support and respect for United States has lowered in Ukraine. And I don't think it's good for United States to align itself with somebody like President Putin. So that fascination between, and some kind of bromance between Trump and Putin, Ukrainians don't understand it because they share the same values of freedom, entrepreneurship, market economy that Americans do. But Europeans stepped in, and I think this is so important. Europeans did not abandon Ukraine. They understood finally that this war is not about Ukraine. This war is about their own market, their own economies, their own democracies, and if Ukraine collapses, they will collapse. It will have a very dangerous domino effect, and that's why Germany is right now number one, both military and economics supporter of Ukraine. And that is why European Union have approved \$90 billion to support Ukraine in the next two years.

Matt Kaminski 00:07:55

I want to get to the larger geopolitical picture, but I want to maybe pull on one thing that you mentioned, that Ukraine has managed to neutralize the Black Sea Fleet. One of the reasons why it's done that is thanks to Oleg's company, UFORCE, which makes the Magura drones that essentially—

Oleg Rogynskyy 00:08:15

—Neutralized the Black Sea Fleet—

Matt Kaminski 00:08:16

—Neutralized the Black Sea Fleet. Tell me, where are we in terms of, is Ukraine better off militarily right

now than it was a year ago? And would you make a case that it may even have the upper hand, or is that too premature?

Oleg Rogynskyy 00:08:33

Well, it is undisputed that Ukraine has, I'd say, a top two combat force on the planet right now, maybe top three, in terms of level of experience, level of efficiency, the data collected on the battlefield as well as speed of innovation that's happening. And so, to that point, just with the dramatic changes that happened in the Ukrainian market with all of the technologies from long-range strike to short-range tactical systems to sea drones to—I mean, there is a number of efforts in Ukraine to build air defense systems. Ukraine is getting rid of any third-party leverage that others have on it. And I think in the past year, it has realized it can only rely on itself. And so that combat effectiveness that we've seen from Ukrainian soldiers will also be backed up by fully independent technology supply chain, probably in the next nine months.

Matt Kaminski 00:09:34

That's a—lan, I think this actually is a good pivot to you. You've said for a long time that Ukraine, for better or for worse, is at the mercy of great power politics, and that it will be outside powers that will determine its fate. Do you disagree or agree with Oleg that actually the great powers have lost leverage over Kyiv?

Ian Bremmer 00:09:56

Yeah, I think that that statement is becoming less true. That the Ukrainian story in the last four years has been primarily a story of—yes, of courage and resilience, but that doesn't get you very far in this environment—it's been a story of defense innovation and technology. That's the story. This is the story right here. If it wasn't for that, they wouldn't be in the game. They wouldn't have the cards. Use the analogy you want. Russia is geopolitically losing a lot, in the sense that the Venezuelans have, now no longer a proxy. And Iran is under siege and probably going to end up weaker, but we'll see. And Mali, you look around the world and things look problematic for Russia's so-called influence, except Trump has been a big win for Putin. He calls Putin, and then a few hours later, he said, "We're taking 5,000 troops out of Germany." And yes, this was arranged and discussed well in advance, but the optics could not be lost on the Kremlin. The transatlantic relationship is much weaker. It's the strongest alliance in the world. It is weaker unilaterally because of Trump, because the Europeans no longer feel like they trust him, they can't rely on him, and because Trump doesn't actually care very much for Zelenskyy personally or for the Ukrainian cause the way that all of the Europeans do. So, if you're Putin, do you take that trade? Is that a good trade for you long-term? I think it shouldn't be, because I think Russia is going to end up essentially a second-tier power that has to do China's bidding and will be reliant on them for everything. They're certainly not investing in the 21st century, in human capital, in post-carbon energy, in AI, in any of the things that a country should need. Instead, they're just throwing their human capital to force them into export or to force them into a meat grinder in Ukraine. So, this is not a long-term strategy at all. But short-term, I can see how Putin feels like he's making ground, given how much the principal alliance in the world

feels like it is under strain and stress. But Ukraine's ability to respond effectively to that and not need the American taxpayer, and not need as much to rely on the White House, despite being kicked out without lunch last year ago in April, I think that's a staggering story, and it's an inspiring story.

Matt Kaminski 00:12:24

Tell me about what are the geopolitics like for Ukraine since the Iran war has started, or how has that conflict changed the dynamics in Europe? Is it good or bad for Putin? Is it good or bad for Zelenskyy?

Ian Bremmer 00:12:38

Well, look—

Matt Kaminski 00:12:39

—And China.

Ian Bremmer 00:12:41

We know the obvious answers to that, which is Ukraine—their capabilities are more necessary in the Gulf—and they are doing their best to leverage that while the Russians are making a lot more money, and their economy was in much more significant trouble, though not to the degree that it was going to change their behavior on the battlefield. So maybe you say it's kind of a wash in the near term. It's not affecting the dynamics that the panel's talking about. Long-term, the problem is Europe. The Iran war is devastating for the Europeans. They are facing much more of the cost themselves. The idea that they are going to be able to continue to provide the level of defense support, while still maintaining a social contract and dealing with an utter lack of productivity compared to the Americans, with the United States that is not acting like their friend. Again, Mike put this as, this is the West versus Russia, China, and Iran. Well, the French president, who's not going to be there for very long and is super unpopular and is not very effective. Nonetheless—

Matt Kaminski 00:13:46

—Other than that, he's fantastic.

