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Futures(s) of Europe

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In 2020 a Conference on the Future of Europe is to be launched. The ambitions in facing such an initiative will be measured, on the one hand, against the lessons of the past and, on the other, against the global trends that can already be recognised. What is sure is that it is high time for progressives to leave behind the inertia of the past and seize the opportunity to be more proactive in trying to shape our future and the global order that is unfolding. With this in mind, we here identify the future scenarios that could develop, given the present situations and the many multifaceted challenges that lie ahead – from climate change to digitalisation, and from the persisting tensions in the Middle East to the question of how to manage migration, Trump's provocations and the threats to multilateralism.

This year of 2020 starts with big questions about the direction of the next decade, for the world, for Europe and for each of us. Is this the decade where humankind will:

- Recognise the vital need to reconcile with its planet? Or reach the point of no return on climate change?
- Bridge tensions among different countries and civilisations? Or move to a fragmented world order?
- Master the potential of an expanding virtual reality in interaction with our traditional material and spiritual reality? Or lose control of both?

And what role will Europeans be able to play in all of this? Or are we heading into a perfect storm because humankind will be too divided by identitarian and nationalistic causes to address its global common concerns? Will Europeans even become irrelevant because they too are too divided?

A Conference on the Future of Europe will be launched in 2020. What should be the level of ambition of such a conference if we learn from past experience, notably with the European Convention which led to a Constitutional Treaty? Let us start by identifying possible futures and possible choices.

Megatrends

For the next decade, some megatrends can already be identified:

- A major rebalancing of global economic activity towards Asia and the emergence of China as the second biggest global payer.
- Different manifestations of climate change and increasing pressure on natural resources.
- Larger migration flows, ageing continents (except Africa), lower absolute poverty but higher social inequalities.
- Digital transformation in all sectors, lower levels of economic growth and net job creation, the emergence of financial bubbles.

These trends will also be happening in Europe, at a time when a major reorganisation of the continent takes shape as one of its major economies leaves the European Union.

Wild cards

Nevertheless, there are also wild cards. Some of these cannot yet be identified, but among those that can are:

- Wild cards with negative consequences: what if major climate disasters take place, such as the fires currently blazing in Australia? What if major migration flows unfold? What if a serious confrontation explodes in the Middle East as a consequence of Trump's provocations? What if digital tools are developed to unleash major cyberattacks? What if nationalism and great-power games become the main political culture across the world? What if a new financial bubble implodes in the financial system? What if multilateral institutions seem paralysed on the different fronts?
- Wild cards with positive consequences: what if a Democratic president is elected in the USA this year? What if a real global commitment is taken in Glasgow to implement the Paris Agreement on climate change? What if trade agreements start being used to raise social and environmental standards? What if the Sustainable Development Goals (SDGs) are translated into binding plans in those countries taking the lead? What if there is a global agreement on introducing digital taxation? What if the post-Brexit agreement does not undermine EU social standards? What if the alliance for multilateralism becomes stronger across the world?

It is against this general background that some possible futures of Europe can be identified.

Scenario n°1: "Status quo/inertia"

The too little too late scenario would continue despite the actors at the top of the European political system being renewed. The newly announced geopolitical EU would be absorbed and weakened by post-Brexit complications. The EU strategic partnerships and trade agreements with other major global actors would be used neither to support the upward convergence of environmental and social standards nor to strengthen the multilateral system. A European for-

eign policy would find it difficult to assert itself, even in cases of major international conflict, due to the unanimity voting rule. The development of a European defence capacity would remain hesitant and with ambiguities regarding engagement with NATO. The new partnership with Africa would be disappointing and clearly below China's engagement with this continent.

In a world of Trump and Xi, with two competing world orders, the EU would slide towards a secondary position in political and technological terms, even if the size of its market remains relevant and interesting. The EU would fail to become a relevant geopolitical actor through a lack of vision and ambition, and also through a lack of internal cohesion.

The internal deliberation within the EU about the multiannual financial framework (MFF) would result in a mediocre budget, unable to support all its member states and citizens to conduct a successful transition to a low-carbon, smart and inclusive economy. This transition would be slow and unbalanced across the continent, with some regions advanced but with many lagging behind. The new Green Deal would remain an undelivered promise or even a source of new social problems in certain European regions.

Meanwhile the digital revolution, driven by American standards, would extend precarious work and undermine the financial basis of the existing social protection schemes. The general deficit of strategic public and private investment would remain evident due to a conservative banking and financial system, conservative budgetary rule, and the political inability to complete a banking union and create a budgetary capacity in the eurozone.

