DAHRENDORF FORUM

Debating Europe

European Union in the World 2025

Scenarios for EU relations with its neighbours and strategic partners

Edited by Monika Sus und Franziska Pfeifer

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Introduction

Who would have thought a decade ago that not only the European Union but also its neighbourhood both in the East and in the South would have been turned upside down due to a series of crises? Back in 2006 the EU had gone through a successful 'big bang' enlargement absorbing ten Central and Eastern European countries and was about to take two more states on board. The economy was doing well, ideas for establishing a 'ring of friends' in the immediate neighbourhood were flowering and Russia was seen as a close partner. Yet things have gone differently than one might have expected. The financial crisis, the Arab Spring and its consequences, the Russian annexation of Crimea and the war in Ukraine, the development of ISIS, the war in Syria and the growing number of refugees and migrants from North Africa and the Middle East are challenges the European Union has been facing in recent years.

Although the predictions of the end of the European project seem to be premature, it has become obvious that the EU is in a serious crisis, both as an idea and as an organisation and international actor. Therefore simply reacting to crises is no longer an option. The EU desperately needs to think and act strategically if it wants to survive and to have any influence on the global stage. Above all, it needs to define its future-oriented interests and how these interests can be reconciled with values that the EU attempts to project and protect. Setting out a forward-looking strategy for the relations between the EU and its neighbours and strategic partners is challenging particularly because of the unending impact of globalisation, which makes foresight analysis even more difficult than before. However, it is a vital exercise if the EU wants to have an idea of how it will look in 2025 and what economic, social and intellectual tools to gird itself with.

Against this backdrop, the Dahrendorf Forum – Debating Europe initiated a foresight project which aimed to set out different scenarios for the future relationship between the European Union and the five countries/regions of the Dahrendorf Forum: Ukraine and Russia, Turkey, MENA, United States and China. The alternative futures engage in defining the most likely trajectories, downside risks, new trends and 'unknown unknowns'. By reflecting the forward-looking challenges, the Dahrendorf Foresight Project tries to assess the EU's role in the world in 2025. Furthermore, the project's goal is to contribute to the further advancement of European foreign policy towards the respective regions/countries by equipping respective policymakers with indicators for the scenarios which make them able to recognise possible futures at an early stage (and in worst cases prevent them from happening).

There are two main reasons why we decided to use the foresight methodology. First of all, decision-making in a volatile, uncertain, complex and ambiguous world can quickly become a costly and risky endeavour—especially in the realm of foreign and security affairs. Foresight analysis is one of the most powerful analytic methods and lowers the risks, widens decision makers' perspectives and provides them with policy options. Secondly, this methodology helps experts and political advisors to undertake estimative analysis, which involves thinking systematically about the various ways the future is likely to unfold and what is most likely to determine the eventual outcome. What is important to underline is that the objective of foresight analysis is not to predict the future but to generate a solid set of scenarios that can bound the range of plausible alternative futures. Foresight analysis is most useful when a situation is complex and the outcomes too uncertain to trust a single prediction. It has proven highly effective in helping analysts and decision makers contemplate multiple futures, challenge their assumptions and anticipate surprise developments by identifying 'unknown unknowns'—i.e. factors, forces or players that one did not realise were important or influential before commencing the exercise.

The generation of scenarios within the Dahrendorf Foresight Project was conducted in a four-step process. In a first stage the project participants entered into a critical review of their key assumptions regarding the relations between the European Union and the respective country/region and discussed what insights they provide in helping to identify key drivers that are most likely to shape the future trajectory of the selected relationship. Next, facilitators led the group in a structured brainstorming exercise to develop a set of key drivers. The group then selected four to six drivers that best captured the greatest uncertainties over the next ten years. The key drivers were presented with a spectrum of defined end points as well as a list of key characteristics. Following the 'Multiple Scenarios Generation'[1] methodology, these key drivers were checked for their validity. In the next step, participants broken into small groups generated distinct scenarios based on two different pairings of key drivers. Having completed this process, each group was asked to select the two most attention-deserving scenarios to present to the entire group. With the assistance of the facilitators, the entire group then identified candidate scenarios that best satisfied several or the entire previously discussed list of selection criteria: mainstream scenario, downside risk scenario, opportunity scenario and emerging trend scenario. Short narratives written at the end of the workshops laid the ground for the developing of the final scenarios presented in this publication. Each scenario includes a label with a short abstract, relevant key drivers, key characteristics, a short chronology, indicators which will help gauge the unfolding of the scenario and implications.

