
Europe's Multiple Futures

Four Futurescapes for Europe's Geopolitical Positioning in 2030

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Preface

Given the failure of decision makers and analysts alike to foresee and forestall multiple crises in recent years – financial, migration, pandemic, war – one thing is clear: policy makers and experts urgently need a kind of “futures literacy.” Such a forward-thinking approach must go beyond the launch of the occasional scenario report, which may offer foresight but often quickly disappears – irrespective of its quality – into a drawer. Moreover, experts’ siloed views seldom fully capture the broader context in which specific events occur and their impacts unfold, or consider the possibility of unexpected or even improbable events. To better understand how policy makers and others might foster a mindset to prepare for such turbulence, DGAP experts from different competence centers embarked on an internal process in autumn 2022 to build reference scenarios for Europe’s possible future, looking ahead to 2030. The theme of this exercise is Europe’s positioning in a shifting world order.

These four scenarios aim to inspire policy makers, civil society actors, researchers and others to rethink their approach to different situations. These “futurescapes” can be used as interpretative frameworks to, for example, assess the outcomes of foreign intervention or regional spillovers of conflict, such as the recent one between Israel and Hamas in Gaza. Instead of expecting that a scenario will predict such conflicts specifically or help decision makers after a crisis, those four scenarios can be used to test policies, or project the effects of societal demands, or to draft contingency plans and actions. Our main aim was to question today’s narratives, such as an enduring Western liberal democratic order, and showcase difficult trade-offs in future foreign policy choices. In other words, the scenarios should not be expected to provide a quick fix for the future by suggesting “what to do.” Instead, the value of future scenarios, and foresight in general, is in suggesting alternatives and even counter-intuitive ways of “how to think.”

The team of authors from the Competence Centers Climate and Foreign Policy, Geopolitics, Geoeconomics and Technology, Future of Europe, and Security and Defense, with the editor as moderator, set the overarching theme, selected key parameters as drivers of developments, and held monthly meetings for fleshing out the four future scenarios

looking ahead to 2030. The four futurescapes then gradually took shape in an iterative process, evaluating the cross-influences of drivers in each one. Vibrant discussions and diverging views among the DGAP experts led to reflection on multiple paths, always trying to maintain the uncomfortable impacts, rather than prematurely omitting those that appeared improbable or implausible.

Such intellectual playfulness is essential to venturing outside the “expert box” in such a process. Indeed, expert analysts are trained to – even subconsciously – conduct rational credibility checks when confronted with a phenomenon that requires explanation and analysis. But this can also hinder a broader view of the horizon. Speculating about the future in a methodologically consistent but also imaginative and creative way should be part of every expert analyst’s toolbox, just as the capacity to combine and assess evidence from the past. Both approaches help make sense of the present situation – to determine where action is needed now, often under conditions of uncertainty, complexity, and ambiguity.

In the course of that process, we received invaluable assistance and comments from our intern Gorazd Ordanoski and critical appraisal from DGAP research director Roderick Parkes. We are also grateful to our external reviewers Lieve van Woensel, with a decade-long experience in performing foresight for the European Parliament, and Isabella Hermann, science fiction expert, who took the time to comment on the draft manuscript and provide crucial advice for improving it.

Introduction

In the past 15 years, a series of disruptions and crises have upended the optimism of the 1990s that the European Union would steadily progress toward wider and deeper integration and greater welfare for its citizens. But the global financial crisis, the migration crisis, the COVID-19 pandemic, and the outbreak of armed conflict on the European continent have revealed multiple vulnerabilities and gaps in the capacity of European institutions, national administrations, economic and financial systems, and societies to act. These crises have seriously challenged our readiness to respond to and recover from such turbulence. Moreover, the effects of climate change or emerging technologies have become major, overarching trends shaping geopolitics. Their impacts are already being felt, often with negative consequences for human health and economic resilience. In addition, growing tensions between the two most powerful nations, the United States and China, herald a new competition between democratic countries and autocratic regimes that will have a significant impact on global affairs.

THE CHALLENGE

Even more than the apparent lack of muscle – material resources and institutional capacities to anticipate or promptly contain a crisis, the European Union and national administrations have lacked the appropriate mindset – preparedness for events outside the “statistical norm,” the expected, or the probable. But what is a crisis? The term “crisis” expresses a critical state of being outside habitual “normality.” The loss of control disrupts the routines of government – ministries, international organizations, and their respective policy instruments. In severe and acute crises, moreover, the rule systems seem to suffer most, since the guidance they are meant to provide does not work, partially or completely, under the exceptional circumstances.¹ The most disturbing escalation, as a result, is the disruption of the everyday lives of regular citizens.

Recent attempts to capture those dynamics as multi- or poly-crises, or, as the Germans put it, a “*Zeitenwende*” (a change of the times),² reflect an increased awareness of the situation. Although these do not prescribe any remedy, they show we are far outside our comfort zone and need to take action to return to an acceptable state of stability. Crises are most often understood as triggered by external shocks with undesired consequences, such as turning the established order upside down. In recent years, major disruptions, such as those referred to above, have been dubbed “black swans” – unforeseeable high-impact events.³ But there are also “gray rhinos” – the highly probable and highly impactful “obvious dangers we ignore.”⁴ This is, however, a way to “exogenize” the source of and responsibility for such catastrophes.

The source of crisis can, nevertheless, always be explored internally, in our societies’ ability to absorb shock and bounce back to equilibrium, at political, institutional, economic, and societal levels. The challenge is to direct our attention to our existing structures, policies, and habits, “crash test” them in situations that have not yet occurred, and try to come up with more “future-proof” formulas. Tools such as the future scenarios presented here can be a foundation for more critically scrutinizing the effects and side effects of our actions – and blind spots – in current policy choices. Anticipatory methods, such as foresight, can help us view disruptions in a constructive manner and act upon them strategically in order to achieve ends in new and better ways.

SCOPE AND OBJECTIVES

This report, and particularly the creative, not always straightforward or easy, process of drafting, did not aspire to *think the unthinkable*, as politicians or foresight experts often suggest doing. In fact, it was already quite challenging for us as experts to *think the thinkable* and the possible, without constantly questioning plausibility or rejecting all ideas that seemed improbable.

1 See European Commission, Directorate-General for Research and Innovation, Strategic crisis management in the EU – Improving EU crisis prevention, preparedness, response and resilience, Publications Office of the European Union, 2022. Under <https://data.europa.eu/doi/10.2777/517560>

2 For the original speech that launched the debate in Germany, see The Federal Government, “Policy statement by Olaf Scholz, Chancellor of the Federal Republic of Germany and Member of the German Bundestag, February 27, 2022 in Berlin,” February 27, 2022: <https://www.bundesregierung.de/breg-en/news/policy-statement-by-olaf-scholz-chancellor-of-the-federal-republic-of-germany-and-member-of-the-german-bundestag-27-february-2022-in-berlin-2008378> (accessed June 12, 2023).

3 Nassim Nicholas Taleb, *The Black Swan: The Impact of the Highly Improbable* (New York: 2007).

4 Michelle Wucker, *The Gray Rhino: How to Recognize and Act on the Obvious Dangers We Ignore* (New York, 2016).

The theme of this scenario exercise, Europe's positioning in a shifting world order, reflects, for good reason, a common-sense question that most people exposed to daily news and affected by consecutive crises ask themselves – not just omniscient experts. Our intention was not to come up with the most important factors of change in Europe, whether internally or geopolitically, or to predict the most probable outcomes, but to establish a process driven by imagination, and with room for surprises out of counterintuitive combinations of influencing factors.

The following scenarios come together with the ambition to deliver four situational stories, as four snapshots – out of many possibilities – of 2030, hopefully providing productive and yet provocative intellectual irritations for the reader. Our *first* guiding principle is to question the master narratives of today, such as an enduring Western liberal democratic order, and showcase difficult trade-offs in future foreign policy choices. These snapshots should be understood as *framework* or *reference scenarios*, to inspire readers from civil society, advocacy NGOs, policy researchers and think-tankers like us, and, not least, actors from all walks of policymaking to re-think situations and approaches. The four scenarios may also be used later as rich contexts to crash-test an existing or prospective policy, or to project a strong societal demand into those four divergent realities in 2030, or for drafting action roadmaps and contingency plans.

Second, we did not wish to present a set of “the good, the bad and the ugly” scenarios, as in many other foresight exercises. Such an approach too often leads to favoring the “good” scenario but then opting for the “ugly” – simply muddling through – as the most feasible under realistic circumstances. Instead, we wanted to situate the positive with the negative and the plausible with the counter-intuitive, as disagreeable and puzzling as that might seem. Reality as we perceive it is messy, contradictory, and does not necessarily make sense at first sight, but often, instead, retrospectively.

Third, we wanted, by design, to leave space for less probable and less plausible elements, and not suppress or mask “wild” developments just because they appeared to be less credible. We opted, in contrast, to conduct scenario-internal consistency checks, while playing out iterations of the cross-impacts of the different drivers in each of the four “futurescapes.” This choice was based on a simple thought: all unpleasant surprises we have experienced in recent years in Europe came exactly from developments held to

be, even if possible, too improbable to occur. That should prompt us to think twice before endorsing self-evident assumptions or rejecting alternative ones outright.

Fourth, we opted for the medium-term horizon of 2030, with the feeling that it is already upon us, to spark an urgency to reflect and act already now. In that respect, we had in mind several aspects of the political reality that keep us awake at night: the ongoing multiple crises and success in coping with them; the ongoing efforts, at EU and international level, to cope with transitions involving digitalization and climate change; and, not least, non-anticipated disruptions, both positive and negative, that are bound to emerge from combinations of current trends. The vantage point of the storylines is Europe-centric, as it is the most familiar to empathize with, but also because all mainstream assumptions and blind spots lie there. Before presenting the four futurescapes, we will briefly explain our structure and process, as well as some elements of the scenario-building process “hidden” in the scenarios.

SELECTION AND CONTEXTUALIZATION OF ...

Megatrends

To narrow our scenario-building process, we first selected two megatrends that would form the axes in a four-domain matrix. The megatrends, as overarching, large-scale developments, reduce the infinite complexity of reality to make analysis more practicable in the scenario-building process. The two megatrends were selected from the pool of the megatrends hub, a website curated by the Competence Centre on Foresight of the European Commission's

Joint Research Centre, which provides validated crowd-sourced insights about 14 global megatrends.⁵ Megatrends are defined as “long-term driving forces that are observable now and will most likely have a global impact.”⁶ One criterion for selecting the two megatrends to form the two matrix axes (x and y) was their different nature, the one having a rather “cultural-institutional” character and the other a more “natural” one:

The different expressions of the megatrends (strong vs. weak influence of new governing systems, high vs. low natural resource availability) form a two-by-two matrix that serves as the basis for four distinct scenarios that we analyze and refer to as “futurescapes.” Within each futurescape, we consider how a range of key drivers play out in the envisioned scenario.



Figure 1: Schematic Illustration of the Conceptual Framework for the Study

Source: authors' own illustration.

5 European Commission, “EU Foresight: What is the Megatrends Hub. How to use megatrends to make your work future-proof,” https://knowledge4policy.ec.europa.eu/sites/default/files/what_is_the_megatrends_hub_and_how_to_use_it.pdf (accessed August 21, 2023).

6 Under European Commission, “The Megatrends Hub,” Last updated November 28, 2022: https://knowledge4policy.ec.europa.eu/foresight/tool/megatrends-hub_en (accessed August 21, 2023).

MEGATREND X AXIS: INFLUENCE OF NEW GOVERNING SYSTEMS

Among the megatrends shaping the European Union today, *multiple forms of governance at various levels* have emerged. The diversity of conventional and innovative formats accounts for the diversity of sometimes surprising impacts of governing systems. On the one hand, the EU integration process has further progressed, with select areas such as external trade and governance of the single market subject to centralized decision-making. The EU's main policy-making institutions (i.e., the European Commission, the European Parliament and the Council of the European Union) have gained in importance, also with regard to regulation, in the field of technology, climate mitigation and green transformation, among others. As such, the traditional institutions of European policy-making remain at the core of European Union politics.

In parallel, however, certain developments have also fostered alternative, less centralized forms of governance, which may challenge and/or complement existing structures. The rapid dissemination of internet-based technologies has created new means for engagement, from crowd-funding campaigns to political campaigning through online petitions and the organizing of protest movements such as Fridays for Future. For EU citizens, certain megatrends have also helped to foster an acute awareness of the entanglement due to globalization, connecting people in different places. Some of these megatrends may be more continuous, while others are disruptive. These include market integration within Europe and worldwide, digitalization and new forms of mass communication, an awareness of the global impacts and costs of climate change, to name a few.

Social media and the internet more generally have enabled new forms of political mobilization by people with different motivations. Climate and human rights activism have profited from these trends as have Eurosceptics and those calling for a halt or even a reversal of globalization and/or European integration. These examples illustrate also the risks related to these trends: mobilization is not necessarily

representative of the will of the overall population, and campaigns can also be abused by domestic and external actors. In parallel, local forms of governance, such as city diplomacy, have emerged. While at present, these mainly occupy certain niches of policy-making, it may well be that they will claim an increasingly central role in Europe's future governance model. On the other hand, in light of major disruptions such as rapid digitalization, the outbreak of a pandemic, and geopolitical shocks such as the return of war on the European continent, population groups have also called for a strong role of the nation-state in navigating multiple crises. Thus, we may well see a return of the power of national governments at the expense of supranational organizations such as the EU institutions. In light of these dynamics and the many actors involved in EU politics, one may imagine vastly different ways in which the European Union's governing system will evolve.