Ian Bremmer 00:13:47

Other than that, we love him. Exactly. But he did say last week, you saw it, that it's actually the United States with the Russians and the Chinese against Europe. That is not a perspective that is limited to Macron in continental Europe today. And so for me, the impact of the Iran war most structurally and how it affects Russia-Ukraine, is that Europe is much weaker, and the pressures on Europe to eventually divide—Orbán's ouster notwithstanding, —are going to be much more significant in Germany, in France, in the UK, in every country that matters there. Ultimately, this is going to be problematic for Ukraine.

Orysia Lutsevych 00:14:25

But actually, if I may, I think where the solution for Europe comes is Ukraine. It's not a problem.

Ian Bremmer 00:14:31

Completely agree.

Orysia Lutsevych 00:14:32

It's an asset. And I think this is where Ukrainians, Eastern Europeans, Poles, Germans, French, have to work together. This is the only way how Europe can defend itself against Russia with the diminished involvement of the United States. And I'm sure that is beyond just new tech. It's the system change that in Ukraine is taking place in the revolution of military affairs, and it is in 100 percent Europeans' interest to integrate that system and prevail on the battlefield.

Oleg Rogynskyy 00:15:04

Yeah, the only way for Europe to regenerate replacement force to US is Ukraine. There's no other place to get troops and technology from.

Matt Kaminski 00:15:11

That's a remarkable turn, that Europe probably needs Ukraine more than Ukraine might need Europe. Secretary Pompeo, obviously, you were Secretary of State, ran the CIA in the Trump administration. You've also been an outspoken supporter of Ukraine for years. You serve on several boards in the country, work very closely with businesses there. When you hear Orysia, Ian, Oleg say, "Trump is bad for Ukraine, Trump is destroying the transatlantic relationship," what do you think?

Michael R. Pompeo 00:15:44

I think that's a narrative that if I watched the BBC all day, I'd believe, too. Or for that matter, CNN. Everybody should just take a deep breath because I'm now going to infuriate people. Vladimir Putin took precisely 0 percent of Ukraine when we were in office in President Trump's first term. He took a fifth of the country when President Obama was there, and he went back at it as soon as we left. This is indisputable. So, this is not storytelling. Now it is time to tell stories. Ian will tell his, you can tell yours. Now you can tell a story. You can explain why that happened. You can just say we were blessed and lucky—I don't believe that for a second—his narrative of somehow Donald Trump is a buddy of Vladimir Putin is a story that gets told by leftists on the BBC, and it infiltrates Europe, to your point about why European leaders, why Macron would say what he says—this is the story they hear. I should remind you, President Obama refused to provide defensive weapons systems to Ukraine—and Donald Trump, and if you read the books, at the urging of myself and Ambassador Bolton—agreed to do that. And you could say, well, he was against it. He may have been, but he was the President of the United States, and he did it. And there were lots of people inside the Obama administration who said they should go do it, and he chose not to. You should just contemplate that when you see the next Truth Social post that he goes, "Oh my gosh, the relationship between Europe and the United States is broken." I fundamentally don't believe that. I used Western civilization intentionally, and I use it loosely, so I have to be careful when I'm around smart people or academics, because I include Western civilization many places that aren't democracies—I think about it from a human dignity and property rights perspective—and I also am prepared to give most improved player awards to nations that aren't quite where we wish that they were. I'm very confident that what you're seeing is two trends at the same time. One of which Ian alluded to, and, Oleg, you did, too. Every nation is going to conclude that they need to be more sovereignly capable. Every nation's going to think, "Nope, I want some of all of that for myself," whether that's AI or deep tech or mineral resources. They're all going to conclude, "The world's a pretty nasty place, pretty difficult, and I'm going to make sure I do more of that. And me and my closest friends are going to go build that." So, I think you'll see that. That's a de-globalization, as some want me to define it. I think of it differently. It's like, now everybody needs to be able to—I carry my own handgun—not here, I didn't carry it into Beverly Hills. My security team told me I couldn't. But the second thing I think you're seeing is you're seeing this staggering line, and it gets often written as the US versus China. And I don't think that's it either. I think you're seeing play out across the world this set of conflicts that are deep, and they are between rights-respecting nations and those that don't. And I think you'll see that continue to build in the years ahead, both of those phenomena at the same time.

Matt Kaminski 00:18:54

JD Vance said two weeks ago that the thing he is proudest of the administration is cutting off aid to Ukraine. How can you convince your side of the political aisle to support Ukraine? What is missing? And why is there so much hostility to Ukraine, which I—

Michael R. Pompeo 00:19:11

—I won't account for what the vice president said. The vast majority of people in the Republican Party

across America support sovereignty for Ukraine and for Europe, period, full stop. May not be the headlines of the day, and none of those people are vice president. I get that. But if you go to Iowa, New Hampshire, and South Carolina—as many Republicans will in the months ahead—the most popular position will be a robust defense of American leadership in the world. I'm very confident of that. I pray that that's true in the Democrat Party as well, and that that will be an American position, not a partisan one.

Matt Kaminski 00:19:53

America still leads the world. Ian, over to you. Do you agree?

Ian Bremmer 00:19:56

Look, I agree that now is the time for stories—and the Russians invaded Georgia under Bush, and they invaded Ukraine under Obama—and the response from both those administrations was not particularly effective long-term. There's plenty of stories around that. And I fully agree not only about Javelins being provided under Trump when they weren't under Obama. Mike is right to bring that up. I got Mike McFaul to admit to that when he was trying to skirt around it, for example.