From the very beginning, the Dahrendorf Foresight Project was intended to be a collective learning exercise. Thus, our aim was to involve in the scenario workshops a great variety of people from academia, think tanks and institutions both on the European and the national level. Moreover, since the non-European perspective is crucial to the Dahrendorf Forum, we invited several experts from outside Europe to join us in generating the scenarios. Altogether over 80 people took part in the project. Their names and institutional affiliations are listed at the end of the publication. All authors were involved in the project in their personal capacities and their opinions do not reflect the views of the institutions they work for.

Acknowledgments

First and foremost we would like to thank all participants of the workshops and especially the authors of the scenarios. They have put tremendous effort into writing up the different steps involved in the scenario process and created these unique alternative futures. A special thank you also goes to our workshop facilitators Randolph H. Pherson (Globalytica) and Oliver Gnad (Gesellschaft für Internationale Zusammenarbeit), who put all their expertise into making the Dahrendorf Foresight Process a success. Last but not least we want to thank Stiftung Mercator for giving us the opportunity to undertake this adventure of looking into the EU's future relations with the regions involved in the Dahrendorf Forum.

1. For more about the methodology see: Structured Analytic Techniques for Intelligence Analysis by Richards J. Heuer Jr. and Randolph H. Pherson (eds.), CQ Press; 2014.

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EU Hegemony by Default

In the year 2025, the relationship between the US and the EU will be more symmetric than it is today. This is not the result of an intentional strategy, such as a conscious policy of balancing by the EU, but a result of the EU's reactions in light of the US' slow withdrawal from international engagement. The EU is left as the most powerful actor willing to manage the international system, and so begins to inherit the mantle of hegemonic leader.

Driving Forces

The scenario is motivated by two key drivers. First, a weakening common transatlantic culture; meaning increasing difficulty finding common ground on basic political principles such as trade liberalization, market regulation, privacy protections, pluralism, the pursuit of security, and the role of global governance institutions. Second, a strengthening political cohesion within the European Union due to the necessity of forging common policy responses to common challenges, such as migration and terrorism, and shared strategies for policy implementation.

US Withdrawal and EU Convergence

In June 2016 the United Kingdom—against the expectations of many—decides to stay in the EU, somewhat restoring trust in the European integration project. The decision of the UK to remain in the EU is based in large part on its belief that it can better deal with migration flows, terrorist violence and economic stability from within the EU. As a result of this belief, and the relief of European partners at having avoided EU collapse, EU member states engage in renewed efforts to cooperate on a range of issues, but most notably foreign and security policy. The core EU member states cooperate more intensely on border security and on managing the flow of migrants. The UK, in particular, takes an active role in shaping EU foreign policy, especially in the Middle East and in negotiations over a political resolution to the Syrian civil war.

In November 2016 a populist president is elected in the US. The new president shifts the political focus to domestic issues and no longer wants the US to be a global hegemon playing the role of the world's policeman. Reflecting sentiment within Congress and among the general public, the new president has run on a campaign that is skeptical of free trade agreements, that sees past US interventions in the Middle East as a partial cause of current unrest in the region, and that has promised to refocus attention on domestic social and economic issues.

The president's first term is marked by a reduction of the US' visible military footprint overseas, and by the end of 2017 the US has withdrawn most of its troops from bases in the Middle East, leaving only small contingents of special forces and military advisors to allies in the region. Partisan gridlock impedes active international engagement and hinders US strategic leadership in both security issues and economic cooperation. The US relies on a limited toolbox in its response to international conflicts, including clandestine operations, arms transfers, and the deployment of military advisers to conflict situations. As a result, the US is increasingly serving as a backup force for EU- and UN-led operations. The EU increasingly takes on an agenda-setting role in international conflicts, while the US takes on a supporting role to this agenda, and the UN becomes the primary supplier of (peacekeeping) troops. In the area of trade, the US is dragging its feet on liberalization negotiations as a result of domestic resistance, while China moves ahead with a number of regional agreements. Major European powers, like the UK and Germany, become increasingly frustrated with the US and start to realize that the solution to their own foreign policy problems will no longer come from Washington.