The creation of jobs would therefore remain sluggish and the systemic difficulties of sustaining and renewing the European welfare systems would increase social anxiety, particularly among the younger generations while the baby boom generation enters retirement age. Migration inflows would increase in the face of internal resistance to manage and integrate them as a dynamic factor for European societies.

Underpinning all this inertia we can find not only political hesitation, but also passive and active resistance to real European solutions, in order to protect private vested interests, promote national preferences whatever the collective costs or just to assert the viewpoint of authoritarian and conservative governments.

This would be a very disappointing scenario of external and internal decline. But it is possible to identify another plausible scenario which is even more daunting...

Scenario n°2: “Nationalistic fragmentation”

A shift to inward-looking and nationalistic attitudes might spread across the world in the face of different insecurities: climate disturbances, conflicts over natural resources, technological change and job losses, migration inflows, security threats. The European political landscape

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would also move in this direction, building on the weak links of Hungary, Poland, Italy, France and Germany.

A UK led by Johnson would strengthen this trend from the outside by developing a special partnership with a USA led by Trump, which would undermine European solidarities on a permanent basis. The same would happen from a Russia led by Putin and a China led by Xi. The digital revolution driven by an American-Chinese war on spheres of influence would do the rest to turn Europe into an attractive land for this guerrilla action.

In such a scenario, the European Green Deal would fail through a lack of basic political and financial conditions – starting with the incapacity to agree on a multiannual EU budget, not to mention the minimum financial instruments to make the eurozone sustainable in the longer term.

Deeper regional and social differences, despite some nationalistic social protection schemes, would increase Euroscepticism and Eurocriticism everywhere, leading to a decrease in democratic participation at all levels. The inability to define a European policy to manage migration and to set a new partnership with Africa would multiply the tragedies of rejected migrants and refugees, and create a cultural hostility to any kind of foreign presence.

The survival of the European Union would be at stake, when it comes not only to the political union but also to the European single market with a common *acquis* of economic, social and political standards.

Scenario n°3: “Liberal-Green European revival”

A coalition of forces in Europe would relaunch the European project with the triple ambition of responding to climate change, driving EU trade agreements and building up a European defence capacity, despite American resistance.

The European single market would also be defended in its four freedoms despite the attempts of an American-British alliance to undermine it, notably by using the digital revolution and the re-design of global supply chains. Nevertheless, a serious attempt to ensure a win-win relationship with a UK out of the EU would also be key in this scenario.

Internal regional and social inequalities would increase due to the lack of active European industrial, regional, social and taxation policies. Migration inflows would be better managed and would contribute to limiting the demographic decline, but would deepen these social inequalities.

The attention to be paid to the rule of law and to political rights at European level would limit the possibility of nationalistic and authoritarian surges in EU member states, but European citizenship would remain poor when it comes to social rights, education opportunities and real economic chances. The EU project would be modernised but would remain a technocratic and elitist project.

Scenario n°4: “European citizenship at the core of a new European project”

There are moments of paradigm shift.

A stronger sense of European citizenship would lead to the construction of new key-tools of European sovereignty to respond to common challenges while reducing internal differences: a stronger European budget for research, innovation and industrial policy, for energy, digital and mobility infrastructures, as well as for defence capabilities; but also a stronger budget to reduce internal differences in the access to new technological solutions, to education and to social protection. This would require new sources of taxation to be launched and coordinated at European level to ensure more tax convergence.

This European sovereignty would also be translated into a more active role on the international scene when it comes to developing strategic partnerships, building up coalitions and strengthening the multilateral system to bring about more effective responses to the new global challenges: fighting climate change, fostering sustainable development, driving the digital revolution, reducing social inequalities, promoting democracy and human rights, ensuring peace and security. A crucial test would be the European capacity to cooperate with Africa for a visible leap forward on sustainable development, education, gender equality, peace and democratic governance.

The external influence of Europe would increase, not just as a big market but also as a geopolitical entity acting in all dimensions – economic, financial, social, political and cultural. This external influence would be higher if Europe could lead by example when it comes to responding to climate change with social fairness, driving the digital revolution for better working and living conditions, gender equality, updating social rights and strengthening an inclusive welfare system, developing scientific and cultural creativity, and deepening democracy at all levels.

Nevertheless, a big question remains: what might trigger such a scenario to unfold? A climate disaster? A cyberattack? New financial turmoil? The failure of particular social rights? Or a higher awareness and ambition of European citizens themselves, as is happening with climate change?

Whatever happens, the critical factor will be progressive European leadership to turn European citizenship into a new political force able to overturn the inertia of the past.

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