Michael R. Pompeo 00:20:25

Bless you. That's well done.

Ian Bremmer 00:20:26

And he also expanded sanctions against Russia that had not hit under the Obama administration. So, it's not like the story is partisan one way or the other. But what we know is that Trump campaigned on, "I'm going to end this war in 24 hours," and he failed. And he's upset about it. He didn't say 24 consecutive hours, so it could've been over the course of a year or two. But the point is, he failed. And he's angry about that. And he said it, remember when he went to the Knesset, and Trump is the most popular leader in Israel, and everybody's cheering him and standing ovations. And instead of doing a victory lap just around Gaza, which he rightfully should've done, he said, "Well, I thought this was going to be Russia-Ukraine, and I failed." You may remember the speech. I never see Trump admit to a failure on something proactively. It bothers him that he hasn't ended the war on Russia-Ukraine. And so when that happens, what's he going to do? Well, he's going to do what he always does. He punches down, he kisses up. And the easier party to capitulate, from Trump's perspective, at least thus far, has been the Ukrainians. "Well, how come they're not doing more? I'm angry because I haven't gotten my peace deal." That's not one of the eight wars, maybe nine now, that he's resolved. And so I think that is a piece of it. And unfortunately, the fact that this war continues to grind on, in Mike's view, is we come back in a year, the war's probably still going to be on. I agree with him. I think that's right. But Trump is going to feel like that is a failure of his, and as a consequence, he's kind of angry about that unfinished business. And so far, the Ukrainians, I think, have

unfairly taken the brunt of that from him personally. Now, there are a lot of patriots around Trump that are trying to limit the damage, just as Mike would be if he were in this administration right now, capably, in my view. But that doesn't change the fact that Trump personally, right now, is not actually on the side of Zelenskyy. And I think that's meaningful.

Matt Kaminski 00:22:45

Quickly, because I want to move on to something else.

Orysia Lutsevych 00:22:31

Just quickly to say, I think we have to acknowledge that the perception is of a broken trust because the way Iceland was handled, the way Iran invasion was handled vis-à-vis European allies damaged relations—

Matt Kaminski 00:22:45

—You mean Greenland.

Orysia Lutsevych 00:22:50

—Greenland. Sorry. So, I think there is damage in the relationship. There's anger and there's emotion. The question is what you do with this anger. In Ukraine, I think it was unthinkable that President Trump would want to deliver a victory to Putin on a silver platter in Donbas, give territory, forget about accountability, forget about Russian assets, and that is just unacceptable. And this will actually lead to more wars and more insecurity, and this is where we do not have a common understanding.

Matt Kaminski 00:23:25

Since we are at the Milken Conference, I do want to bring in some financial and economic wisdom into this conversation. And Panos, first of all, give us a sense of the state of the Ukrainian economy. The EU, following Viktor Orbán's defeat, just released \$115 billion as a loan. I guess it's stabilized now as an economy, but it's one-fifth smaller than it used to be. How precarious is the financial, economic situation there right now?

Panos Stergiou 00:24:05

Thank you, Matt, and thanks for having me here. So let me—We spoke about the political and human element. Let's look at it at the financial reality of Ukraine. A couple of quick things, and then I'm going to go into answering your question. One is that it has been a resilient economy. So yes, it did drop, but then it has been growing over the last few years, and we have seen even statements as of the last few weeks where actually we can see exports in drones and other industries where Ukraine is doing well. So, you can see how some industries are doing well. Now, the tricky parts that obviously are under stress are transport, energy, and housing, and we know these are big numbers. One thing that is quite important is it's quite clear to the Europeans, and we heard it on the panel, the Europeans look at this in a different way than the panel has expressed. And effectively, they used to see that as Europe-US. Now they know that the reconstruction of Ukraine will rely on Europe and on European funding. And as some of the panelists said, Europe's future and Ukraine's future are very much linked. So there's no de-linking one from the other. So, if we take simple math, Ukraine reconstruction needs a bit more than \$500 billion according to the World Bank. This is three times the GDP of the country—three times effectively the real value of the Marshall Plan—and that is happening at the time when Europe has to finance it. You correctly said after Viktor Orbán's defeat there was €90 billion, and there's another €100 billion that is being discussed for the next budget. But effectively, we need to understand that this is happening at the same time as Europe needs to invest in defense. And as you know, that's an €800 billion financing need over the next 10 years on top of infrastructure, electricity grids, etc. So we're talking that Europe needs €2-3 trillion of financing over the next 10 years. That's substantial. That's really big. And that cannot come just from the public sector because, as we again heard, Europe is under pressure—pressure from an energy point of view, pressure from the lack of growth, and pressure from fiscal capacity. And that's why the private sector and the public sector can interact well together. You can see it as a threat, but you can see it as an opportunity. A lot of the companies are going to Ukraine—big German, French, US companies going there. They have needs, and they'll be able to effectively help all of this process. The public-private partnership is critical.

Matt Kaminski 00:26:51

Does Ukraine need to be at peace to be an attractive investment destination?