Over the year 2017-18, one million migrants and asylum seekers continue to arrive within the European Union. As the refugee crisis in Europe intensifies, the European public and EU decision makers are forced into action. Without any hope that the conflicts in the Middle East will be resolved in a way that restores stability and yields migrant return, and with the realization that migrants will continue to flow from Africa, the EU finally agrees to a more assertive common foreign policy. A common agreement on securing EU borders based on the model of the EU-Turkey deal proves successful. The formula of "1 for 1," meaning that the EU sends back irregular migrants to third states and in turn accepts corresponding contingents of refugees for resettlement in the EU, is expanded to other countries, including the Maghreb states and some of the EU's eastern neighbors. With the perception that the EU is making progress in securing its borders, EU member states reluctantly agree to distribute some of the refugees more widely among EU member states. This creates new momentum for common action in other policy areas as well. For example, EU member states pool their diplomatic resources and delegate more initiative for foreign policy to the EU Commission. The EU works with the UN to push for stability in Syria and Libya, and it partners with China to invest in Africa. It retains friendly relations with the US, but increasingly sees the US in a supportive rather than leading role.

The result of these trends is that the EU takes on more responsibility in regional and global affairs in 2025. The US has largely withdrawn from international politics, partly because of the priorities of the president and the public, and partly due to the general dysfunction and gridlock of the political system. Because of the US' lack of commitment, NATO is no longer relevant. The EU member states begin to invest more heavily in technology with military capability and they begin to pursue military integration, but remain committed to putting no or few troops on the ground. Without the US as a strong supporter, the UN becomes less important as an agenda setter, but it becomes much more important as a source of international troops. Agenda setting and cooperation shift to regional organizations, so that the EU increases diplomacy with organizational counterparts in other regions, such as the African Union and Shanghai Cooperation Organization. To some degree this reduces tensions with Russia, as Moscow sees the EU as much less threatening than NATO and the EU sees the need to cooperate with Russia in Syria and Iran. With NATO largely dormant, Russia does not feel as threatened by Eastern European countries seeking closer relations with the European Union. The EU looks for new partners and allies internationally, some of which can be found among emerging powers, especially the democratic ones (such as Brazil, India and South Africa). These relationships are characterised by pragmatic à la carte cooperation in selected issue areas. The EU and the US coexist peacefully, but the special relationship is diluted. There is a certain degree of economic rivalry, especially with regard to trade liberalization, market regulation, and natural resources. There are conflicts on specific policy issues, such as how to deal with China or Iran.

Indicators

- Shift in US foreign policy strategy from a leadership role to a supportive role, with little agenda-setting power as a result of domestic gridlock and the collapse of a consensus between the President and Congress on how best to use American power abroad
- It becomes undeniable to EU leaders and the public that the status quo can't continue. Muddling through is no longer an option
- The EU achieves a major step toward common policy first in border security and then, more broadly, in other foreign policy issues, such as its role in settling the Syrian conflict
- Alienation or rift between the US and the EU on a significant issue such as the future of NATO, the future of TTIP or engagement with US rivals such as China and Iran
- The EU role in the world becomes more controversial, while resentment against the US drops and its soft power increases

Taking over the Baton

EU policymakers should prepare for a world without a proactive US hegemon. Coordinating foreign and military cooperation at the EU level will be critical for the achievement of European interests. Being forced to clarify its own priorities can also be an opportunity for the EU. Rather than being merely reactive to developments in the US, European governments realize that they have a stake in international politics and start to play a greater and more concerted role.

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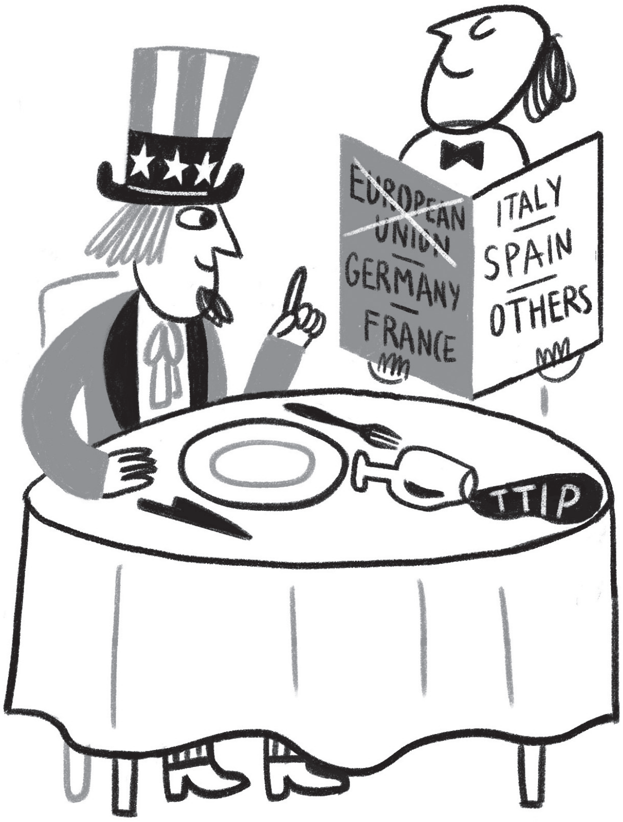