MEGATREND Y AXIS: NATURAL RESOURCE AVAILABILITY

Against the backdrop of multiple geopolitical crises in recent years, *access to and availability of natural resources* has been a central variable shaping international relations and trade patterns around the globe. In particular, the COVID-19 pandemic with its concomitant disruptions in supply chains and trade flows, as well as Russia's war against Ukraine and the geoeconomic and energy crisis that came with it, demonstrated how central the availability of natural resources is for the EU as a political and economic actor. The volatility in supply and prices of hydrocarbons (i.e., oil and natural gas)⁷ and other resources such as critical minerals that are a central element in processed goods⁸ emphasized the importance of resource politics in a time of geopolitical rifts. Furthermore, the dual transformation agenda – with the EU's political objective to strengthen both digitalization and decarbonization in EU economies and societies – will come with its own caveats and challenges in terms of resource politics: the green and digital transitions bring an increased need for certain critical raw materials such as so-called rare earths, the mining, processing and trading of which will be

7 See for instance Anna Fleck, "Energy Prices Keep Climbing in the EU," Statista, August 17, 2022: <https://www.statista.com/chart/28004/EU-energy-inflation-rates/> (accessed August 21, 2023). For an analysis of gas price volatility, see Jessica Aizarani, "Weekly Dutch TTF gas prices 2021-2023," Statista, July 6, 2023: <https://www.statista.com/statistics/1267202/weekly-dutch-ttf-gas-futures/> (accessed August 21, 2023). For an analysis of gas import dynamics over recent years, see Georg Zachmann, Giovanni Sgaravatti and Ben McWilliams, "European natural gas imports," Bruegel, August 16, 2023: <https://www.bruegel.org/dataset/European-natural-gas-imports> (accessed August 21, 2023).

8 OECD, "The supply of critical raw materials endangered by Russia's war on Ukraine," August 4, 2022: <https://www.oecd.org/Ukraine-hub/policy-responses/the-supply-of-critical-raw-materials-endangered-by-Russia-s-war-on-Ukraine-e01ac7be/> (accessed August 21, 2023).

of growing importance for the EU and its member states' national interests.⁹ At the same time, global patterns of supply and demand for (fossil) resources will have a direct impact on emissions scenarios, which in turn will affect the progression of climate change and its impacts worldwide.

With little domestic endowment of both hydrocarbons and critical minerals, the EU is reliant on external supply in the mid-term. This also brings the EU in competition with other actors that face similar scarcities, including partners such as Japan. As one driver of the green energy transition, the EU is a potentially powerful agent in shaping future supply chains. At the same time, as EU economies need to roll-out green technologies while also facing an energy crisis as a consequence of Russia's war against Ukraine, the vulnerability to geopolitical or economic shocks remains high. Thus, natural resource politics will remain a central geopolitical issue for the EU also in 2030.

The combination of those two megatrends in an axial system is premised on a *weak* or *strong* projected influence of new governing systems, and, respectively, a *high* or *low* projected natural resource availability. The two axes produced four domains as expressions of four different future landscapes, which we called "futurescapes," and gave them provisional color names: *Green, Blue, Orange, and Lilac* (see figure 1).

In line with the commitment of this report to depart from "The Good, the Bad and the Ugly" mold of scenarios, we need to highlight that the "spatial order" of those four domains does not imply, as in many other scenario exercises, that the upper right scenario is the best and most preferable option, or that the lower left one is the worst. Each futurescape has a set of different characteristics that give rise to a number of ambivalent, potentially desirable and undesirable impacts at the same time.

SELECTION AND CONTEXTUALIZATION OF ...

Drivers

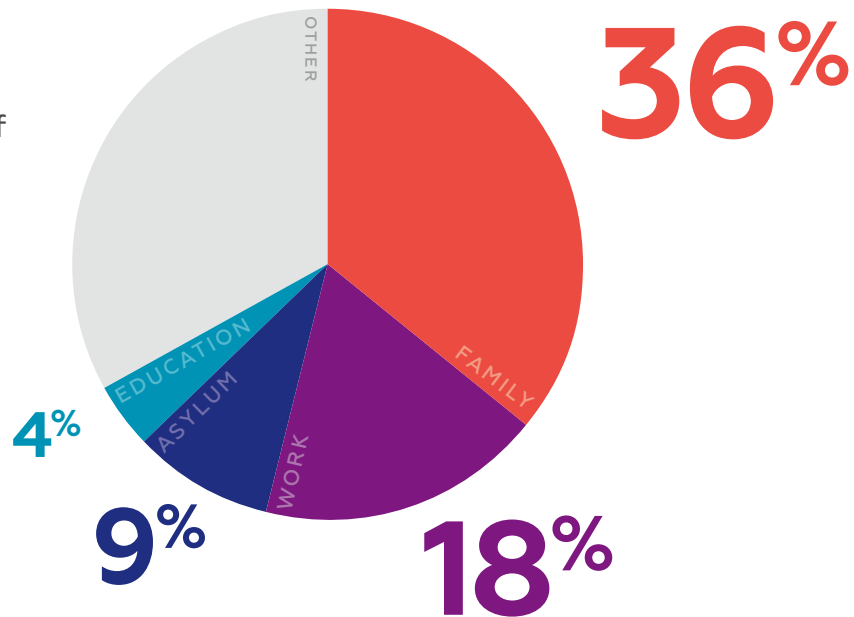
In this constellation, we selected a number of key drivers to cover as comprehensively as possible the various aspects of Europe's currently evolving position in the world, while keeping these to a practical minimum. In the search for drivers, we oriented ourselves to the aspects in the STEEPED (societal, technological, economic, environmental, political & legal, ethical, and demographic) wheel.¹⁰ Drivers are taken to be influencing forces responsible for change. They produce both immediate and indirect effects, as well as non-intended and non-anticipated side-effects, something like independent variables – factors or conditions (e.g., age, income) that researchers manipulate or observe to understand their impact on other variables. In that second stage of the scenario-building process, the discussions were concentrated on the selection and reduction of the number of drivers to use for fleshing out the four futurescapes. The priority in the selection of megatrends and drivers was to choose those that will obviously affect us in the near future. The process was driven by pragmatism, with the goal of leaving the playful and creative character of this study for the scenarios. We provide short descriptions of the final seven selected drivers below, along with graphs that give insights into recent developments. While the selection of both of the two megatrends and of the seven drivers may well appear to be reductionist, it does provide, besides an analytical framework, the necessary variety to allow for creativity in imagining future developments distributed along a broad societal and geopolitical landscape.

A note on our term "futurescape": indeed, our intention is to treat each of the four reference scenarios as a different multi-dimensional – in our case seven-dimensional – future landscape.

9 Olivia Lazard, "The Need for an EU Ecological Diplomacy," in *The EU and Climate Security: Toward Ecological Diplomacy*, ed. Olivia Lazard and Richard Youngs, Carnegie Europe, July 12, 2021, pp. 13–24: https://carnegieendowment.org/files/Youngs_and_Lazard_EU_Climate_FINAL_07.08.21.pdf (accessed August 21, 2023).

10 Lieve van Woensel, "Guidelines for foresight-based policy analysis", European Parliamentary Research Service, July 26, 2021: [https://www.europarl.europa.eu/stoa/en/document/EPRS_STU\(2021\)690031](https://www.europarl.europa.eu/stoa/en/document/EPRS_STU(2021)690031) (accessed August 24, 2023).

Figure 2: Reasons to Stay in Europe
All valid residence permits at the end of 2021 by reason



Source: Relative numbers by European Commission, based on Eurostat statistics available here: https://ec.europa.eu/eurostat/databrowser/view/MIGR_RESVALID__custom_5915540/bookmark/table?lang=en&bookmarkId=0678ef42-666d-46f4-8461-041b810ea270 (accessed October 10, 2023) | Note: End of 2020 data in case of Finland; "other" includes permits issued for the reason of residence only, permits issued to civtims of trafficking of human beings and unaccompanied minors, as well as permits issued for all other reasons for which residence permits may be issued and which are not covered by the other categories.

DEMOGRAPHY DRIVER (DEM) OPENNESS/RESISTANCE TOWARD MIGRATION

Migration has emerged as one of the most contentious policy areas in the European Union in recent years. Societal movements accepting or opposing different forms of migration into the EU permeate the political debate and influence public opinion in member states. As large migration movements, especially via Southeastern Europe, Turkey and the Mediterranean arrived,¹¹ the EU long failed to give an adequate response. In June 2023, heads of states reached an agreement on a legislative proposal to

reform several European migration laws.¹² Whether this envisioned legislative overhaul will lead to a fair and just system that not only reestablishes citizens' trust in EU migration policies but also safeguards human rights, remains to be seen.¹³

Economic hardship and persistent poverty in countries of origin drive migration patterns, and forced displacement increases as a consequence of conflict and violence or natural disasters.¹⁴ While most disaster-related displacement takes place within country borders,¹⁵ mobility across borders is also likely to grow. As climate change increases the frequency and intensity of extreme weather events and threatens

11 From the year 2014 onwards, the annual number of asylum applications in the EU has been higher than in prior 20 years. See European Council/Council of the European Union, "Infographic – Asylum applications in the EU," last reviewed June 21, 2023: <https://www.consilium.europa.eu/en/infographics/asylum-applications-EU/> (accessed August 11, 2023).

12 These agreements serve as a basis for negotiations with the European Parliament. See European Council/Council of the European Union, "Migration policy: Council reaches agreement on key asylum and migration laws," Press release, June 8, 2023: <https://www.consilium.europa.eu/en/press/press-releases/2023/06/08/migration-policy-council-reaches-agreement-on-key-asylum-and-migration-laws/> (accessed August 11, 2023).

13 For a preliminary discussion: Alberto-Horst Neidhardt, "One step closer to getting the EU Migration Pact done. One step closer to ambitious change?," European Policy Centre, Discussion Paper, June 13, 2023: https://www.epc.eu/content/PDF/2023/EUMigrationPact_DP_v3.pdf (last accessed August 11, 2023).

14 According to the UN Refugee Agency, 108.4 million people were forcibly displaced, of which 62.5 million were internally displaced, while 35.3 million were refugees. UNHCR, "Global Trends. Forced Displacement in 2022": <https://www.unhcr.org/global-trends-report-2022#:~:text=At%20the%20end%20of%202022,events%20seriously%20disturbing%20public%20order.> (accessed August 11, 2023).

15 See Internal Displacement Monitoring Centre, "2023 Global Report on Internal Displacement": <https://www.internal-displacement.org/global-report/grid2023/> (accessed August 21, 2023).

human livelihoods, it is expected to exacerbate disaster-related displacement by mid-century.¹⁶

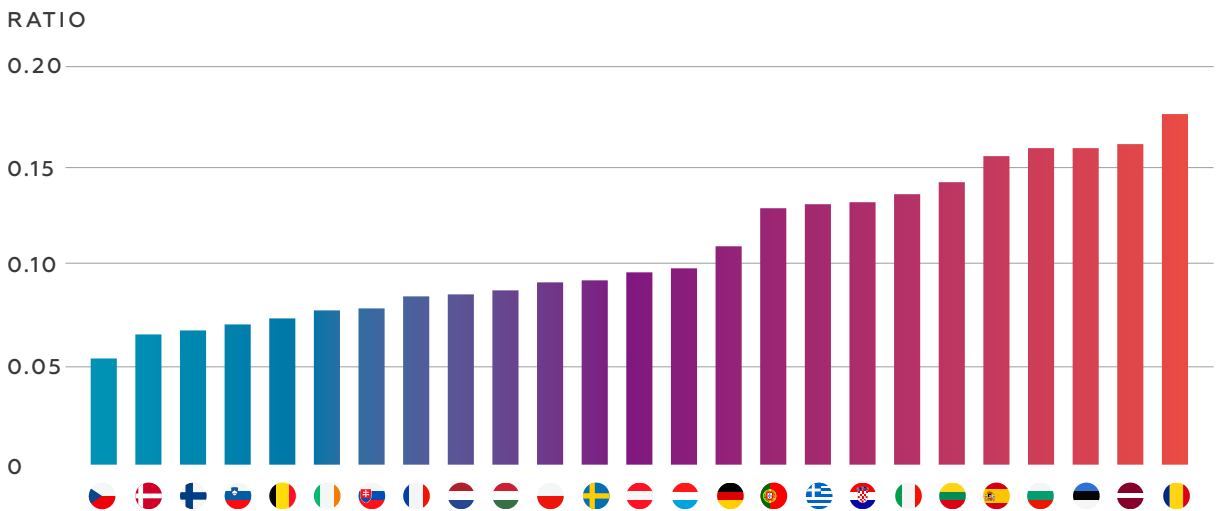
Beyond the issue of forced displacement, labor migration is an agenda item that is likely to become a central issue in the EU due to demographic change and the growing need for skilled labor in many member states.¹⁷ More than other policy areas, migration policy is subject to fierce and often emotionally charged debates linked to identity politics. Taking this into account and considering continued migration to the EU as a given, the futurescapes developed here specifically consider the societal response to it as a potentially decisive factor in the EU's future orientation. Will the EU become an inward-looking fortress in the face of large-scale natural disasters or new conflicts in its periphery, or do demographic change in the EU and humanitarian and human rights considerations have the potential to improve the EU's migration track record?