Panos Stergiou 00:26:56

The prerequisite is there because a lot of the fund managers have a fiduciary duty that prohibits them from investing when the country's at war. So, I think peace is important, institutional reforms are important, a path to EU accession is an anchor and accelerator, and public-private partnerships are important. Now, there's two things you can do, pre-war and post-war. Pre-war, and we have seen that working at scale, is effectively you have the likes of IFC, EBRD, and other governments providing guarantees for exports and investments which are needed to supply Ukraine. And we have seen a second thing which is happening now, which is actually quite important, is the European fund for the reconstruction of Ukraine. And the way that is structured is quite clever. There is a first-loss piece, which is taken by the official sector—there is \$220 million out of \$500 million—and the \$280 million of senior is taken by the private sector. So, there are ways where you can bring in private capital, but to bring it at scale, you do need lasting peace.

Matt Kaminski 00:28:15

Oleg?

Oleg Rogynskyy 00:28:16

Yeah. I'll say something contrarian. So, two things happened in the past year or two since we had the investment conference. One is Ukraine got a massive advantage in Starlink now working just for Ukraine. I think we didn't discuss the political side of that. I don't know if it was a political decision or not, but Starlink was completely turned off for Russia through whitelists. It was extremely effective, and it basically pushed back Russian drone technology at least a year behind, if not two years behind. You just cannot fly big dishes on drones, and you cannot drive them on ground vehicles. If you do, it's not going to work much or go far. And so Ukraine is enjoying technical superiority right now due to a potentially political American decision. We'll never know.

Matt Kaminski 00:29:05

What did you tell Elon, Oleg?

Oleg Rogynskyy 00:29:08

I'd say this time he did the right thing. We say thank you, Elon, for Starlink. Thank you, Elon. Yes.

Matt Kaminski 00:29:13

Okay.

Oleg Rogynskyy 00:29:14

But the second part I want to say is that even before Starlink—but now with the Starlink advantage—we were the first defense unicorn out of Ukraine. There are at least 10 companies that have gone from zero to close to \$1 billion in revenue in the past couple of years. And all these companies are two or three years old that are coming out of Ukraine. If you tell me there is another industry outside of OpenAI and Anthropic that is creating that much wealth at the same time and catalyzing everybody else to be like that, I'd like to know what that is and put in some money there. And the last piece about defense technology, which is a very bright spot on the Ukrainian horizon right now, is that everybody else who is rearming and

rebuilding and reinventing defense is kind of mimicking what's happening in Ukraine and then building some to put on shelves—the volumes are happening in Ukraine. If you look at the amount of budget that Ukraine is spending on purchasing weapons and defense technology, it's dwarfing everybody else combined. So there's only one market that's really moving right now, unfortunately. That's Ukraine, and I think that's significant potential for a backbone for a future economy.

Matt Kaminski 00:30:29

Oleg, I'm going to stay with you for a second. UFORCE was founded in Ukraine, but you are registered in London. You do a lot of your business outside of Ukraine. Should we take that as a signal that Ukraine's regulatory regime is not quite there yet and ready for serious foreign investment?

Oleg Rogynskyy 00:30:51

There is some work to be done, but a lot of work has already been done. And the markets are opening up. However, there are only two or three places on the planet that can drive financial resources and talent expertise that would support billion-dollar-plus valuations and very grown-up operations. It's London, it's New York, it's Silicon Valley—maybe a couple more. And so, I think Kyiv is moving way ahead of many other places in Europe, but there is still some growing up to do.

Michael R. Pompeo 00:31:26

Can I just—I think that's exactly right. Ukraine has work to do internally from a regulatory perspective, a property rights perspective. Someone mentioned judicial reform—that is all true. It is way better today than it was pre-war, interestingly. I think you're nodding, so I think that's definitely true. Second, it's interesting you mentioned Starlink. Our company, Kyivstar, is going to be the first in Europe to do direct-to-consumer Starlink on your phone—in Ukraine, in the middle of a war. That's really quite something. That says a lot about Ukraine and the capacity for companies to say, "No, I can take technological investment risk inside of Ukraine, even during this conflict." And then the last thing I'll say—we should all remember—that's an American company. So, when we talk about the things that are going to rebuild Ukraine, I'm going to make a bold statement here today: Europe will do a lot. America will swamp it. I'm not bragging. Just the depth of capital markets, persistence, and the technological and human capital that resides in the United States is going to want to be there. And I've encouraged companies that are thinking about this—now is the time. There are good returns, I think, that can be made by folks who step their toe into the water today, and when the conflict ends, they will have a foothold in a place that will turn out to be very important—not only for them and for Ukraine, but for all of Europe and the world. And so I hope I'm right on each of those.

Oleg Rogynskyy 00:32:56

To add to what the Secretary just said, in financial terms—so if Starlink being denied to Russians created probably \$10-20 billion in financial value, going direct-to-cell—Starlink direct-to-cell—will make Ukrainian dishes that you need to put on drones go from this size to non-existent at all. I think just that one feature is going to generate \$20 to \$30 billion in capital value in Ukraine for defense technology.

Michael R. Pompeo 00:33:22

I hope it all comes to Kyivstar.

Oleg Rogynskyy 00:33:24

I mean—

Matt Kaminski 00:33:28

—Panos, how would you sequence the investment? Or how would you see what's going to go in first? I guess you mentioned the IFIs—the World Bank and other lenders like that—but how soon can you get serious money going into Ukraine looking to invest? Because when I see Dave Petraeus—he cares a lot about Ukraine, he goes there a couple times a year—he is there as Dave Petraeus, celebrity general, not on behalf of KKR scouting deals. When are we going to see serious money?