Dinner à la carte

In this scenario the EU consequently loses its cohesion over the course of the years until 2025. Although the US and the EU member states experience an intensification of mutual values in their transatlantic culture, they focus on strengthening bilateral ties, as the EU as a set of institutions is severely hampered by several internal breakdowns. A variety of intensity of bilateral exchanges between the US and EU member states is the result.

A relationship falling apart

The 'Dinner à la carte' scenario is characterised by a number of assumptions about the nature of EU–US relations in the upcoming ten years as well as by the development of three key drivers essential for the future of transatlantic relations at large. Although we are convinced that the framework of the EU will still exist by the year 2025, most central to this scenario is a negative development of cohesion within the EU and thus of the willingness of EU member states to act collectively. This scenario does not envision the formal collapse of the EU, but its paralysis and hollowing out. One reason for this is the assumption that rising populism driven by continuing economic malaise especially in southern Europe, terrorist threats and the migration issue will force governments of key member states to act more in their (perceived) national interest than the interests of the union. Paired with the enduring enhancement of information technology, which makes it very difficult for the EU elites to manage public perceptions, it is entirely possible that the EU will not come out of this crisis strengthened, but significantly weakened. Tendencies towards this development, often fuelled by right-wing populist parties, can already be detected in current debates that split apart EU member states not only in terms of short-term decisions but in regard to the fundamental interpretation of the principles that underlie this union. This scenario furthermore presumes that the transatlantic culture evolves in a positive way as does the cohesion of transatlantic interests in the global order. The term transatlantic culture is used here in reference to shared liberal and democratic values and encompasses that EU member states and the US will continue to view each other as the closest liberal partners. Its positive development will display cohesion on both sides of the Atlantic in the definition, interpretation and support of these values as guiding principles in the determination of national interests. These interests include the protection of a common liberal lifestyle, economic resilience as well as security threats from the outside. Derived from this assumption, cohesion of interests in the global order and its structure will add to the characteristics of the relationship between the EU member states and the United States. This convergent view on the global order includes compatible national interests in international forums and the active coordination in assuring their interest-oriented applicability, for example including the continuation and the active enhancement of NATO.

A negative development of EU cohesion implies that EU member states fundamentally disagree about policy goals and strategies in regard to EU competencies. Especially the areas of migration, social welfare and financial solidarity will cause insuperable disagreement about the authority of EU institutions. This leaves EU institutions ineffective due to a shift back to national competencies of its member states and to a complete disintegration of the EU in all possible parts. The renationalisation process becomes apparent successively by nations' withdrawals from mutual ambitions, from currency and travel zones and eventually from EU institutions and membership.

Self-destruction

The chronology of events leading to the outcome of this scenario is highly focused on the instability and the creeping dissolution of the European Union. Therefore, the renationalisation process is characterised by developments inside the EU member states, whereas the United States largely reacts to these developments.

Starting out with the current tendencies of questioning the EU's general structure of integration, EU member states rethink and recalibrate their relation to and position in the EU. The United Kingdom's demand for re-strengthened national self-determination and the resulting Brexit signals readiness to dismiss the benefits of European Union membership for the liberty of dismissing intense compromise in a renationalised status. The vehemence of the debate around it opens the door for additional EU member states to seriously consider retreating from the EU's competencies and to renationalise. As can be traced in recent elections, the growing influence of right-wing parties and populist forums in countries across Europe, such as the Front National in France, the PVV in the Netherlands and the AfD in Germany, will further spur a general scepticism towards the common EU project. An implemented Brexit in conjunction with the failure to effectively cooperate among Schengen member states in the current situation of extensive migration paired with an expanding perception of threat due to terrorism will ultimately lead to the suspension of the Schengen agreement together with continuously rising nationalism within each country.