SOCIETAL DRIVER (SOC) LEVEL OF INEQUALITY IN SOCIETY

Economic inequality and actual and perceived societal injustices have the potential to mobilize certain constituencies and disrupt the societal and political system. Furthermore, other social discrepancies, such as access to education, digital skills, and opportunities for professional mobility are intimately connected with the potential for social conflict and protest movements. Not least, the more classical aspects of religion and ethnicity may add further differentiation to aspects and perceptions of inequality.

The design and implementation of social policies falls under the shared competence of EU institutions and member states. While the EU's authority to develop policies and legislative proposals is limited by law (through Article 4 of the Treaty on the Functioning of the European Union¹⁸), the union

Figure 3: Poverty Rate



The poverty rate is the ratio of the number of people (in a given age group) whose income falls below the poverty line, taken as half the median household income of the total population. However, two countries with the same poverty rates may differ in terms of the relative income level of the poor. | Source: data.oecd.org

16 See Alex de Sherbinin et al, "Groundswell Part 2: Acting on Internal Climate Migration," World Bank, Washington, DC, Sept. 2021: <https://openknowledge.worldbank.org/handle/10986/36248> (accessed August 11, 2023). For an analysis of climate-related migration and implications for the policy sphere, see Kira Vinke et al., "Migration in the Context of Climate Foreign Policy," DGAP Policy Brief No. 7/2023, April 2023: <https://DGAP.org/en/research/publications/migration-context-climate-foreign-policy> (accessed August 11, 2023).

17 See European Commission, "The impact of demographic change – in a changing environment", Brussels 2021: https://commission.europa.eu/system/files/2023-01/the_impact_of_demographic_change_in_a_changing_environment_2023.PDF (accessed August 24, 2023).

18 According to the Consolidated Version of the Treaty of the European Union, Official Journal of the European Union, C 202/13, June 7, 2016: <https://eur-lex.europa.eu/legal-content/en/TXT/PDF/?uri=OJ:C:2016:202:FULL&from=en#page=17> (accessed August 24, 2023).

engages in employment and social affairs, complementary to member states. EU policies and activities in those areas include, for instance, social protection and inclusion, safeguarding rights at work and social rights. The EU also uses a number of important financial instruments to work toward social cohesion, such as the European Social Fund.¹⁹ Should inequalities between EU member states increase, the EU may well increasingly engage in welfare redistribution between member states.

ECONOMIC DRIVER (ECON) DEGREE OF GLOBAL COUPLING / DECOUPLING

In times of multiple geopolitical crises, the future course of globalization seems highly uncertain. The EU remains highly entangled in a global pattern of supply and demand, with supply chains stretching from Southeast Asia to Europe and over the Atlantic. However, the long-term trend of global economic integration with its focus on increasing gains from trade, efficiency and prosperity in a liberal market economic model, has increasingly been questioned.²⁰ In light of volatile commodity prices and vulnerable supply chains following the pandemic and a war of aggression on the European continent, policy makers have become acutely aware of the geopolitical risks that come with an integrated world economy. In light of geopolitical shocks, they have aimed to reduce dependencies, especially regarding authoritarian states.²¹

In the EU and many member states (as in the US), this debate has focused in particular on China, whose authoritarian governance system and rigid government response to the COVID-19 crisis, with concomitant supply chain disruptions, have been a source of concern. Although the need to diversify is gaining traction

across political spectra, there is disagreement as to the degree of desirable change. While some argue that a course correction is necessary, others have called for a more comprehensive reevaluation of the status quo.²² The current emphasis is on “de-risking” and diversifying (rather than comprehensively decoupling) EU-China relations,²³ although what this entails remains unclear.²⁴ In any case, future developments may force EU member states to adapt their approach further.

Beyond geopolitical confrontation, other factors also invite a reconsideration of global trade patterns: The pandemic has raised the need for resilience vis-à-vis supply chain disruptions. Furthermore, with increasing climate impacts worldwide, the exposure to weather extremes on production sites or critical infrastructure is a growing reason for concern.

POLITICAL DRIVER (POL) EFFECTIVENESS OF MULTILATERAL REGIMES AND REGULATION

Many factors have the potential to undermine the functioning and continuity of existing international governance structures. Among them is the stronger international involvement of state actors who disregard basic principles of international law, the increasing role and power of private enterprises influencing norms and standards in parallel to state-driven international law, or the disruptive potential of Artificial Intelligence (AI) and digital technologies. While technological innovation certainly bears both risks and benefits, the question is whether international law and existing governance regimes are well-equipped to deal with disruptive change.

Another important factor is the changing power relationship between different groups of states and their

19 See European Commission, “Employment, Social Affairs & Inclusion,” <https://ec.europa.eu/social/main.jsp?langId=en&catId=86> (accessed August 11, 2023).

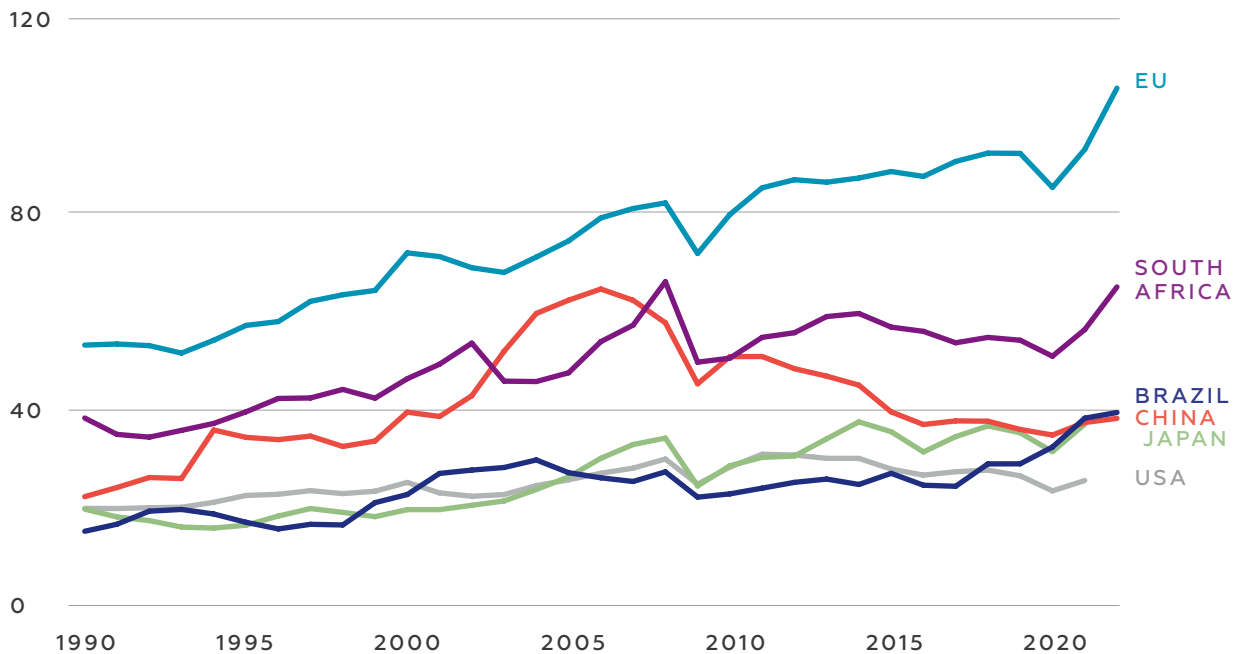
20 Rana Foroohar, “Year in a word: Decoupling,” *Financial Times*, December 30, 2022: <https://www.ft.com/content/886ed405-37b3-404c-83c7-31d59abb8fec> (accessed October 18, 2023).

21 The EU’s concerted effort to diversify its energy imports after Russia’s unprovoked invasion of Ukraine disrupted the flow of natural gas and oil to Europe is a case in point. The EU Commission, under the RePowerEU Plan, provided a plan for its member states to become independent from Russian fossil fuels. See European Commission, “REPowerEU: A plan to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition,” Press release, May 18, 2022: https://ec.europa.eu/commission/presscorner/detail/en/IP_22_3131 (accessed August 11, 2023).

22 Philip Blenkinsop, “EU agrees to de-risk from China and debates what this means,” *Reuters*, June 30, 2023: <https://www.reuters.com/world/EU-leaders-pledge-de-risk-China-debate-what-this-means-2023-06-30/> (accessed August 11, 2023).

23 In summer 2023, EU leaders decided on a common approach to “(...) de-risk and diversify where necessary and appropriate” vis-à-vis China. See European Council, “European Council conclusions on China, 30 June 2023,” Press release: <https://www.consilium.europa.eu/en/press/press-releases/2023/06/30/European-council-conclusions-on-China-30-June-2023/> (accessed August 11, 2023). This is in line with the preferences of major EU economies, who have important business interests in China. For instance, the German government’s China Strategy takes a de-risking approach, and Chancellor Scholz has made clear that a more comprehensive decoupling is not intended. See The Federal Chancellor, “Government statement by Federal Chancellor Scholz. Germany needs friends and allies in Europe and around the world,” June 22, 2023: <https://www.bundeskanzler.de/bk-en/news/scholz-government-statement-2198084> (accessed August 11, 2023); Federal Foreign Office, “Strategy on China of the Government of the Federal Republic of Germany,” 2023: <https://www.auswaertiges-amt.de/blob/2608580/49d50fccc479304c3da2e2079c55e106/China-strategie-en-data.pdf> (accessed August 11, 2023).

24 For a recent proposal to substantiate the concept, including institutional governance proposals, see Ole Spillner and Guntram Wolff, “China ‘De-risking’ - A Long Way from Political Statements to Corporate Action.” DGAP Policy Brief No. 16/2023: <https://DGAP.org/en/research/publications/China-de-risking> (accessed August 11, 2023).

Figure 4: Trade (% of GDP)

Source World Bank, CC BY-4.0; <https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?contextual=default&end=2022&locations=EU-CN-US-BR-JP-ZA&start=1990>.

diverse preferences for global governance frameworks and policies. The priorities of ambitious players like China, as well as those of other countries in the Global South that are becoming more assertive will need to somehow be considered. In a world confronted with geopolitical rifts and new security risks, there may be fundamental changes to long-standing pillars of international order (which the EU had great influence in developing and on which it relies for external action). One may even wonder whether long-standing and allegedly universal concepts such as “the international community” or “the international rules-based order” will still exist as commonly accepted concepts. What does all of this mean for Europe’s role as a “normative power” in international affairs, as it is often described by sympathetic observers?²⁵

ENVIRONMENTAL DRIVER (ENV) IMPACT OF WEATHER AND CLIMATE EXTREMES

In 2011–2020, the global surface temperature increased by 1.1°C compared to 1850–1900 due to anthropogenic greenhouse gas emissions.²⁶ Rapid and deep emissions reductions are necessary to slow down and eventually stop this warming trend to avoid the worst climate change-related risks to human and natural systems. In any case, however, according to the Intergovernmental Panel on Climate Change (IPCC), adverse effects are set to intensify, with decreasing water availability and food production, adverse effects to human health, and threats to infrastructure, cities, and settlements as major impacts.²⁷ Climate and weather extremes will occur

25 For the long-standing discussion about Europe as a normative or civilian power, see for instance Ian Manners, “Normative Power Europe: A Contradiction in Terms?” *Journal of Common Market Studies* 40(2): pp. 235–258, December 16, 2002: <https://onlinelibrary.wiley.com/doi/abs/10.1111/1468-5965.00353> (accessed August 11, 2023); Adrian Hyde-Price, “Normative’ power Europe: a realist critique,” *Journal of European Public Policy*, 13(2), August 19, 2006: <https://www.tandfonline.com/doi/abs/10.1080/13501760500451634> (accessed August 11, 2023).