Panos Stergiou 00:34:00

So I agree, by the way, with the panel. I don't think there's any contrarian view that there are a lot of opportunities in the defense sector—we are on the same page. But, I think people need to understand what the financial reality is and how asset managers and money managers can move money into a country. And they cannot just move because they want to move—they have a fiduciary duty, so there are steps they need to go through. To me, at the early stage, and for private capital to have an impact, it needs to come in the form of public-private partnerships together. That can be, as I mentioned before, first-loss and second-loss pieces, where governments take the first-loss piece. It can come in the form of guarantees—export credit agency guarantees. But you need a framework where investors can understand the bankability of the projects and are able to fulfill their fiduciary duties. Only then are you going to have capital coming at scale. Are we far away? Difficult to call it. I think there's a lot of interest from what we see. We have been operating as Deutsche Bank for more than 30 years in Ukraine—we know Ukraine really well, we still operate there. There is a lot of interest from German corporates, from US corporates, et cetera. But peace is important. EU accession is quite important because it gives an anchor. Back to what Secretary Pompeo said, it helps from a technical point of view—reforms become faster and therefore make the country more investable and projects more bankable.

Matt Kaminski 00:35:35

So there is a kind of—my European friends here have noticed this—a kind of Milken consensus on Europe, and it is decidedly short. Is anyone on this panel long Europe?

Orysia Lutsevych 00:35:46

I am. Yeah, I think Europe will be a game changer. Ukraine can only use a lot of these opportunities together in the European market. I think Europe, eventually, to survive as a project, has to overcome fragmentation. It will have to become a defense union. It will have to actually prepare for interstate conflict, because that is not going anywhere. If we are looking at what awaits us, countries like China, countries like Russia—they are not planning to scale down their militarism. And I think this is where our mindset should also change. It's not the time post-war—it actually will be quite a long war of attrition where the economy will be a game changer. Economy with its resources, ingenuity, free capital. Economy must adapt, business leaders must adapt, set up new vehicles to invest in defense under more risky conditions, because the world will be more risky. The world is not getting less risky. And in Ukraine, in addition to tech, there is a huge opportunity in energy, because the Ukrainian old grid has been destroyed, the generation has been destroyed, and it will require billions. I think the estimate is just \$5 billion between now and next year, and a lot of it will come in public-private partnership. So I think we need to change how we look at these things. It will not be as orderly and clean-cut and riskless as it has been before 2014.

Panos Stergiou 00:37:25

Maybe I can say something quick on Europe—and I'm sure all the panelists will disagree with me, but I have to—

Matt Kaminski 00:37:30

—Good. That's what we want on a panel. We do not want agreement.

Panos Stergiou 00:37:32

—Yeah, exactly. So I think it's obviously—I'm spending time between the US and Europe, so I can always see the short of Europe being in the US. But I think things have materially changed over the last—I would say, 15 months—particularly over the last four months. And over the next two quarters, you'll see important steps being taken, such as the 28th regime and many other big reforms that will make Europe much more—come together more—as a common market in terms of listings, private equity, and IPOs. So I wouldn't call it that Europe is not investable. Europe is not going to have the structural advantage of the

US, but from being uninvestable 15 months ago, it's actually very much investable now. And Ukraine actually provides an opportunity for Europe.

Matt Kaminski 00:38:23

I was there at Maidan in 2014, and I've lived this conflict for the last 12 years. One of the things that always strikes me is we spend 98% of the time talking about Ukraine—and there's a second party to this war. The reason we don't talk about that party is because there are no journalists who can work freely in Russia. There's very little information. I think the best insights I get into Putin's thinking come from Ian's short-form video show called "Puppet Regime," where Vladimir Putin is almost on every week sharing his thoughts. And I wonder—maybe Ian, maybe I can start with you—where do you think Russia is? How should we think about Russia today? Should we wish for Russia to lose this conflict? Under the Biden administration, we were trying to make sure they could not win it, and I don't think that's really changed with the Trump administration. Do you think Russia is movable? Is it changeable? And how volatile do you sense that it is?

Ian Bremmer 00:39:28

So I think that there have been three big structural reasons why the world is in the geopolitical mess that it's in right now. The first is that when the Soviets collapsed, Russia was not adequately integrated into the West — into the G7 plus one, into the NATO-Russia Council, into any of this stuff. Didn't work. You can blame us, you can blame them. Did not happen. They are angry about it. Putin is — he blames the United States. That is structural. That was a lost opportunity, and it is an identifier for them. And then on top of that, it was you integrated China on the assumption that they would become like Americans. They are not like Americans. They still have very different systems. Americans don't trust that. Europeans don't trust that. And then finally, a whole bunch of Americans are like, "We don't like what we actually stand for, and we're going to change a lot of this global sheriff, free trade architecture, global promotion of democracy," all of that. And Trump is very much a symptom of that. He's not the cause in any way, shape, or form. Structural. So if that is why Russia is kind of in this pickle, the idea that that is fixable in the near term is nuts. This is kind of really entrenched in the way the regime sees its role in the world. And I don't worry about the Russians losing the Ukrainian territory that they're presently occupying. But I do worry about Putin feeling like he no longer is able to direct great powerness as he becomes older, more infirm, and without a succession plan. And most importantly, without good people telling him and pushing back. If you look at the internal Kremlin moves in the last year — the senior moves — they have been relatively competent older people taken out with experience, and a former bodyguard brought in, Putin insiders brought in. That is a very bad signal. Is it a Kristi Noem-type bad signal? No. I mean, seriously, you don't want incompetent folks that are just going to be loyalists and won't tell you when they disagree. You want people more like Mike in your cabinet. Really important. Putin doesn't have that. And so I think structurally, if I think about the next five or ten years, it is more about where Putin has gotten himself. Russia is still a great power in terms of land and resources and nukes. Russia is not a great power in terms of human capital and technology and its future. And the fact that its governance is more controlled by an individual that spends very little time understanding the disposition of his forces and his capabilities is, I think, one of the most dangerous facts geopolitically in the world today.