With the UK departing from the conglomerate of the European Union, the United Kingdom will seek a US–UK free trade agreement in order to keep its relationship with its largest trading partner outside of Europe and compensate for the lost opportunities in the common EU market. This is the first step in the process of an expanding desire for substantial selective bilateral partnerships. Nevertheless, it will also contribute to the failure of TTIP as a comprehensive trade and investment treaty on the one hand due to the omission of a strong European economy and on the other hand because of the remaining EU member states' focus on adapting to the fading solidarity inside the union. The failure of TTIP will furthermore intensify the US pivot to Asia regarding trade interests, ultimately resulting in bilateral trade agreements with individual EU member states to become even more selective.

The suspended Schengen agreement and the failure of a comprehensive transatlantic trade and investment agreement will cause the Common Foreign and Security Policy, which is already perceived as weak, to stall and eventually fail completely. Without the perception of a common EU 'mainland' and without the expectation of a common economic proliferation, a collective voice in foreign relations and an intense collaboration on security policy become unrealisable. The enduring scepticism towards policies in support of EU integration and the continuing retreat of EU competencies cause a fatigue of solidarity within the European Union. This will then ultimately also cause individual countries to withdraw from the common currency, starting a process leading to the collapse of the Eurozone. An economic recession, which will vary in intensity among the different former member states, follows, reinforcing renationalisation and nationalist tendencies in each country.

In the interim, the US has become more and more indifferent towards the now in large parts ineffective or even defunct European Union, which is increasingly seen as an undesirable partner for collaboration. The United States will compensate for this by engaging in substantial bilateral or multilateral agreements with individual or small groups of (former) EU member states, signifying the US's retreat from the general EU–US relationship.

Following this scenario, by the year 2025, the EU will remain with no significant competencies or policy substance left, as all larger agreements failed or have been suspended. The European Union will have ceased to exist in all but name. The US's focus on selective partnerships with European nations will display a wide gap of interest in different countries, with selected bilateral relations becoming stronger than the former EU–US relations, while the relationship to some countries will be less intense and attentive than before. Between some European nations and the US there will be several à la carte relationships based on common interests in fields such as trade, investment and currency, as well as in region-specific issues like energy (independence from Russian natural gas), educational exchange, immigration regimes, environmental regulation and others. However, as the EU member states as well as the United States remain interested in a strong cooperation regarding military defence, NATO will experience invigoration and expansion. To ensure continued US interest in NATO, many European NATO members will have increased their defence spending substantially.

For selected member states, additional international fora such as the G7, G5 or G20 will partially substitute the EU as a platform for debate and cooperation.

Indicators

Original indicators for this scenario embrace the cornerstones of EU disintegration and US engagement in selective partnerships. As soon as the national orientation of the individual EU member states result in the suspension of Schengen, a fundamental pillar of the European idea has faded. The endeavour to establish a US-UK free trade agreement and a general EU fatigue in the US will signal the US's tendency to selective partnerships and supports the failure of TTIP and the implementation of Brexit. Once the chronology has reached the collapse of the Eurozone, ultimately leading to an economic recession, the European Union will remain ineffective and US–EU relations develop into à la carte partnerships between individual countries.

A powerless Union

This scenario encompasses multiple implications which deserve close attention by policymakers. The fading importance and agency of the European Union undermines the European idea which has been built for the past decades. Renationalisation causes instability especially in regard to the economic and security situation within Europe. EU member states will diverge in their competency to recover from the economic recession triggered by the collapse of the Eurozone. This causes the gap of prosperity among EU member states to widen, resulting in social imbalance and dissatisfaction, rising extremism and thus instability for all countries in Europe.

The United States will lose interest in some parts of Europe, which results in diverse intensities of partnerships across the Atlantic. Some European countries will have to accept the loss of influence and voice in the world without an effective EU. While European security will remain dependent on NATO, Russian influence in the economic and energy fields will increase not only but especially on Eastern European countries. Russian-NATO competition for influence on European territories will remain fierce or even expand.