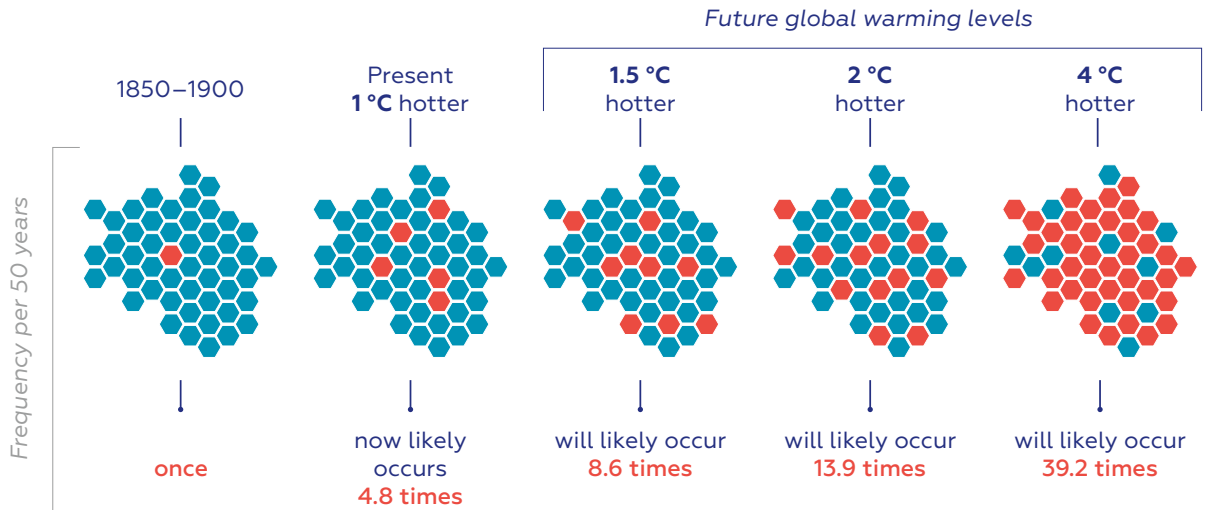
26 Intergovernmental Panel on Climate Change (IPCC), “Climate Change 2023. Synthesis Report. Summary for Policymakers,” March 2023, para. A.1: https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf (accessed August 24, 2023).

27 *Ibid.*, p7: Figure SPM.1 (a).

Figure 5: Increase in Hot Temperature Extremes

50-Year Extreme Temperature Event over Land: The frequency of such an event that occurred once in 50 years on average in a climate without human influence is increasing.

Projected changes in extremes are larger in frequency and intensity with every additional increment of global warming.



Source: Intergovernmental Panel on Climate Change (2021), https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM_final.pdf

both more frequently and more intensively. For instance, the IPCC assumes that under a 1.5-degree warming scenario, heat extremes, which on average occurred once every 50 years in a world without global warming, will occur 8.6 times more often.²⁸ In addition, slow-onset events (such as sea levels rise and decreasing precipitation) have been observed and will contribute further to economic (e.g. infrastructure damage) and non-economic losses and damage.²⁹

According to the IPCC, “[r]egions and people with considerable development constraints have high vulnerability to climatic hazards.” This affects around 3.3 to 3.6 billion people.³⁰ Moreover, “[v]ulnerability is

exacerbated by inequity and marginalisation linked to e.g., gender, ethnicity, low incomes, informal settlements, disability, age, and historical and ongoing patterns of inequity such as colonialism, especially for many indigenous peoples and local communities.”³¹ At the same time, particularly affected populations in the Global South have contributed least to climate change, which raises thorny issues about the distribution of costs for adapting to and addressing climate change. As some of the EU’s member states are among the biggest historical emitters of greenhouse gases,³² climate change is set to feature prominently in global justice debates. Furthermore, as impacts are also rising within Europe,³³ addressing them will become increasingly important for the EU internally.

28 IPCC, „Climate Change 2021: The Physical Science Basis. Summary for Policymakers. Working Group I contribution to the Sixth Assessment Report,” August 2021, Figure SPM.6: <https://www.ipcc.ch/report/ar6/wg1/figures/summary-for-policymakers/figure-spm-6/> (accessed August 24, 2023).

29 IPCC, “Climate Change 2022: Impacts, Adaptation, and Vulnerability. Working Group II contribution to the Sixth Assessment Report of the Intergovernmental Panel und Climate Change,” February 2022, Paras. B.1.5, B.1.6, TS.B.9.2: https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_SummaryVolume.pdf (accessed August 11, 2023).

30 IPCC, “Climate Change 2023. Synthesis Report. Summary for Policymakers,” March 2023, para. C.5.3: https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf (accessed August 24, 2023).

31 Ibid.

32 Hannah Ritchie, “Who has contributed most to global CO2 emissions?” October 1, 2019: <https://ourworldindata.org/contributed-most-global-co2> (accessed August 24, 2023). In: Hannah Ritchie, Max Roser and Pablo Rosado, “CO2 and Greenhouse Gas Emissions,” OurWorldinData.org: <https://ourworldindata.org/co2-and-greenhouse-gas-emissions> (accessed August 24, 2023).

33 See Chapter 13: Europe, in IPCC, “Climate Change 2022: Impacts, Adaptation, and Vulnerability. Working Group II contribution to the Sixth Assessment Report of the Intergovernmental Panel und Climate Change,” February 2022, <https://www.ipcc.ch/report/ar6/wg2/chapter/chapter-13/> (accessed August 24, 2023).

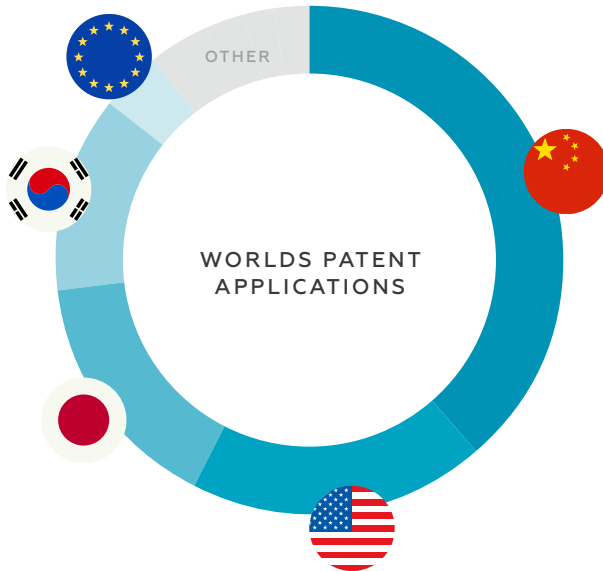


Figure 6: Which IP Offices Receive the most Patent Applications?

Source: WIPO Statistics Database, February 2023

TECHNOLOGY DRIVER (TECH) MAINSTREAM INNOVATION PARADIGM (GROWTH VS. SUSTAINABILITY)

Innovation is a key driver for successful economies. Yet, innovation also is embedded into national and international contexts and is subject to geopolitical instrumentalization. More than the degree of innovation, usually captured via proxies, such as patents, it is increasingly the kind of technological innovation, and the extent to which it responds to societal and political objectives, that will define the influence of technology in the future. One current case is the EU "twin transition" goals, which aim to strike a simultaneous balance for both a digital and a green economy. Innovation is intricately connected with access to resources, including critical raw materials, and all the related direct and indirect requirements of international (trade) relations, fierce competition for access to resources, and the potential emergence of alliances to support such vital needs of future societies.

Similarly, the internal aspect of technology innovation is not a simple one. With artificial intelligence-based applications increasingly permeating, consciously or unconsciously, citizens' everyday lives and becoming part of national critical infrastructure, new solutions and paths for development are possible. At the same time, emerging and converging technologies may create vulnerabilities. If not properly governed, these could even be weaponized against individuals and administrations, endangering international security and stability.

ETHICS DRIVER (ETH) GLOBAL DISTRIBUTIVE JUSTICE PERCEPTIONS

Global justice with regard to the distribution of resources and opportunities has plummeted, both in geographic and intergenerational terms. Street protests are prevalent, and virtual fora pushed by and reinforcing diverse protest movements have brought

34 Julian Ringhof and José Ignacio Torreblanca, "The geopolitics of technology. How the EU can become a global player," European Council on Foreign Relations Policy Brief, May 17, 2022: https://ecfr.eu/publication/the-geopolitics-of-technology-how-the-eu-can-become-a-global-player/ (accessed August 24, 2023). Mathieu Duchâtel, "Europe in the New Geopolitics of Technology," Institut Montaigne, Note, March 2022: https://www.institutmontaigne.org/en/publications/Europe-new-geopolitics-technology (accessed August 24, 2023).
35 European Commission, "The twin green & digital transition: How sustainable digital technologies could enable a carbon-neutral EU by 2050," JRC news and updates, June 29, 2022: https://joint-research-centre.ec.europa.eu/jrc-news-and-updates/twin-green-digital-transition-how-sustainable-digital-technologies-could-enable-carbon-neutral-eu-2022-06-29_en (accessed August 24, 2023).
36 Camino Kavanagh, "New Tech, New Threats, and New Governance Challenges: An Opportunity to Craft Smarter Responses?," Carnegie Endowment for International Peace, Working Paper, August 2019: https://carnegieendowment.org/files/WP_Camino_Kavanagh_New_Tech_New_Threats.pdf (accessed August 24, 2023).

these issues to high politics at the regional and international levels. Global distributive justice encompasses issues ranging from global poverty and human rights, trade justice, aid to the developing world, and debt cancellation. Sovereignty over the exploitation of natural resources, which is indirectly connected to almost all of these drivers, along with the future regulation of global commons, such as the deep oceans, the atmosphere, outer space, and the polar regions, lie at the heart of global distributive justice.

Aside from the ethics of the distribution of economic goods, in a hyperconnected world there are discrepancies between the global distribution of risk and unintended negative consequences, where detrimental effects may be far removed from their cause. If the EU and its members fail to contribute to fair solutions to address these issues, they risk being seen as ignorant to the problems of many countries, despite all their rhetoric to the contrary.

The seven drivers selected and sketched out above capture a significant part of the ongoing challenges in international affairs. The intense discussions during the futurescape storyline-building sessions showed that many gaps in the interactions among factors not considered in the context of those drivers could be taken on board retrospectively.

Following the *first stage*, that is, the selection of the defining megatrends and drivers, the authors proceeded individually to the *second stage* to flesh out the uncertainties and impacts of each driver in each of the four future domains projected to 2030. The *third stage* comprised the fusion and merging of all drivers' expressions within one futurescape, including an internal consistency check. The authors also discussed *white reindeers*, *gray rhinos* and *black swans* for each of the four futurescapes: "white reindeers" highlight what has turned out positively for the EU. "Gray rhinos" refer to the predictable, but ignored, developments with high probability and impact. "Black swans" pinpoint the unpredictable and rare events with low probability but vast consequences.

To be sure, these drivers were not taken to be independent variables in the strict sense, which then exercise their causal effects on politics and society. All seven could well be the subject of change themselves through the influence of other drivers. This made a cross-impact assessment necessary in the *fourth stage*, not merely for the sake of consistency, but also in order to start discerning the contours of each scenario. In the last and *fifth stage*, we identified some key character traits for each of the four futurescapes, asking what works well in that constellation, what are the undesirable side-effects of the main developments, which imminent risks are overlooked, and what may come as a nasty surprise.

The Four Futurescapes

Two things that may help the reader navigate the four storylines: As previously noted, our four futurescapes represent individual storylines with distinct characteristics and developments. The futurescapes do not fall into a classical pattern of "good," "bad" and/or "ugly" (i.e., middle-ground or in-between) scenarios. For instance, the upper-right futurescape in the matrix (high natural resource availability, strong influence of new governing systems) does not per se represent a positive outcome. In other words, the seemingly favorable corner of the matrix does not necessarily represent the comparatively good outcome. Rather, all four scenarios bear various individual characteristics – many of which may not be clearly positive or negative, but simply ambiguous and irritating.

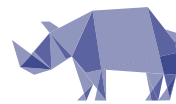
Second, in the course of mapping out the different futurescapes, we explore certain themes that we believe will be relevant to the EU's future orientation. Among them are internal dynamics such as labor market integration or the issue of enlargement, but also larger dynamics in international affairs, such as future developments in Russia's war against Ukraine and Europe's relationship with China. These themes recur in individual futurescapes, but we do not analyze them systematically in a check-list style approach across all futurescapes. Instead, the overarching structuring element of the storylines are the six selected drivers introduced above, which we consider in all scenarios.

SCHEMATIC ILLUSTRATION OF THE CONCEPTUAL FRAMEWORK FOR THE STUDY

UNDERSTANDING FUTURESAPES: WHITE REINDEERS, GRAY RHINOS & BLACK SWANS



White Reindeer:
Highlights positive outcomes for the EU



Gray Rhino:
Predictable but ignored developments with high probability and impact



Black Swan:
Unpredictable and rare events with low probability but vast consequences

FUTUREScape BLUE: GREEN NEW CAPITALISM

High Resource Availability & Strong Influence of New Governing Systems

Following the global recession of 2023 – 2025, the US and EU market economies have finally adjusted their economic models. Not only has the green transition remained a primary objective, but policymakers have forced international business and financial markets to redistribute economic gains more widely in pursuit of “just post-carbon economies.” Green parties and activist groups have entered the political mainstream and are absorbed into the dogma of liberal open market societies. Artificial intelligence and green technologies are rapidly transforming economies of the Global North and a few allies in South Asia and Latin America, while other parts of the world remain marginalized.



White Reindeer: EU enlargement and integration have led to stronger welfare redistribution within the EU.



Gray Rhino: In the quest for critical material independence, Europe turns away from politically weak or authoritarian regimes of the Global South, with considerable destabilization as a result.

The EU as a Welfare Redistribution Machine

Economic recovery in the EU occurs only after a severe energy crisis and years of heightened inflation in the 2020s. Policymakers have relied on direct support toward citizens and relief programs as tranquilizers to alleviate costs, while pressure from labor unions, anti-capitalist movements and populist parties from right and left have resulted in a new social contract between workers and employers in European economies.