Orysia Lutsevych 00:42:29

Actually, I disagree with Ian about our own blaming the West for not integrating Russia. Russia was in G8. The European Union has strategic partnership with Russia way before it was even looking at Ukraine. Putin was rolling red carpet everywhere. Germany was buying Russian gas. They were in economy, in banking, in influence, in culture – you name it. We embraced Russia with everything they wanted and let them roll over our society. So then it made Putin so confident – so confident that they can have it his way in Europe, that Europe will not come to Ukraine’s defense. So I think, to me, it sounds a bit like a Stockholm syndrome, I’m sorry to say. I think we have to say what happened in Russia: it was captured by the security services – a captured state that took away resources from the Russian people. And it’s in the interest of Europe, Ukraine, and the Russian people that this type of regime fails spectacularly – that there is accountability for that, to actually give way for a new Russia to emerge, for Russia to become a real federation, which it is not, and for different people who live inside Russia to have a future. So I think this is what this war is about fundamentally. It’s also about Russia’s future.

Matt Kaminski 00:43:48

Mike, how do you solve the Russia problem?

Mike R. Pompeo 00:43:50

Can I go back to your other question? Your question to Ian was—that I think he answered properly—was, do we want Russia to lose? And the answer is, oh, hell yeah. No—we want them to be ground into oblivion. And when I say that, not the Russian people. The Russian leadership is currently personified by this knucklehead, this evil b****d of Vladimir Putin. We want to win. And I come back to that because I think this is a really important concept. The perception of the world has to be that the West won this – whether that’s Ukrainians that did it, or the Europeans that did it, or Donald Trump. The West has to win this. I feel the same way about the conflict in the Middle East. We are at this point where everyone’s talked about how the world’s going to look different. It’s going to look really different if the West is perceived as having lost. That is a bad thing for my brand-new grandson. We’ve got to get this right. And so Vladimir Putin – however we decide the land is going to solve—in the end, the world has to step forward. The Western world has to step forward and get a W out of this.

Matt Kaminski 00:44:57

Congratulations, by the way. I want to put you back—I want to put you back briefly at Langley.

Mike R. Pompeo 00:45:07

I wish I was back there.

Matt Kaminski 00:45:09

You're sitting there—again, what do you do about Russia? How do you play this out?

Michael R. Pompeo 00:45:09

Look, I think both folks talked about this right. When the moment is right, it is important to try to draw Russia to make it look more West, more to Europe than to the East, to China, or to its north, however you want to describe it. That is not an easy task to do given the current configuration, as Ian laid out, who it is that's got control of the guns today. So what do you do if you're at Langley? You do your best to understand it. That's the first task of the intelligence folks: to collect, to understand in detail and in depth really what's going on, and then to try to shape that information for decision-makers in a way that they can grab it. And then second, you do want to make sure that the transatlantic alliance is material and important and strong and unquestioned. And so it is never helpful when we throw cold water on that alliance, however, with language that is unbecoming of the most important set of alliances of at least my adult lifetime, the last 70, 75 years or so. And then you've got to go after the true challenge, which is the Chinese Communist Party as configured under Xi Jinping. If you said, what can change the way my grandson lives, Vladimir Putin can't really do that. I met with almost every bad actor in the world. I met with the Taliban. I met with Chairman Kim. I like none of them. The only one that can actually change the way the West lives is Xi Jinping, and he has the capability and the intention of doing so. And so we need to bring these other things together. If you said, what would you do? I would lead the charge, not only at Langley, but inside our diplomatic efforts to say, "Let's collectively figure out how it is we're going to constrain Xi Jinping for the next 25 years when, in fact, it will implode on its own."

Orysia Lutsevych 00:47:20

And let's also look with—

Michael R. Pompeo 00:47:20

—And that's important. It's a two-and-a-half-decade problem. China has got massive overhang on its balance sheet, not just its financial balance sheet, but its demographic human capital balance sheet. And diminishing. Crazy good space program, really good at cyber. All those things are real. We ought to get that—gotta get that right. And if we do, then we'll get another 75 years of a good run here in America.

Orysia Lutsevych 00:45:09

But I think what's also interesting vis-à-vis China is to look what Ukraine is doing to Russia. Let's see, in the

way of bringing war on Russian territory, something that was considered a complete taboo at the beginning of the war—and that means long-range strikes to incapacitate economic opportunity to export oil. It's to also look at vulnerabilities and create dilemmas for Russia. This is what we are not doing, and I think we need that partnership, ideally between US and Europe and Ukraine, to achieve it. But there are plenty of vulnerabilities we could exploit in Russia, which we haven't even started. Ukrainians started doing all these asymmetric operations. We've seen the Spider Web. We are seeing this attack on infrastructure of oil. But there's much, much more that could be done for Putin to feel he's on back foot and elites around him really change their calculus, that they need to save their federation, and they need to pull out of Europe because they're punching way, way above their weight.