In addition to the creation of selective partnerships, this scenario also leads to a growing importance of international forums (such as the G20 or other issue-specific groupings such as the recent G5 meeting in Hanover) that replace platforms for debate and cooperation from the EU. The convergence in interests regarding the global order will thus result in a strengthening and possibly enlarging of existing institutions that are capable of substituting the functions which both sides of the Atlantic relied on in the then former order of the effective European Union.

The scenario 'Dinner à la carte' scenario will roll the transatlantic world back to the status of a loose European community with more instability, selective partnerships and a stronger Russian presence.

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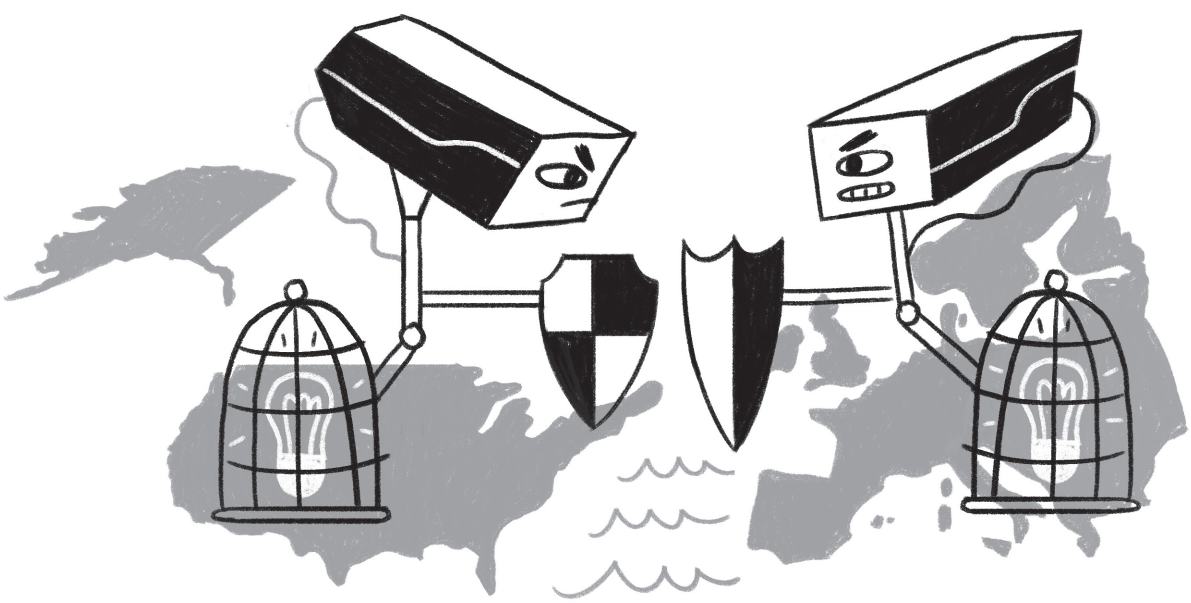
The 'transatlantic Frankenstein'

In this scenario the EU and the US struggle over their leadership in terms of technological innovations while transatlantic relations are weak, showing signs of tribalism and authoritarian tendencies on both sides. Leading from these factors there is a low level of trust within the bilateral relationship. This scenario is similar to the state of uncertainty and cautious zero-sum politics as described by realist theories of international relations. In the years up to 2025 there will be a situation of balkanised technological regulation in the EU, driven by political debates which emphasise the need to shield national markets and societies against the uncertain effects of technological progress. On the other side of the Atlantic, political leaders will continue to embrace new technologies, with an emphasis on keeping the competitive edge also in terms of offensive capabilities in the cyber and AI realms. Only after a series of trigger events, increasing the pressure on decision-makers, will transatlantic leaders be willing to invest in a new institutional framework to manage the political problems associated with technological progress.