For the EU and national governments, securing social cohesion in times of high commodity prices becomes a core task, pursued not least to maintain legitimacy in implementing the green transition. The restructuring of economies benefits some European regions more than others. Thus, local and regional forms of governance gain in importance, as does distributive justice within and between member states. EU institutions put in place new tools for budgetary

transfers, infrastructure and economic development in less fortunate regions. The subsidiarity principle is frequently invoked by national governments in debates about decision-making and budget-allocation.

While the EU's mitigation pathway under the European Green Deal has been successful (emissions have dropped by 53 percent compared to 1990 levels), adaptation to climate change emerges as a central agenda item in debates. While many criticize the socio-economic growth model for having led to extreme weather events in the first place, a technocratic, tech-savvy approach to dealing with impacts dominates. As 1.5°C global surface temperature warming was reached in 2028, technologies such as air conditioning in households or costly flood protection installations provide a relatively good shield against weather extremes. Genetically Modified Organisms (GMOs) have been widely adopted in agriculture. However, the question is who has access to these technologies.

Given unequal exposure and vulnerability to natural hazards, the risk situation varies among regions and socio-economic population groups. To account for local impacts, under the European structural and investment funds, the EU initiates a new European Regional Adaptation Fund for Regions and Municipalities. Furthermore, the agricultural sector (heavily affected by crop failures induced by simultaneous drought and heat extremes in Southern and Central-Western Europe), profits from adaptation funds under a massively expanded European Agricultural Fund for Rural Development. The European Social Fund+ (ESF+) has also tripled in size, reaching €300 billion in 2028-2034, aiming to fund social, educational and professional development to support European economies that lag behind in the green transition.

EU Enlargement, but not Necessarily Deepening of Integration

As the EU has achieved economic performance levels of the years before the pandemic and Russia's war against Ukraine, it is finally willing to accept new member states. In 2028, Turkey and states in the Eastern Balkans joined the block. Ukraine, having won the war against Russia, is in the final stages of an accession process that has already tied it closely to the EU through a customs union.

Beyond normative considerations, the EU's willingness to expand membership was largely a strategic decision resulting from the need to increase

resilience through friendshoring on the continent and to diversify in response to various supply chain risks. Turkey and Ukraine offer critical resources for the Green Deal implementation (delivering gas as a transition technology and critical raw materials). These partnerships and alliances, coupled with energy partnerships beyond Europe (see below), have ensured resources remain available despite adverse geopolitics.

Major European, Asian and Northern American economies are now increasingly competing for skilled labor force (rather than natural resources). This, too, has played out in enlargement: The EU membership of Ukraine and Moldova also aims to attract skilled and educated labor. Civic engagement at the local, regional, and national level becomes an important (co-)determinant for the openness of governments toward migration. National and sub-national governments are more open where public mobilization favors safe and orderly migration. In these cases, coalitions of the willing form at different governance levels. Conversely, regions where public opinion and mobilization reject migration, a “fortress Europe” approach is pursued.

European policymakers have understood that enlargement is the EU's sharpest political tool to maintain influence in the world economy and its immediate neighborhood. However, enlargement also means that the level and speed of integration must be revisited to maintain the capacity to act: Twelve member states from Western-Central and Northern Europe – the so-called Integrated Dozen – deepen market integration and coordinate on foreign investments, tech transfers, export controls, and foreign policy. By contrast, Turkey has negotiated opt-outs. Migration of both skilled and unskilled labor leads to Poland and the Czech Republic opting out of common policies, and Hungary already having negotiated a roll-back on immigration. For the time being, the narrative of the EU as a “welfare redistributing machine” serves to appease member states so they stay together in a partnership of convenience.

A Green New Capitalism

To secure the continued availability of natural resources and materials needed for the green transition, EU members have partnered with major resource exporters, with a view to influencing prices. The EU recalibrates trade relations, aiming for energy and resource security. For this, the block heavily relies on issue linkages. For instance, the EU has expanded Just Energy Transition Partnerships (JETPs)

with India, South Africa, Indonesia and Brazil by also engaging in tech transfers and vocational training with those countries. In return, these countries have become hubs for supplying raw materials, digital technologies, and renewable energies, including green and blue hydrogen.

For the Integrated Dozen, innovation and trade mainly unfolds within a new informal Green Trade and Technology Coalition (GTTC), which includes major economies from Southern Asia, Africa and Latin America (the abovementioned states, plus Malaysia, Nigeria, and Chile, among others, but not the US and China) and accounts for 40 percent of global trade. The GTTC is the focal point of a Green New Capitalism shaped by a pragmatic, utilitarian economic rationale: It is in their mutual interest to secure market shares and economies of scale to make green technologies competitive. India cooperates on trade, but there is also competition over tech standards. The GTTC's economic leverage is impressive and functions as the motor for continued growth, but it is also subject to friction, leading to complex relationships between strategic cooperation and competition.

The EU's relative leverage within international bodies to set rules, such as on issues of digital taxation, or technology standards, diminishes in the face of the Asian States' rising power (i.e., Japan, South Korea, Vietnam, Singapore, Indonesia), each cementing stakes in specific tech design and/or production hubs. Reshaping international cooperation patterns is a matter of necessity in a difficult environment: While the US is officially an ally, economic and political rifts have repeatedly alienated the US across the Atlantic. *De facto*, strategic competition dominates in the field of technology and a quest for leadership in the green transition, e.g., through a variety of subsidies for local companies, tax breaks, and market access discrimination.

The EU struggles internally as member states and interest groups disagree about which states to cooperate with and where to allocate supply chains. While some members have focused on decreasing dependencies with China, others want to preserve economic relations. National governments of the Integrated Dozen now favor partial decoupling from China. This leads some German companies to move their production to Italy, as it is easier to continue business with China from there.

Disenfranchisement in the Global South: Brain Drain, Climate Disaster, Economic Hardship

Demographic trends, technical innovation and digitalization have forced EU members to remain open for legal migration, especially for high-skilled temporary migration, and to tolerate a certain degree of irregular migration. Governments are competing to attract skilled migrants and launch policies to speed up the education and integration of global talent. The Integrated Dozen come up with a migratory system for high-skilled and low-skilled workers, based on a point system that all can agree with, but must appease right-leaning governments by restricting the temporal validity for all work visas, and setting high hurdles for permanent residence.

As the Global North's welfare model is premised on an influx of skilled labor, a brain-drain dynamic weighs heavily on North-South relations. To mitigate this, EU economies commit to strengthening capacity building and technology transfers. However, these efforts are only backed by sufficient funding and political commitment vis-à-vis major players from the GTTC and other economies "of size." By contrast, the EU's efforts toward small Global South economies are notoriously underfunded. Those countries' discontent is exacerbated by rampant climate injustice. Developing countries in Africa and parts of Southeast Asia are most severely affected by climate impacts while having contributed least to historical emissions. What's more, their exclusion from Green New Capitalism implies a lack of access to technologies for adaptation. Consequently, competing narratives of global justice persist: one that emphasizes reaping the benefits of technology and digitalization, economic and supply chain integration, and one that advocates the opposite.

Privatization of Governance and its Discontents

The twin digital and green transition has largely produced benefits thanks to the co-mobilization of public and private capital. This development bears as a major characteristic a dependency on public-private partnerships. Private enterprises determine the terms of cooperation in a multinational model with informal characteristics à la G7 and business orientation à la World Economic Forum, where representation is shared between public servants and private businesspeople. They discuss the next frontiers of digital and green innovation, with topics ranging from supply chain governance to standardization and taxation. Quite literally, this configuration leads to unearthly ambitions, as Western enterprises begin to explore the mining of resources in outer space. The

United States and Luxembourg (on behalf of the EU) have paved the way through development grants and domestic legislation, in dubious relation to international law. Preparations for increased seabed mining are also underway, despite objections from international lawyers, UN entities, and warnings from scientists about the little understood risks.

De facto, informal fora of big tech companies regulate their own market environment. The privatization of multilateral regimes has become an alternative to traditional fora such as the UN, which struggles to advance the human rights and sustainable development agenda, with poor results. The resistance to what is perceived as a tech-savvy, growth and innovation-oriented elite is considerable, not only among the disenfranchised populations of the Global South, but also in Europe. The fight over civil liberties (such as the right to privacy) is no longer carried out primarily in courts, but in the streets. As the negative externalities from the connected world economy grow (i.e., climate adaptation, loss and damage from natural disasters, biodiversity loss, etc.), civil unrest and disobedience becomes part of everyday life. Protest pivots from the margins to the center, though protestors are still not determining the winning government coalition in most industrialized states.

FUTUREScape ORANGE: TRANSACTIONAL PRAGMATISM IN A CONFLICT-PRONE WORLD

Low Resource Availability & Strong Influence of New Governing Systems

The ongoing Russian war against Ukraine since 2022 and China's invasion of Taiwan in 2024 have further accelerated multipolarization and the relative decoupling of the international system. The EU has reformed its internal rules to adapt to growing regional interdependency and increased its resilience in a more conflict-prone multipolar world. In the face of low resource availability and the increasing influence of new governance systems involving social movements, social media platforms, and transnational companies of supra-regional outreach, a new "transactional pragmatism" in maintaining security and stability has been emerging in international relations. However, a new generation of influencers/politicians who operate in the information space as content creators, effectively shaping narratives, mobilizing activism, and influencing voting patterns, raises the risk of information manipulation.



White Reindeer: Twin digital-green transition engaging the Global South, promoted by conditional tech transactions, and the crucial role of cities as new geopolitical actors.



Gray Rhino: Social inequalities are growing, giving way to state-sanctioned welfare transfers, climate crises and rising costs of mitigation. Technology innovation can have contradictory effects on societies, as it generates huge benefits and unmanageable risks at the same time

The Russian war against Ukraine since 2022 and China's invasion of Taiwan in 2024 have further accelerated the multipolarization of the international system. Decoupling and subsequent fragmentation leaves the EU no other choice but to compete over increasingly scarce resources. While pushing for an accelerated global twin digital-green transition, access to resources in exchange for transfers of technology has become the key promise to the Union's allies. Meanwhile, the cost of non-alignment is rapidly rising, especially for small states. Non-state actors

such as transnational civil society groups and movements or tech companies fill the space, gain geopolitical importance and begin to shape this multipolar setting by competing with states for geopolitical clout. These non-state actors are rapidly gaining ground in the new order.

Confrontation in the Name of National Security

Initial efforts of multilateral institutions to avoid the increasingly confrontational stance of the US and its allies against China through economic sanctions imposed in the name of national security have failed. Most of the organizations and fora associated with the so-called post-war liberal world order had difficulties reforming to adapt in the short run. The UN made a strong case, however, for the critical importance of such global fora when it provided a setting to advocate for and define transnational compacts on global digital goods and sustainability.

New minilateral alliances, some ad-hoc, have emerged due to technological development and innovations that are playing a central role in shaping global politics, economies and society. Advances in AI, biotechnology, and digital communication have surprisingly altered the balance of power between different nations and regions in the Global South, elevating specific actors and corporations as partners and competitors to Western states. Global multipolarity is not only influenced by nation-states, but also by social movements and tech companies. They are beginning to shape the new face of international relations, making it much more transactional. The EU has managed to defend its place but is struggling to maintain it in this new environment. Increasing fragmentation is the result of the confrontation between some who are defending the old order and others who are embracing the new one, following a less principled but still strongly pragmatic new order. For the latter, resources, technology transfers and markets define international relations.

The choice often depends on the degree to which the respective economies still depend on Chinese resources and markets. After decoupling from Russia and its cheap fossil sources of energy, most EU economies have also engaged in a drastic reduction of resource imports from China. This trend has been accelerated since China's invasion of Taiwan during the 2024 Olympics. The invasion ended with partial occupation of Taiwanese territory after US military personnel were engaged to prevent further escalation, and Taiwan structurally destroyed its chip manufacturing capacity in the occupied territory. This

temporarily disrupted global chip production and provided a boost in global production adjustments. A US-led sanction regime against China was established. Along with Canada, UK, and some allies from the Global South, the US cut trade ties with China (with very few exceptions for agricultural and pharmaceutical products) and sanctioned the Chinese Communist Party (CCP) leadership. The US then threatened to impose secondary sanctions on trading partners, including the EU, if trade with China continued. Facing a difficult choice, the EU eventually united behind the US official position. A week-long blockade of the Taiwan Strait and massive pressure from the US have forced European companies to divest from China as much as possible. Remaining production sites and investments have been nationalized by the CCP.

Fragmentation of Trade and Global Goods

The global trading system is increasingly fragmented. States are trying to carve out as many advantages as possible with “my-country-first”-policies, leaving the world in a structurally unstable equilibrium of multipolarity. To cut emissions and avoid risking the disruption of supply chains, trading relationships have generally become more regional. This has strengthened the EU and its institutions to a certain degree and has allowed the Union to further integrate in key areas. It now shows that the region is the most integrated trading area in the world.

In contrast, the devastating shape of Russia's economy after it lost the war with Ukraine has forced Moscow into a greater dependence on an increasingly assertive China. The Chinese market is one of the few where Russia is still able to sell commodities. Russian companies have also shifted their exports toward the BRICS states, as many of them are desperately trying to balance and maintain their status in this fragile and fragmented context. Many developing economies are in need of both access to cheap energy from Russia and China and green technologies from the US and the EU to transition toward the green economy that limits the future effects of climate change for all.

