A Deal Is a Deal

Viktor Orbán's Veto and the Limits of European Council Politics

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Veto threats are ordinary currency in Brussels. A veto against an agreed compromise, used to force concessions on an unrelated dispute and to stage a domestic election campaign, is not. The events of 19 March 2026 were serious not only because Viktor Orbán blocked money for Ukraine, but because he did so after having promised in December 2025 not to stand in the way. This time Orbán went too far – if the other leaders fail to respond effectively, they will be teaching everyone that the most profitable strategy is blackmail.

Consensus is more than the veto rule

The European Council is an unusual institution. It does not legislate in the ordinary sense. Under Article 15 of the TEU, it sets the Union's general political directions and priorities. Yet because it gathers the heads of state or government, its conclusions carry exceptional political weight. Formally, the European Council decides mostly by consensus. Practically, that means outcomes are built through negotiation, bilateral contacts, and brokerage by the President rather than by visible votes.

Veto threats are therefore not an aberration. They are part of the system. National leaders use them to signal domestic red lines, to demand clarifications, or to improve their bargaining position. Sometimes a government threatens to block sanctions until a technical exemption is secured. Sometimes it resists a paragraph in summit conclusions until wording is softened. Much of this belongs to the normal repertoire of intergovernmental politics. The mere use of a veto threat is not yet sabotage.

What makes the system work is something more fragile than treaty text. The European Council relies on informal norms: trust that commitments made in the room will still bind tomorrow; reciprocity among leaders who know they will need one another on the next file; and a compromise culture that discourages pressing every formal right to its absolute limit. Those norms allow unanimity to function without turning every summit into institutional paralysis.

That is also why there is a line between hard bargaining within a file and holding unrelated files hostage. A veto can be legitimate even when it is politically costly. But it remains legitimate only if it is embedded in self-restraint. Once a member treats consensus not as a method of joint problem-solving but as a resource to be monetized again and again, the institution's informal foundations begin to erode. The problem is then not only delay. It is the loss of confidence that compromise will stick.

Orban's long practice of illegitimate issue linkage

Seen against that background, Orbán's conduct on Ukraine is not an isolated outburst. It is the latest episode in a longer strategy of illegitimate issue linkage. Linkage as such is not unusual in European Council politics. Package deals are often necessary, and some issues are genuinely connected. The difficulty arises when consent on one matter is made conditional on concessions in another matter that is only weakly related or entirely unrelated, and when that tactic is used not to solve a policy problem but to exploit unanimity for leverage.

Hungary has repeatedly moved in that direction. In 2022, Orbán blocked an EU loan for Ukraine while fighting Brussels over frozen funds tied to rule-of-law concerns, and it also held up the EU's implementation of the global minimum corporate tax. In June 2023, both Hungary and Poland refused to sign off on European Council language on migration after being outvoted on migration rules elsewhere. In late 2023

and early 2024, Orban again blocked a major Ukraine package while arguments raged over the release of EU funds to Budapest. And in February and March 2026, Hungary tied both a new sanctions package on Russia and the implementation of the €90bn loan for Ukraine to the restoration of Russian oil flows through the Druzhba pipeline.

This matters because it imposes real institutional costs. It creates blockade. It consumes summit time and diplomatic energy. It distracts the European Council from its strategic role by forcing it into permanent damage control. And it harms the institution's reputation. European Council conclusions matter because they signal reliability to partners, markets, and adversaries. If solemn summit bargains can be reopened at will for unrelated side-payments, the credibility of the Union's highest political forum suffers.

There is also a deeper asymmetry here. Consensus only works if accommodation runs in all directions over time. Orbán's method reverses that logic. The 26 national leaders accommodate, while one government repeatedly converts accommodation into leverage for the next fight. If that tactic is normalized, others might learn from it. The result is not simply one more difficult European Council summit. It is a degraded decision-making environment in which free-riding and grandstanding become rational strategies.

Why March 2026 crossed a red line

The events of 19 March 2026 were serious not only because Orbán blocked money for Ukraine, but because he did so after having promised in December 2025 not to stand in the way. The European Council had already agreed in December to provide a €90bn loan to Ukraine for 2026 and 2027. The design of that package mattered politically. It was based on EU borrowing backed by budget headroom, and the December agreement explicitly ensured that the mobilization of EU budget resources would not affect the financial obligations of Hungary, Czechia, and Slovakia. In other words, Orbán had secured an opt-out from financial liability. Hungary was not being asked to shoulder the cost.

By February 2026, the EU had advanced the legal framework for implementing that December agreement. Orbán then used the next European Council to reopen a deal he had already accepted. His public justification was a dispute over the Druzhba pipeline. After a Russian attack damaged pipeline infrastructure in January, Hungary demanded guarantees that oil flows through Ukraine would resume and would not be interrupted again. But whatever the merits of Hungarian energy concerns, this was not an objection to the design of the Ukraine loan itself. It was an unrelated dispute pressed into service as leverage.

That is what makes this episode qualitatively different from ordinary veto politics. Orbán did not discover a hidden burden on Hungary. He did not point to a newly revealed legal defect in the loan instrument. He took a settled bargain, one already tailored to shield Hungary from direct liability, and converted it into a pressure tool in a separate conflict. The move was therefore not simply hard bargaining. It was bad-faith reneging on his own word.

The domestic motive is not hard to infer. Orbán faces national elections in Hungary on 12 April 2026. For years, his political method has relied on the construction of external adversaries – "Brussels", migrants, and more recently Ukraine – in order to mobilize domestic voters around a sovereignty narrative. The March veto fits that script perfectly. It lets him present himself as the defender of Hungarian households against foreign pressure and turns the European Council into a stage for domestic campaign politics. That is why António Costa, the European Council president, is right to say that a deal is a deal and that nobody should be allowed to blackmail this institution. Germany's chancellor Friedrich Merz was right, too, to call Orban's conduct a grave disloyalty among EU member states. Trust is a governance resource in this institution. If leaders no longer believe that a December compromise still means something in March, the willingness to compromise at all begins to collapse.

What the other leaders should do now

The other national leaders should now stop treating this as one more nuisance to be managed through patient appeasement. That approach has been tried for years, and it has taught Orbán that the short-term costs of obstruction are low while the domestic political rewards can be high. If that incentive structure remains unchanged, repetition is likely.

First, national leaders should escalate rhetorically and openly call out what happened. Members of the European Council usually do not antagonize one of their own in public. Under ordinary conditions, that instinct is understandable. But norm enforcement sometimes requires visible disapproval. Public naming changes the reputational calculus and clarifies that this is not a legitimate disagreement over policy design but a breach of trust.

Second, they should do what they normally avoid doing: build intergovernmental solutions outside the usual EU framework when one member abuses unanimity to block urgent action. Enhanced cooperation is one route within the treaties; ad hoc intergovernmental arrangements among willing states are another. The crucial point is that delivery to Ukraine cannot remain hostage to one individual domestic campaign strategy.

Third, leaders should increase pressure on Orbán both financially and politically. That means stricter use of existing rule-of-law conditionality, refusal to release funds as the price of tactical cooperation, and renewed seriousness about Article 7 TEU to eventually suspend Hungary's voting rights. It also means refusing to normalize issue linkage by rewarding it. The broader lesson is stark. Unanimity can coexist with frequent veto threats. It cannot coexist with systematic bad faith. On 19 March 2026, Orbán crossed that line. If the other leaders fail to respond more confrontationally now, they will not be defending European unity. They will be teaching everyone that the most profitable strategy in the European Council is blackmail.

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