Trigger events

In the scenario, the EU and the US struggle to maintain their leadership in technological innovation and to agree to a working regulation of emerging technologies that carry with them potential risks. In particular, this concerns areas such as bio, nano and cyber technology, unmanned systems and artificial intelligence (AI). At the same time, transatlantic culture is at its low point, meaning that there are traces of tribalism (hypernationalism) and authoritarian tendencies on both sides of the Atlantic. Taken together, these two key drivers lead to a climate of fear with regards to cutting-edge technologies. A particular dilemma is the lack of trust in the other side's abilities and commitment to avoid negative side effects on each other resulting from the use of technology. Over the course of the ten years we expect trigger events to occur related to technological innovations in the following four broad categories:

Lab accidents
Technological progress requires the extensive use of experiments in controlled environments such as laboratories. Critical incidents such as the accidental release of premature technology might underline the need for increased transnational regulatory solutions. This could happen in the field of nano technologies for example, where highly miniaturised robotic insects (prototypes of which exist already) are being developed for non-pesticide-driven farming. Genetically modified organisms are another case in which accidental exposure to the public could have far-reaching consequences, for instance if a release in one country were to contaminate crops or livestock in another. Anticipating such problems, the EU and US could consider establishing a high-level Transatlantic Technology Exchange Council (T-TEC) along the lines of the Transatlantic Economic Council (TEC) established in 2007. This would be an intergovernmental institution to encourage relatively rapid decision-making to coordinate policy quickly.

Technological breakthroughs
Breakthroughs, especially in the field of dual-use or military technology and weapons systems, could lead to new arms races. Semi- or fully autonomous weapons systems are an obvious case that already casts its shadow in 2016. Similarly, offensive capabilities in the field of cyber warfare are eyed with suspicion among partners. Space exploration and satellite technology could also become more salient again, as the private sector in the US is rapidly expanding in this regard. However, new regulatory bodies might emerge if political leaders recognise this as a priority issue, comparable to past arms control mechanisms. The EU and the US could establish protocols, for example, for the deployment of drone and robotic warfare technology and tactics or strategies that could lead to a type of Washington–Brussels Convention for Advanced Technologies Warfare. Europe and the US are currently experiencing substantial advancements in drone and robotic technologies.

Unintended consequences
The use of new and emerging technologies might empower new groups of actors. The best of intentions might be coupled to a number of currently unimaginable and unintended side effects and consequences which might open up new areas of insecurity. In the field of cyber security, individual and small groups of privately organised experts already wield power on an unprecedented scale. Besides the security breaches and whistleblowing we already know about, imagine a stock market crash engineered through a rogue algorithm. In a world characterised by highly networked, semi-autonomous systems, one does not need a lot of conventional resources to create effects that spread and scale in the blink of an eye. New technologies might be designed for civil and peaceful means but could be misused or further developed by black hat hackers and other non-state or state actors for offensive and military purposes. At the same time, 'friendly spying' amongst partners can lead to major

diplomatic disruptions such as those witnessed after the Snowden revelations. These could lead to increased transatlantic distrust and to hampering cooperation in international organisations such as NATO.

Acts of aggression
State and non-state actors might be able to exploit emerging technologies for acts of aggression before state actors are able to adapt and protect themselves against new threats. This is especially worrisome in the field of proliferation of technologies concerning unmanned vehicles (by air, sea and land), artificial intelligence or offensive cyber technology. Cyber activists might use offensive technologies to sabotage infrastructure and escalate tensions between Europe and the US in order to create public and political distrust and (military) retribution. The dilemma is one of attribution: due to the clandestine nature of sabotage in the cyber realm, where attacks are completely independent of physical proximity, it is extremely difficult to identify where attacks originate. Transatlantic political leaders are well advised to exchange information, work on their ability to identify attackers and maintain a 'hotline' for mutual reassurance in case of a large-scale act of aggression from unknown sources.

Although these innovations lead first of all to a further intensification of the crisis situation between the EU and the US, they ultimately enable transatlantic leaders to work on common solutions.

Timeline of technology-related events

Throughout 2016 new cases of cyber espionage come to light. Prior to the US presidential elections, documents are leaked online, claiming that a number of European security services and private companies have extensively spied on US citizens and companies. These revelations lead to increased transatlantic mistrust. A new US president is elected in November on an agenda of mistrust towards European allies.
Upon taking office in January 2017, the newly sworn-in president sets in motion a new agenda of covert but more aggressive counter-espionage and cyber operations towards both allied and non-allied countries. Cyber operations from both sides become increasingly sophisticated and almost impossible to attribute. The economic impacts of industrial espionage become ever more evident and trigger a cyber arms race on both sides of the Atlantic. European member states start to decrease their intelligence sharing and shield their infrastructure to protect against cyberattacks from the US, Russia, China but also their European neighbours.