The EU Consolidates Internally and Pushes for Reforms

Albeit consolidated internally, the relative trading position of the EU and its member states has been significantly weakened by the effects of the war and the forced decoupling from Russia and China. Meanwhile, the US and the EU are doing their best to counter Chinese investment offensives and trade deals with

partners in Africa, Asia, and Latin America. While commitment to democratic elections and the rule of law is still required on paper, the zero-sum character of winning over partners and the overall strategic goal of containing China has led to a new pragmatism in international relations.

In Europe, Germany's free trade positions and its economy have suffered most from these developments due to the country's dependence on export-driven industries and its traditional openness to foreign direct investment. Following Germany, many member states are thus constantly drafting protectionist policies within the bounds of possibility in the Western camp and abandoning principled pragmatism for a more transactional pragmatism.

New trading blocks, the deepened regional integration in Europe, and the lack of resources have pushed many of the EU's neighbors to seek EU accession. The expansion of the EU, including Turkey, is well underway, after important treaty changes and reforms regarding the decision-making process have been implemented after decades of stagnation. Qualified majority voting has been introduced in almost every policy area. The EU has become significantly more responsive.

Strong Outside, Weak Inside

Resource scarcity and the consequences of decoupling from both Russia and China have come at a great economic price. Costs of imports have increased, resulting in overall higher commodity prices and structurally high rates of inflation. This puts important constraints on public budgets across the EU as national and subnational polities must spend more money on welfare transfers and subsidies. Moreover, EU economies have witnessed further deindustrialization and an important part of the industrial labor force has lost their job or is at risk of losing it, thus accepting lower wages, and decreasing living standards.

Economic insecurity and anxiety about the future grip large segments of the European middle classes. The decline of blue-collar jobs has been accelerated by the automatization of many processes, AI adoption, and the turn toward green and digital economies. Highly skilled engineers, employees of the “knowledge economy” and the public sector have managed to stabilize their living standards. Rising taxes within the EU are driving some big fortunes and companies out of the single market. This leads to the US, the UK and some Asian economies

welcoming European “tax refugees,” leading to recurrent tensions within the Western camp.

Wealth differences within Western societies are increasing, contributing to an explosive political sentiment. Social unrest is widespread, anecdotes about private wealth or corruption scandals drive influence campaigns against ruling parties and elites. As economic inequalities rise, the demand for the redistributive powers of the state has multiplied, further fostering the turn of EU member states toward the less liberal French vision of both market economy and society. Under conditions of scarcity, the effectiveness of regulation and state interference is increasingly measured in terms of distributive justice and welfare transfers and less in terms of net welfare gains.

Political Instability Driven by Online Narratives

Massive inflows of displaced persons into Europe have driven negative public perceptions and high degrees of resistance toward migration, substantially strengthening a new wave of nativist parties. They are efficiently using social media campaigns for their political goals and the EU is increasingly under pressure to act. Member states have reacted by transferring significant power and responsibility to the EU to curb migration flows under the label of pan-European integration, driven by declining demographics. Yet, the EU is competing with evermore radical media outlets, and influencers from the left and the right fan the flames of anti-immigration discourse. Individual actors have gained ground in the new campaign-driven politics and content creators online are gaining a completely new status in society as agenda setters and opinion shapers due to their community building expertise online and their mobilization potential. As a reaction, Frontex has gained new powers and a mandate to closely cooperate with autocratic regimes in the EU's neighborhood, especially in North Africa and the Eastern Mediterranean. Ukraine, on the other hand, which remains highly dependent on aid from the EU, is becoming disillusioned as to its chances to gain EU membership, especially after Turkey's fast-tracked membership acceptance.

New Forms of Democratic Participation

Internally, most EU economies have witnessed a great rise in inequality, fostered by the high level of inflation, wars, and the political decision to decouple from China and Russia. Many citizens feel disenfranchised from politics and political parties. After voter turnout dropped, political elites turned to new elements of popular participation, such as referenda on key political questions, both on the national

and the EU level, to maintain a certain level of democratic legitimacy. This, in return, has had significant feedback effects on the party systems across Europe and favored the emergence of new political actors, including pan-European social media influencers who specialize in campaigning for high-visibility events such as referenda. The changing perception of influencers and the generational shift of Generation Z and Millennials coming into power has turned many politicians into content creators who communicate directly with their constituency or beyond, thanks to the ecosystem fostering virality on internet platforms.

Governments and opposition parties are constantly competing for these powerful individuals, who are at risk of pushing their follower-voters toward opposing positions. Populist demands on sensitive policy fields such as migration have thus become the norm, with parties outbidding each other on protectionist labor market policies, stricter policing and increased public surveillance. Governments in the US and EU member states are doing their best to shield their public debates from the now-regular influence operations initiated by competing powers to shift narratives. Foreign interference via information manipulation prior to important electoral decisions has become a widespread phenomenon, exacerbating social cleavages, but also targeting the weak links between the EU and the US, including disagreements over protectionist policies within the Western camp.

Yet, technological innovation remains a centerpiece of hope to adapt to climate change under conditions of general resource scarcity. Technological leaders in key industries such as geoengineering or AI, private companies, and state-owned institutions, are at the center of national security thinking. That has been the case since climate change has advanced on national and international agendas as an imminent threat to security and stability. Companies that sell technology to adapt to the effects of climate change have gained economic, but also political weight, since they can positively influence the implementation of political decisions. However, this is proving to be a Janus-faced trend, as big green tech companies seem to take political elites captive in Europe, particularly when it comes to investments in the security and safety of critical infrastructure.

A Zero-sum Game of Resource Allocation

The lack of resources and restricted access to fossil fuels has led to significantly lower carbon emissions within EU member states since the beginning of the

2030s. Most states have achieved national mitigation targets in line with the Paris Climate Agreement, and the EU has used its increased competences in the field to position itself as a frontrunner with regard to policies against climate change. However, emerging technologies and energy sources are not yet able to compensate for the jobs lost in traditional industries, and EU economies are thus at risk of further losing competitiveness. The EU international digital strategy, nevertheless, includes conditional technology transfers to resource-rich trading partners in the Global South to promote the twin digital-green transition.

Wherever climate protection ambitions are at risk of receding, environmental groups are voicing coordinated criticism, similar to the targeted campaigning of anti-immigration influencers. Some groups have assumed an increasingly violent posture, arguing that the inaction of states and governments in the face of climate change is an existential threat, legitimizing challenges to the state monopoly on violence. Extinction Rebellion-type groups have organized in transnational networks, are spreading across Europe and the world, and are gaining many adherents, especially among the disillusioned youth. Due to frequent extreme weather events in most member states, large parts of the public now support a swifter approach to fighting climate change.

European states are caught between the fight against climate change and the necessity of supporting those who are at risk of being left behind. It becomes increasingly difficult to mobilize the necessary financial resources and political majorities. Adaptation measures are thus increasingly pursued at the local level. Since the 2020s, cities have emerged as powerful players in the adaptation to climate change in Europe. In that respect, both semi-formal global networks and regional alliances have gained importance via urban diplomacy, challenging traditional systems of governance.

Rise of the Global South

The Global South is disproportionately affected by climate change. Calls for increased aid and technology transfers are multiplying in a context where the US and the EU are competing with China to secure access to scarce resources and enlarge their worldwide alliances. Western countries are regularly confronted with demands to finance climate adaptation in the Global South. Environmentalist and anticapitalistic activist groups welcome higher energy prices and reduced access to cheap resources for

economies in the Global North as a fair development, after centuries of colonialist exploitation and unbalanced trade relations.

Calls for climate justice continue to be raised in international negotiations, and they increasingly play out in a new forum, namely in international and national courts. Strategic climate litigation has become a cornerstone of disadvantaged populations and transnational activists. Several rulings before national courts in the EU and the US have held big polluters liable for climate damages occurring in countries of the Global South. Precedence has opened the door to class action demanding monetary compensation by private companies for climate adaptation needs. Attribution science has played a major role in this development: In the natural sciences, experts have been able to establish causal links between historical carbon emissions and the occurrence of concrete extreme weather events (e.g., rainfall extremes) and slow-onset developments threatening unique ecosystems (e.g., glacial melting). Claims for global distributive justice are thus coupled with an emphasis on recognition justice and identity politics.

FUTURESCAPE LILAC: A NEW EUROPE EMERGES FROM CHAOS

Low Resource Availability & Weak Influence of New Governing Systems

Europe has been experiencing a severe recession since the beginning of the 2020s. The EU member states have become the main actors in Europe while EU institutions have lost relevance. The EU also plays an increasingly irrelevant role in formats like the G7 or G20. In order to respond to severe socio-economic inequalities, many European governments have adopted Keynesian economic models and protectionist policies, including restrictive migration policies. The Global South itself is becoming increasingly assertive and competes with a weak Europe for resources. Nevertheless, in that challenging constellation of low resource availability and weak influence of new governance systems, green tech has boosted sustainable innovation, and the de-growth paradigm has gained considerable traction.



White Reindeer: Following devastating floods and droughts in many European states, pressure to respond to climate change leads to technological progress and innovations, e.g., in precision-farming, adapted use of materials, and nature-based solutions, which lay the foundation for Europe's new attractiveness as a trade partner.



Gray Rhino: Europe is heavily affected by the effects of climate change, since the countermeasures taken have not been sufficient.



Black Swan: EU governments increasingly detach themselves from the EU core and adopt populist zero-tolerance policies with regard, e.g., to immigration and liberal values in general.

After the Chaotic 2020s, the EU Hopes for a New Decade of Revival

By 2030, the EU has experienced significant changes with respect to its shape, institutional set-up, and political agenda. Since the 2020s, member states have gone through severe recessions and opposed further steps for European integration. Following a

financial scandal in the European Commission, the whole College of Commissioners resigned in early 2026. This event further damaged the credibility of the already weakened EU institutions. The heads of government and European Parliament elected Emmanuel Macron as the new President of the European Commission. Macron himself had to resign as President of the French Republic after his approval rating reached a historic low due to his failed reform agenda. With his ambition to revive the EU and strengthen Europe's self-reliance in international affairs, Macron has appealed to EU member states who fear Europe will be crushed by the increasingly heated geopolitical rivalry between the US, China and other emerging powers. But Macron is also unable to convince the member states to agree on a number of institutional reforms, including the adoption of qualified majority voting in the common foreign and security policy, and he remains a weak commission president. Brussels no longer has to consider the interests of Hungary and Poland, which, after many years of tension with the European Commission and other EU members, left the EU in 2026 and are seeking a close association with the UK, Norway and Ukraine.

Decline in Trade With China Comes at a Price

Since Russia's war against Ukraine, by the mid-2020s, the EU has almost entirely decoupled from Russia and its cheap fossil resources. Most EU member states also increasingly abandoned the idea of a gradual and benign democratization of China through European norm diffusion (formerly known as "change through trade") toward China, which is increasingly reckless in pursuing its interests abroad. The EU's continued value-driven foreign policies, involving due diligence and conditional checks in trade, have also led to a significant decline in trade with China and its huge consumer market in many areas – also as a result of increasing pressure from the United States, on which European security is still highly dependent. But this development has come at a high price for the EU's economy and partially contributed to a recession throughout Europe. China itself has been very effective in engaging emerging economies in Africa, Asia and South America and imposes its own vision of an international order.

Indeed, in the Global South, there is a growing sense of the economic emancipation from previous hegemonic Western partners and interest in aligning with China. But close relations with Beijing also come at a price. Many African states are locked into sovereign debt traps, and China's financing of largely unsustainable infrastructure projects has particularly filled

the pockets of corrupt local regimes and elites. Also, Russia is playing its role as an international spoiler in Sub-Saharan Africa and other vulnerable locations, after its international demotion to rogue status. As a consequence of depleting the conventional arms arsenal in Russia and in Ukraine as well as the countries that have supported it, the war has come to a standstill – but renewed warfare is always possible. The EU still supports an independent and sovereign Ukraine, but political will to invest in the country and its military is gradually declining. Russia hasn't been defeated, but is militarily weakened, and Western EU countries no longer see it as a huge threat to European security, except for Ukraine.

Due to shrinking financial resources and a persistent reluctance to engage in conflict outside their immediate neighborhood – after the experiences in Afghanistan, Iraq, and The Sahel – EU member states, along with the United States, have also done little to counter Russia's hybrid interventions in Africa and other parts of the world. But it has also increasingly become clear that the EU's focus on promoting human rights and civil liberties in its external affairs has only partially been successful in promoting liberal democratic values. While a priority on the rhetorical level, this has rarely been factually enforced in the EU's foreign relations in the past decade. Already since the mid-2020s, it has become clear that EU-initiated conditionality in trade and development aid is largely ineffective.