Michael R. Pompeo 00:48:34

Imagine we had told Israel they could only defend their country. That Hamas rolls through, kills a couple thousand people, and we said, "Nope, you can't actually fire a missile into Gaza." That's essentially what we told the Ukrainians, right? In February of '22. That was, to your point, a strategic mistake, and one that we're still making today.

Oleg Rogynskyy 00:48:54

And to that point, unfortunately, I think we peanut-buttered the decisive advantage we had over it for a while, so there is not much short of giving Ukraine exquisite systems like F-35, which is not going to happen, not much the West can do collectively right now with the depth of the magazine that's left to give Ukraine something to win overnight. And so because of that, the only strategy that's feasible right now is financing Ukraine to continue improving how it can hold until one of the black swan events, which will happen eventually, be it a death of leadership or be it another Spider Web operation or something like that, kind of widens the crack to where it becomes self-sustaining.

Ian Bremmer 00:49:42

I just want to raise this point that the game changer that we've heard in the last year, externally on Ukraine, is Elon Musk. And we don't know why. And he was a game changer at the beginning of the war, and then he changed his mind, and then was a problem on the front lines, in the contested occupied territory, and now he's not again. And I think it's fantastic that Elon has cut off Russia. I think it's enormously important. But I also am deeply uncomfortable in an environment where the US government isn't making that decision, but a random guy is. Very rich, random guy, going to be the first trillionaire in the world, but I still don't know what drives his governance decisions. And that's also part of the world that we're heading into, is that increasingly, sovereign tech actors are going to have enormous amounts of geostrategic importance in how countries rise and fall. And we need to be thinking about that.

Matt Kaminski 00:50:36

Please, I think the QR code is maybe in your apps. If you want to ask a question, do so, and I'll pick it up off the iPad. Before we get to the Q&A, curious, let's get back to how this ends or what happens next. What sort of deal would you now, based on what you know today as opposed to six months ago or 12 months ago, would you counsel President Trump to push for? Would you imagine that Vladimir Putin would accept, and that, not least Ukraine, its president, and its people would accept?

Orysia Lutsevych 00:51:23

Well, in Ukraine, it was very clear the deal they were ready to take—that is a ceasefire along the current front line. That is no limitation on Ukrainian sovereignty in terms of size of its army or economic, educational, and internal politics. That Ukraine integrates with the European Union, it becomes a member of the European Union, and that Russia pays reparation for the damages it has done. Right now, as the war goes on, there's another issue of accountability that will be one way or the other in the deal because of the special tribunal for war of aggression that has been set up at the Council of Europe, and that cannot be taken off the table because it's too late and because there cannot be amnesty for war crimes that are committed in Ukraine. So I think more broadly, Ukrainians would accept the deal. But there's no conversation about giving away land that it right now legally controls—that is supported by maybe 15% of people. So the Ukrainians are ready to fight, and they will not accept peace at any price.

Matt Kaminski 00:52:32

Ian and Mike, do you think that's unreasonable on behalf—I mean, not unreasonable, but do you think that may be naive, that there will have to be some sort of land swap?

Ian Bremmer 00:52:43

Yeah, I'll start. I agree that territorial concessions are impossible. First of all, the Ukrainian people don't want them. Second of all, you couldn't get it through the parliament, even if Zelenskyy tried, especially because he's lost — the parliamentary system is fragmenting, and a lot of people aren't even in parliament now. They've resigned. You can't have new elections, all these things, governance. So yeah, I think you need a ceasefire, and the ceasefire has been accepted completely by the Ukrainians—and by Trump, and not by Putin. That's the problem, right? And then other things can be discussed. But we need to get to phase A. Right now, we're not at phase A. I have no problem with the idea that Putin needs to be pushed mightily to accept that, as hopefully things start looking worse for him, both on the front line and internally in Russia. The fact that the Russians are selling a lot of stuff right now at very, very high prices, helping their economy—the only downside to that is a whole bunch of their Russian infrastructure is getting blown up in their country by Ukraine. So maybe there's an opportunity to press them on this front. But the deal is the deal.

Mike R. Pompeo 00:53:47

Yeah, I don't disagree, I think that's probably largely true. The other thing that one has to contemplate is — you talked about accountability. The flip side of accountability is the only way you actually can get a deal in the medium to short term — it's why I think a year from now we'll be having the same conversation — is you have to find a way, a pathway back for the Russian economy to reengage in the West. To your point, today they're doing that in some degree, right? They're making a pile of money selling crude at a discount. But a discount from \$120 is a hell of a lot better than a discount from \$80. But somehow we have to think through, like, "All right, so fine, have your accountability," but in the end, they're not going to be able to stand down in Russia without bringing them back into the Western economy at one level or another.

Orysia Lutsevych 00:54:38

Well, there's also a question—

Mike R. Pompeo 00:54:38

—But that's the American history. We rebuilt Europe, we rebuilt Japan.