As a result, in 2030 and after the severe recession that gradually hit all EU countries after 2023, EU engagement with the rest of the world has again become more pragmatic, including relations with non-democratic countries important for critical raw materials and digital skilled labor. The EU is also open to all sorts of trade and no longer aims to achieve greater decoupling from authoritarian regimes. Germany's economy in particular has suffered heavily from these developments due to its export-driven industries, despite its traditional openness to foreign direct investment. Many European countries are opening their markets to foreign investors without much regulation from weak EU institutions – regimes for investment screenings failed to evolve during the recession – and EU member states compete with each other over investments from the UAE, Saudi Arabia, Kuwait, and India, to name a few. By 2030, several EU members are also on the way to intensifying their trade with Russia again, after the EU sanctions against Russia were lifted in the context of a shaky ceasefire between Russia and Ukraine in 2025.

To Counter a Severe Recession, EU States Adopt Neo-Keynesian Policies

Declining industrial production across Europe and associated job losses by the mid-2020s have led to an increasing demand for the state to correct socio-economic inequalities. Political parties across the political spectrum are trying to attract voters with promises that they will correct these inequalities. The EU seeks to mitigate public discontent, and – under pressure from several populist parties in the national governments – increasingly had to tolerate protectionist policies. This has led to increased tax rates for high-income groups and large businesses throughout the EU. While the level of economic inequality has started to fall, these measures have also prompted large transnational companies based in the EU to move to Switzerland and the UK, as well as to a number of tax paradises, such as the Isle of Man.

By the end of the decade, redistributive wealth transfer schemes are popular in many member states, and the nation-state has become a major economic player in almost every field. It is widely believed throughout Europe that the distribution of scarce resources requires centralized power that only states can provide. To counter the recession, many European states have abandoned their focus on liberal market capitalism and are increasingly adopting a neo-Keynesian economic model to face new challenges. This includes public funds to support key industries and infrastructure, but also welfare benefits to citizens. International companies and private interests have to deal with the renewed dominance of national governments in Europe. In 2030, the EU is thus increasingly driven by a rather French vision of economics and political affairs, often seeking protectionist policies and centered around the notion of self-reliance in international affairs. Given the power of populist thinking in many member states and a largely disillusioned middle class, there is huge pressure on governments to fulfill a role of guardian of their borders. Despite obvious domestic shortages in skilled and even unskilled labor, governments prevent further unskilled migration into Europe.

While the Global South Rebels Against Western Dominance, Europe Looks Inward

Many countries of the Global South, historically exploited in the context of colonialism, resource extractivism, and cheap labor, focus on fulfilling social and economic rights on their own terms. As access to resources becomes more competitive globally, countries from the Global South are increasingly vocal about their right to a fair share. Degrowth

and sacrifices in terms of living standards might be acceptable in New York or Paris, but they aren't in Bombay, Lagos, or Islamabad. The EU competes with the Global South for resources and preferential treatment in trade with the growing markets in Asia. The EU still has the ambition to call for global distributive justice but is no longer seen as a bloc significant enough to contribute to progress in this area. A "my-economy-first" narrative has become pervasive in many European countries, often in combination with a drift toward the populist right. Given the geopolitical animosities between some major economies like the US and China, civil society calls for distributive justice fall on deaf ears. In G7 countries, this is also connected to the call for (national) economic development.

This development has led to negative spillovers in the field of climate change mitigation. Fossil fuel use is still a cornerstone of industrial development policies in many parts of the Global South. The pledge made at COP26 in Glasgow in 2021 to phase down coal and phase out inefficient fossil fuel subsidies has almost been forgotten. Despite climate policy experts' calls to agree on a global date for greenhouse gas emissions to peak by the mid-2020s, large CO₂ emitters such as India and China have not changed course, and emissions in many countries of the Global South continue to rise. As a consequence, the Paris Agreement's goals increasingly appear out of reach as the world is now on a pathway toward 3°C global warming by the end of the century.

New ad hoc fora are being created between states of the Global South as they claim compensation and financial and technological transfers in return for their efforts in the global fight against climate change. As richer economies in the Global North struggle to engage in those transfers due to their own scarce resources, ecological blackmail is increasingly common. Populist leaders in Brazil and other countries are threatening to stop protecting global commons, such as the Amazon rainforest, if global distributive justice through economic development is not served. Tragically, local populations in the Global South are themselves acutely affected by this kind of geopolitical hardball as they face growing climate impacts and rampant biodiversity loss, for instance through deforestation.

Climate Effects Spur a New Policy Agenda in Europe

In addition to the dire economic situation, climate change has increasingly led to more frequent

hazards in Europe, including unprecedented precipitation variability, such as catastrophic flash floods, and long periods of extreme drought. In Southern Europe, general drought conditions coupled with additional heatwaves have led to years of crop losses. Furthermore, cattle stock is suffering heavily, both due to heat stress for animals and declining fodder quality. In Western Europe, heavy precipitation causes flooding events in several river valleys. Taken together with high inflation and strained budgets, climate impacts have put a burden on chronically underfunded public budgets in Italy, Spain, and Portugal. Although national governments are providing financial aid for affected groups and expanding funds for crisis response, it is hard to comprehensively tackle the problem of rising climate impacts and concomitant risks.

That has shifted the tide toward a rethinking of the EU policy toward the end of the decade. There is a growing awareness throughout Europe that the only way to move forward now is to adapt to climate change and try to prevent the worst consequences of natural disasters, which are felt more with every passing year. Indeed, as large population groups' health, daily lives or resource base are now directly affected, climate adaptation has become a politically important item on the agenda, for instance in national elections. Populist leaders in the member states who had so far focused largely on "my country first" policies can no longer ignore these trends. Paradoxically, they start to see that fighting the impacts of climate change and managing scarce resources is in their national interest, but – since it is not limited to borders, this is better addressed on the European level. They are thus willing to grant the EU a stronger role in this policy area, although under strict control of the member states. According to their narrative, they have drained the Brussels swamp and chased away the self-serving elites within the EU, and now want to revive the institution (without all the supranational posturing) with a new agenda that serves the "real interests" of European citizens.

EU Uses the Climate Crisis as an Incentive for Innovation

As a result, by 2030, adapted crop use, crop diversification and rotation, and adapted sowing and harvesting are among the cost-effective solutions widely adopted in Europe. Technological innovations for precision farming are also increasingly employed as a part of the EU's growing tech-savvy innovation agenda, promoted through EU adaptation funds. This is favorable to France's agenda, aiming to promote

technological innovation in intensive agriculture as a response to climate change. In urban settlements, financial resources are mobilized to promote heat- and flood-proofing in the building sector. Urban planning has increasingly gone through a paradigm shift in the adapted use of materials, greening space, and less floor sealing. Considering the role of technological innovation in the EU's strategic response to geopolitical crises, the ambition is to employ as much innovation as possible alongside nature-based solutions to adapt to climate change.

Due to strained budgets, not all technological fixes can actually be implemented in the short term. However, those adaptation measures that have proven successful spill over to other European countries and best practices are picked up across different locations. The economies of scale make cost-effective adaptation solutions across Europe feasible. Large public R&D funding, thanks to the turn to neo-Keynesianism, and private investments in the tech sector, are channeled into climate adaptation, leading to productive outputs.

De-growth Paradigm is Mainstream in European Thinking

As a result of economic decline and scarce resources since 2023, de-growth thinking has increasingly been mainstreamed in Europe. Private consumers, companies and state actors try to find innovative solutions to maintain current living standards while reducing CO₂ emissions and resource consumption. Thinking economically and rationally and managing scarce resources has become a prime quality both for the labor force and the political leadership in Europe. The overall lack of resources has shifted the priorities in Europe in investment for technical innovation in the hope of finding more efficient solutions that require fewer resources and replace high energy consumption processes, including technical solutions to better adapt to climate change. The decoupling of growth and fossil fuels has advanced in the EU (but not so much yet elsewhere) – especially since its decoupling from Russian energy resources.

Within Europe, this means closer cooperation and less regulation so innovation can thrive. As a result, huge amounts of human and financial resources are increasingly poured into R&D of artificial superintelligence and smart solutions of all kinds. By 2030, many states have effectively implemented a two-tier strategy, based on general restraint in energy and resource consumption on the one hand and an uncertain bet on technological progress in the future

on the other. Innovation with regard to digitalization, both with regard to AI-supported machine learning, and to widespread internet-of-things connectivity is very vibrant by 2030, especially after the EU dropped its strict standards that blocked large parts of private and industrial data transfer and usage.

New Hope for Europe in the Next Decade

The EU's role in international affairs has been on the decline for many years, also due to a long recession, scarce resources and populist policies. But by 2030, national and European policymakers are hopeful that the latest innovations in digital and climate technology will strengthen Europe's global position again in the next decade. They expect that innovative tech solutions to decouple growth from fossil fuels will leverage Europe's standing in trade and attractiveness as partner around the world. Indeed, in contrast to a decade ago, the bargaining chip on the side of Europe is no longer access to its internal market, but rather the transfer of innovative technologies.

FUTURESCAPE GREEN: THE EU'S RISE IN THE GEOPOLITICAL SCENE

High Resource Availability & Weak Influence of New Governing Systems

The relatively good outlook for Europe's position in the emerging geopolitical order is in no small part due to its successful green and digital transition policies after 2021. Traditional forms of state and inter-state governance prevail, with significant parts of key policies entering a more integrated and consolidated EU framework. The EU, having largely detached itself from trade relations with Russia and China, pursues norms-based strategic partnerships and cooperation across the globe. The tense US-China relations do make the EU's sandwich position still very awkward at times. However, widespread surveillance by state authorities and private operators in order to maximize the benefits of a green and digital economy has a negative impact on privacy and fundamental rights, threatening to undermine liberal democratic values.



White Reindeer: The EU succeeds in balancing interest-driven and values-based external and trade relations, achieving a new global network of partnerships.



Gray Rhino: A major health crisis as a combination of new bacterial resistances and climate change hits the underfunded EU public health systems.



Black Swan: Social inequalities and opposition to increased intrusion into the private sphere of individuals trigger mass protest and political instability.

What a Brave New World! Europe Adapts to New Realities

In 2030, there is reason for European decision makers to look at the world with a degree of optimism. The European Union continues to shape geopolitics and global trade. The global order runs in relatively settled ways. The EU has not expanded, but successfully consolidated and developed into a global player, leading in digital and green technologies for the new forms of economy. While maintaining barely any economic ties to Russia, Brussels makes pragmatic,

geopolitical equi-distance work for itself and the digital, green norms it is pushing. The European Union has managed to gain respect from China as a valuable partner for the latter's own digital, green transition. At the same time, Brussels has stepped up its trading relations with independent Ukraine, Australia, the US, India and strategic partners in the Global South, helping EU member states to diversify and reduce some critical dependencies. Yet, this relatively positive digital, green global future comes at the cost of massive surveillance capitalism, attacks on critical infrastructure, refugee flows and extreme climate events that come to haunt the EU.

Meet Your European Green Big Brother

The EU has been very successful in pursuing a greener economy, even over-fulfilling pathways toward decarbonization. As of 2030, greenhouse gas emissions have been cut by about 55 percent compared to 1990, which means that the EU has delivered on its green deal agenda even in the face of the geopolitical turbulence of the 2020s.

The green transitioning of EU economies has created new jobs and industries. While the overall unemployment rates remain stable, policies for transitioning employees from old to new industries as well as for developing disadvantaged regions (e.g., the Social Climate Fund, the European Regional Development Fund) have not gained much traction. The immense demand for skilled labor boosts the EU's objective of tailored-made immigration and training of the new labor force. Urbanization and excessive "metropolis"-ization trends coincide with widening socioeconomic inequalities, as a novel European class society is emerging, leaving significant constituencies behind and promoting the growth and consolidation of information and perception bubbles.

The EU has not expanded to the east and the southeast after all, but, instead, has successfully pushed an internal market integration of green transition and digitalization policies. Convergence in industrial policies has successfully led to a Union-wide harmonized industrial act in digital and high-tech industries. The "tech for good" agenda rises in significance as technological innovations are perceived as tools to mitigate (and, less prominently, adapt to) climate change, lower the marginal costs of their use, and increase productivity. The EU pushes digital integration, hyper-connectivity and "smartification" of everything, in the form of a European internet of things and people, anchored in the famous DG Connect Act of 2026.

Yet, this comes at a cost: Privacy shields and data protection provisions, though in place, have been considerably de-regulated and only selectively applied. This new big data surveillance capitalism has been the key mechanism for the green transition, as measures such as close individual consumer monitoring, and strict calibration of energy consumption along big data-driven steering algorithms, are all taken to serve the public good.

Bonding over Green and Digital Interests

Sustainable development survives as a guiding principle of EU member states' foreign policy and trade relations. In fact, the EU shows that growth detached from fossil fuels is feasible and sustainability is profitable. Showcasing the feasibility and profitability of digital, green transitions convinces countries like China, India, Brazil, South Africa and other previously reluctant stakeholders to find and pursue their own transition pathway in close partnership with the EU. Other strategic trading partners, particularly those like-minded in the Indo-Pacific, such as US, Canada, Australia, New Zealand, Japan, and South Korea, have successfully walked their own digital, green transition paths in close cooperation with one another and in relative coordination with European stakeholders. Brussels has found a pragmatic position, balancing between these multiple geopolitical camps, and successfully decoupling its economic growth and prosperity from fossil fuels at the expense of drawing critical resources and inputs for high tech goods from (almost) all countries, whatever their regime type.

The only exception to this is Russia – along with unprofitable North Korea and Syria. Over the course of Russia's war against Ukraine in 2022-2024, the EU has completely de-coupled from Russia. Instead, Ukraine has become an invaluable economic partner for the EU. Since its victory over Russia, Ukraine has used its vast natural reserves of rare earth minerals and other critical resources to boost its trade relations. This has resulted not only in an unprecedentedly fast re-building of the country, but also in a new dimension of relations to the EU. With its new-found economic strength and military power, Ukraine does not pursue EU membership, but prefers close relations and seeks to develop geopolitical agency as the largest non-EU state in Europe. Brussels accommodates this by, among other things, relaunching large parts of European solar cell production in Ukraine while maintaining a working supply chain with stakeholders in China. Overall, these trade developments have a protectionist flavor, but do not upend the World Trade Organization (WTO) completely. The WTO's

tariff standards persist as a minimum fallback regime for trade relationships with countries with which trade is not considered strategically essential.

Struggling with Hybrid Wars, Climate Refugees, and Public Health Crises

Multilateral institutions and international organizations have remained stalled and ineffective in addressing the diverse threats to security. Russia's vetoes and destructive proposals continue to impede the United Nations Security Council in functioning efficiently. The United Nations Climate Change Conferences offer a platform for mutual condemnations of inaction or slow action. This comes at the cost of international cooperation between states, from sharing knowledge to drafting regulation for new and dual-use technologies. Instead, states seek new forms of multilateralism, such as close partnerships with private stakeholders or regional governmental initiatives. The EU's green and digital transition and policy consolidation has included close cooperation with and from European companies.

While "hot wars" and the use of direct military force do not concern the EU directly, hybrid wars are increasing in terms of scope and severity. Hybrid forms of attack from independently acting or state-sponsored non-state actors exploit the vulnerabilities of the EU and its partners' hyperconnectivity and smartification, particularly targeting the increasing range of critical infrastructure and data.

Weather and climate extremes increasingly interact with each other, as well as with other non-climatic risk factors. In the summer of 2029, concurrent heatwaves have led to simultaneous crop failures in the United States, Ukraine, Eastern European states and Central Asia (multiple breadbasket failures); heat and rainfall extremes in Sub-Saharan Africa have diminished agricultural yields. Food insecurity and shortages augment systemic failures in less-developed states of Sub-Saharan Africa, Wider Europe and Central Asia, fueling conflict and economic and political instabilities. The lack of effective measures to avert and address implications – other than ad hoc humanitarian aid – aggravate the situation and force many to flee.

The EU faces growing migration flows from Africa, Wider Europe and Central Asia. However, most people are either internally displaced or flee to neighboring countries. Since there is still no legal protection regime to accommodate people internationally displaced by climate change, the management of

climate-related displacement is handled in an ad hoc manner and at the regional level. As it fails to find agreement internally on the admission – let alone redistribution – of displaced persons, only Northern and Western-Central European countries admit migrants, without, however, officially recognizing climate displacement as a reason to grant asylum.

The EU focuses on delivering significant financial aid to countries of origin, the hotspots of the climate crisis. Funds are channeled to the respective governments through bilateral aid or European packages, but governments in countries of origin often fail to consider vulnerabilities of especially affected groups (e.g., agriculturally dependent and politically disadvantaged populations). Therefore, the EU's adaptation funding is largely ineffective, and in some cases even fuels corruption and mismanagement. The EU and its member states have largely underestimated the socio-economic and health impacts from crop failures, heat waves, and irregular precipitation patterns. Dramatic consequences in 2028-2029 include an unprecedented heat stress-induced excess mortality in Europe, and soil erosion and landslides in coastal and riverine areas of Western and Central Europe. Furthermore, microplastic pollution is increasingly accompanied by costs to health care and loss of productivity. With persistent anti-microbial resistance, the EU faces multiple, recurring public health crisis risks, which leads to an extensive investment in health research, along with a long-overdue restructuring of the health sector.

Looking Backward and Looking Forward: What if ...?

By envisioning a range of possible scenarios, the futurescapes we developed are meant to encourage a departure from linear thinking and prepare the reader to navigate uncertainty with greater agility. Similar exercises might help political organizations like the European Commission to better prepare for mitigating risks the EU faces in the near future.

By exploring divergent trajectories while focusing on the same drivers under different conditions of our selected megatrends, the exercise has exposed hidden assumptions and biases that might otherwise be overlooked in more traditional, probabilistic policy forecasting, such as continuous global economic growth, or gradual progress toward further European integration. While forecasting has its merits, it mostly involves extrapolating past trends and patterns to estimate and predict future values quantitatively. Strategic foresight, instead, may help to foster a more holistic alternative or potential reality by identifying potential risks and opportunities across a spectrum of future developments. Foresight is used to identify emerging trends, uncertainties, and discontinuities that could shape the near future of the EU, such as the green transition, digitalization and technological disruptions, geopolitical power and (geo-) economic shifts, and migration flows – scenarios that help European leaders craft more resilient strategies to counter the inherent volatility of global affairs.

What amplifies its effectiveness is the participatory nature of scenario planning. The writing team of this report consists of a diverse set of authors with expertise in various policy areas. We believe a transdisciplinary approach and engagement across topic areas during different stages of scenario development – writing, editing, and presenting results – injects a rich array of perspectives, fostering a comprehensive

understanding of the dynamics that could shape Europe's geopolitical positioning in 2030. In a rapidly evolving reality, where uncertainty is the only constant, the potency of scenario planning lies in its capacity to empower both decision-makers and civil society with the tools to envision, adapt, and thrive in an array of plausible futures.

With this report, we hope to not only engage experts who are involved in policy planning, but also readers beyond the traditional policy community. The scenarios mapped out in this publication may indeed be of interest to broader audiences that are curious about the future of Europe and its role in the world, such as advocacy nongovernmental organizations (NGOs); business associations looking to develop international trade and emerging markets; consumers worried about global supply chains; and citizens wondering about European security amid economic turmoil, a growing climate crisis, and uncertainty regarding the war against Ukraine, or the current escalation in the Israeli-Palestinian conflict

Lastly, our scenarios should generate productive irritations in the form of “what-if” questions, rather than easy-to-digest, bullet-pointed “to-dos.” All four futurescapes envisioned in the writing process and reproduced in short form in this report aim to spur an uninhibited consideration of the challenges, threats and opportunities that the future European Union might face. In this spirit, we do not aim to prescribe any specific actions in the form of concrete policy recommendations. Rather, we invite the reader to consider certain key issues when envisioning the characteristics of Europe's future and its capacity to act. To that end, the four scenarios help generate questions to stimulate further discussion, instead of claiming to deliver quick-fix answers. Some of these questions concern classical but thus far unresolved issues of EU affairs, such as whether further EU enlargement is possible without prior EU reform, while others concern novel developments in areas like technology or the green transition. These key issue areas have been extrapolated during the envisioning and writing of the futurescapes, but they are relevant more generally as cross-cutting and overarching issues that are relevant beyond the scenarios described below. Not least, the four reference scenarios provide four divergent geopolitical and societal constellations which could serve as alternative interpretative frameworks for assessing the evolution of conflicts, such as that between Russia and the Ukraine, or between Israel and Hamas.

FUTUREScape BLUE: GREEN NEW CAPITALISM

EU enlargement may emerge as the sharpest geopolitical tool in times of multiple crises. In the medium-term, an extended membership that includes, for example, countries of Eastern Europe and the Balkans has the potential to address natural resource constraints, reduce economic dependencies, and strengthen the EU's position vis-à-vis authoritarian states' influence in Wider Europe. Despite these advantages of friend-shoring and integration, the 27 current EU member states have not yet reached a consensus to move toward a swift and determined enlargement policy that would realistically grant membership to a host of new countries by 2030. One may thus wonder about the underlying conditions that could spur EU leaders to move ahead seriously on integration. Could the persistence of economic crises (e.g., due to long-term recessions, high inflation, or a shortage of labor) and new geopolitical risks (like fears of fragmentation in the neighborhood) motivate member states to change course and pave the way toward enlargement? In other words, if a period of relative economic and political stability did not lead to EU enlargement, perhaps a context of new geopolitical and geoeconomic challenges could?

With the growing role of private companies as standard setters, norms and standards may become more fragmented, posing a risk to the effectiveness of international governance. Perhaps counter-intuitively, the (still state-centric) international governance system may benefit from giving the private sector a greater role in institutional standard-setting – rather than just turning a blind eye to the influence of multinational companies in the global economy. Could well-defined mandates, where private entities hold certain rights and are subject to obligations, lead to buy-in from the private sector while also reinforcing accountability? The International Telecommunications Union (ITU), with its combined public and private membership, may serve as a historical reference point. At the same time, civil society participation would need to be strengthened to avoid undue and biased corporate influence over international institutions. Can democratic states advocate for a well-balanced reform that takes effectiveness, justice and inclusivity considerations into account – and how?

FUTUREScape ORANGE: TRANSACTIONAL PRAGMATISM IN A CONFLICT-PRONE WORLD

The EU prioritizes international agreements to prevent protectionist policies and foster a multipolar balance. It does so through collaborative efforts prioritizing stability and sustainability. Regional trading partnerships for emissions reduction and supply chain resilience might need technology and resource exchanges in order to support the transition to a green economy. Extending conditional technology transfers to empower the Global South, while securing competitive alliances, seems a likely development considering the multipolarity of the global stage. The US seems to remain the most likely partner to address cohesion, resource constraints and imbalanced investments. The scenario is characterized by adaptive pragmatism. Protectionist measures and deepened integration strengthen resilience, while tech innovation and oversight of green tech companies ensure security, sovereignty, and inclusive democracy. As global trade fragmentation seems imminent, how will the EU stitch together an innovative and integrated trade strategy for global resilience and competitiveness?

The EU has the right tools to strengthen social safety nets, promote equitable wage growth and address wealth disparities. In addition, the disruption that artificial intelligence and the green transition will bring should be accompanied by investing in upskilling, re-skilling, and innovation to navigate shifts in the job market. Both clear and transparent communication and a cohesive migration policy will be key to address growing political and economic grievances. Several approaches to more direct democratic participation are possible, the most obvious one being referenda for national and EU-level decisions to bolster democratic legitimacy and engage citizens directly. Another is to capitalize on the power of emerging political actors, including social media influencers, to reshape political discourse and promote a digital ecosystem that enables more direct communication. Because the focus will shift to digital solutions to strengthen democracy, robust cybersecurity measures and approaches to managing narratives will be required to stem vulnerabilities such as foreign interference and the manipulation of information. Can the EU pioneer new avenues of democratic engagement to counter political instability caused by increasing migration, the perception of a political disconnect, and growing inequality, and economic insecurity?

FUTURESCAPE LILAC: A NEW EUROPE EMERGES FROM CHAOS

One question dealt with in the lilac futurescape is what happens if populist parties gain increasing power in the EU member states and bring integration to a halt, or even reverse it. European integration has undoubtedly been successful in preventing re-newed warfare between EU countries, and in bringing economic benefits to all members. The goal of “ever closer Union” in the EU treaties supports the widely held assumption that European integration is, despite occasional setbacks, a progression toward further integration in different policy areas at different speeds. But as Brexit has shown, there is no guarantee for that. What happens if more and more populist parties gain power, and – in order to fulfil their longstanding political demands – begin to claw back powers to the national level? How would the EU deal with the loss of relevance and what function could it still serve? And what are the chances that even those who are most vocal about shifting powers back to the national level realize that some problems, such as climate change, can only be effectively addressed via international cooperation and coordination; would they be willing to shift power back to the EU level? Related to that, what are the chances that those most sceptical about the threat of climate change today will recognize that addressing the issue also offers a business opportunity for Europe?

The Lilac scenario also deals with the the lack of natural resources as a key strategic dilemma for the EU. To address it, the EU has two options. It can choose to maintain a web of trade relations around the world to supply its industries, although this approach will always involve dependencies that other countries can exploit at a vulnerable moment. Or, another option for Europe, born out of necessity and a result of economic decline, could be to downgrade European consumption and industrial production. The question is: Would European citizens and governments be open for a new approach to everyday life and politics, for example the acceptance of degrowth? Could “negative” economic development in Europe lead to a fundamental shift in mentality that, arguably, might have never had a chance to become mainstream in a rather “positive” economic growth scenario?

FUTURESCAPE GREEN: THE EU'S RISE ON THE GEOPOLITICAL SCENE

Brussels is very familiar with the limits of its geopolitical agency, but this futurescape portrays the EU as a potent and consolidated actor on the international stage. The EU proves itself capable of sharing its best practices in the digital and green transition, but mutates into a (benevolent) surveillance superstructure at the same time. The EU can pull off its green and digital transition, but how can it mitigate the unilateral power of private stakeholders and maintain its values and interests in data protection and privacy rights?

Independent of its EU membership, this futurescape depicts how Ukraine can be an important partner for the EU, supporting the latter's diversification of supply chains and thereby Brussels' digital and green transition with, for example, rare earth minerals and manufacturing capabilities. Thus, how can the EU form a mutually beneficial partnership with Ukraine now, with a view to rebuilding Ukraine and fostering the European green and digital transition?



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