Orysia Lutsevych 00:54:45

—But there will be a question: what will Russia offer to the global economy at that point? Yes, there will be some critical minerals. Would we want to be dependent on Russian critical minerals? Depending what kind of Russia we see. So, I think there will be a lot of unknowns at this point. Personally, I think Russia is an imperial construct even without Ukraine. Internally, it's not a nation-state. It's a very fragile construction, brittle one, that will not be stable, because Putin overreached in 2014, massively overreached in 2022, and it's already set in motion processes inside that landmass that we call Russian Federation that will make our integration with their economy risky.

Matt Kaminski 00:55:32

Let me turn to a couple of questions off the iPad, and the first one is: what kind of Western support do you think will matter most for Ukraine's long-term resilience beyond the immediate question of military aid? Panos, do you want to jump at that, or Oleg?

Panos Stergiou 00:55:49

I mean, it's capital.

Matt Kaminski 00:55:51

Capital?

Panos Stergiou 00:55:52

Yeah. It's capital, both—

Matt Kaminski 00:55:54

—Yeah, but—

Panos Stergiou 00:55:55

—G2G and B2G. Yeah. I think capital, as I mentioned, will be quite difficult to come in the current format. So, I think that's where governments and Western governments can work more together and actually mobilize capital that can act as catalytic capital for further investments. And that actually will help get things going. You asked before, how can you build private capital? That's how you can bring private capital. So, we spoke a lot about the political side, but I think there has to be a real effort in allowing capital to come in the country.

Matt Kaminski 00:56:29

This follows up, a separate question.

Mike R. Pompeo 00:56:30

Can I just add that the other will be human capital, technology, and Western technology coming in, and the energy sector that you described, right? There's nobody that can frack like Americans. There's massive natural gas inside of Ukraine. There are many other places where there is Western knowledge and IP that we will have to bring to bear. And so, it'll come alongside the capital, I suspect.

Oleg Rogynskyy 00:56:48

But also, IP the other way. Ukraine has—

Mike R. Pompeo 00:56:51

—Of course—

Oleg Rogynskyy 00:56:51

—Developed a bunch of IP, but right now, Ukrainian technology—it'll be funny to say—but Ukrainian defense technology is not onto NATO standards. And so, opening up the other way where Ukraine can generate export revenue to a scale and to adoption that drives not just defense technology industry, but — I mean, Ukraine, at this point, invented resilience, if you ask me. Everybody in this industry is talking about European resilience. Well, you can import it very easily.

Panos Stergiou 00:57:22

And on one quick thing—sorry, to add one quick thing. Also, the EU accession, even though it's going to take time, because of all the conditionality and the technical support, advances the institutions very fast. So, I think that's quite important as well.

Orysia Lutsevych 00:57:36

But this is where NATO comes in. I'm glad you mentioned NATO. We didn't talk enough about NATO. I think the best thing Europe can do for Ukraine—of itself—keep NATO functional, working, repair relationship, and see how the European pillar of NATO can be strengthened, because that's a powerful still deterrent against Putin. I mean, we need to restore deterrence, and if we further undermine it by cracking NATO into pieces—

Panos Stergiou 00:57:36

—But that's not a European thing.

Orysia Lutsevych 00:58:05

—That is a partially European thing, because Europe now will be spending more and more on defense. We should start owning NATO. The fact that you said it's not a European thing, you actually speak to the problem.

Panos Stergiou 00:58:05

No, no, I didn't say that. No, no. What you said is that Europe has to repair NATO. That, we're disagreed. That Europe has to spend, that has been agreed it has to do it. But the US has, back to Secretary Pompeo's point, it's an important factor in NATO. So, if the US steps out, Europe is not yet ready to just assume it alone.

Matt Kaminski 00:58:36

Okay. Right? Let me — the beauty of this, it's kind of live — so this follows up directly. You talk about investments in Ukraine as if there is no possibility they lose. But if they do, all is lost. Is Ukraine then even investable?

Oleg Rogynskyy 00:58:36

That's a great question. I think the answer is geography. It will take 1,000, if not 10,000 times more effort for Russians to cross Dnieper. So, the worst-case scenario is really bad, but it's not the end of Ukraine.

Ian Bremmer 00:59:10

Look, think of it as the Gulf. Right? I mean, I don't see people saying that they're going to suddenly give up on the UAE or Saudi Arabia just because it turns out that it's not like Switzerland over there. And I think the same thing is true of Ukraine. I mean, the idea they're going to have to keep fighting this war, yeah, but—the number of times I've seen Bibi Netanyahu in speeches where he's talking about the existential threat of Iran, and then literally to the same group of pension managers saying, "And here are all the reasons you need to invest in Israel." People are very capable of understanding both of those exclusive things simultaneously.

Orysia Lutsevych 00:59:50

I mean, and there is a war economy, whether we like it or not, and there is an enormous disruption. So, there's always an opportunity. Business understands that. But if there's destruction, I would argue there is even bigger opportunity because you can start things from scratch, you can experiment things, and you

can have good returns, regardless of midterm risks that we talked about. I think keeping that in mind is important, but it shouldn't dissuade certain kind of investors being present already in Ukraine right now.

Oleg Rogynskyy 01:00:20

To that point, just to finish up the idea—having grown up in Ukraine, I've never seen coaxial internet. Ukraine was built right away with fiber everywhere, so this is another opportunity where in the rebuild, the infrastructure that will be laid is probably going to be cutting edge versus what we're dealing with rebuilding elsewhere.

Matt Kaminski 01:00:40

Yeah. I think on that note, thank you so much to this panel, and thanks for the questions.

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