Cutting-edge technology starts to revolutionise military affairs in 2020. The US arms industry has successfully used 3D printing for the production of military equipment and thereby revolutionises supply chains and logistics in military operations. The lack of trust leads to first signs of technological protectionism since the US government refuses to issue export licenses for new-generation 3D printers even to NATO allies. The capabilities gap within NATO increases even more. In their public speeches, a number of European heads of state and governments start to frame technological progress in negative terms. They understand innovation in the fields of information technology increasingly as a threat to national security. Polls in all European member states show that in 2021 fear of new technologies ranks second highest with European citizens, surpassed only by the fear of terrorism.

Late in 2021, a US Air Force jet equipped with live ammunition crashes mid-flight during a NATO exercise in Eastern Europe. An analysis of the black box reveals a sophisticated virus that had overridden flight controls, also triggering a release of missiles on the nearest target had it not been for a glitch in the software. High-ranking military personnel call for increased efforts to shield military technology, insinuating that NATO partners leaked sensitive information to Chinese or Russian hacker groups.

In 2022 a study by the Central Intelligence Agency (CIA) finds that terrorist groups such as the now established Islamic State (IS) seek to utilise nano technology to attack crops and food supplies in western countries. Although genetically modified food is omnipresent by now, plants are still prone to toxins and chemicals. According to intelligence sources, IS researchers are actively exploring ways of delivering bio agents by nano technology. Later that year, unidentified assailants raid a warehouse in Afghanistan housing a newly developed herbicide used by western forces against poppy fields.

In the following year (2023), a highly infectious strand of avian flu is accidentally released from a Dutch laboratory after scientists confuse a set of active and inactive viruses to be sent to another research facility. After a short but lethal phase with roughly 43,000 victims, the outbreak can be contained. US authorities ban everyone located in central Europe during the outbreak from entering the United States until data on incubation times is available.

In 2025 not all technological news is necessarily bad news. Scientists from the Max Planck Institute achieve a breakthrough in plasma physics and operate their first working fusion power plant. However, the scientific results immediately become classified to shield them from prying eyes and especially proliferation. This revelation leads to a significant disruption of global energy supply and demand. As a result, petro-states undergo substantial losses of revenue and domestic destabilisation.

Up until 2025, technological progress is mostly balkanised with a number of states supporting research in innovative technology, but at the same time protecting it from exchange with partners. Due to a lack of trust within the transatlantic community, former allies have stopped sharing information on technology. The US and EU have mostly lost track of their shared interests in sustaining the edge in technological development.

Taken together, these events lead to minor crises below the threshold of violent and military conflict. Politicians and opinion leaders use the fear of conflict as leverage in achieving agreements on international regulation of new technologies. Ultimately, conflict related to technological innovation thus leads to new international instruments for regulating emerging technologies for the common good in 2025.

Indicators

The first set of indicators for this scenario contains the politicisation, securitisation and negative framing of technological progress to fuel fear in order to mobilise public support. The current negotiations around TTIP, for example, are often being framed as Americans trying to 'force' unwanted technologies on Europe—from GMOs to IT-based services. Opponents claim these could destroy a 'European way of life'. Other areas include the automation of transportation and Industry 4.0 or the Internet of Things. In these cases technological advancement is framed as a threat to human security, from which societies need to be shielded.

Second, signs of increased industrial espionage: Evidence is hard to provide, but national debates surge around these issues. The US, UK, France and Germany appear to be key players in this regard, also given their cooperation in defence and space technology. Unless the core set of technological innovators on both sides of the Atlantic, they risk future debates and political costs associated with mistrust. After all, public debates about espionage erode transatlantic trust and often serve particular political and economic interests.

The third set of indicators deals with technological mercantilism and protectionism to nationalise technological innovation. Technological breakthroughs are often thought to trigger winner-take-all and scale effects. Consider Uber and Airbnb, which as of 2016 are viewed with suspicion in Europe since they disrupt long-established mobility and hospitality markets. Both of these examples, however, seem relatively low-tech and benign compared to the potential of autonomous vehicles or nano-enabled, centrally administered agriculture. If regulators on both sides of the Atlantic begin to raise walls to shield domestic workers or consumers from imported innovations, this could quickly escalate to ever more non-tariff barriers against trade and investment.

Bridging the gap of mistrust

The transatlantic economy is by far the world's most robust and active in terms of information and investment flows. The backbone of this transatlantic economy is the open flow of data, research and investment capital. Europe experienced a dramatic renationalisation of economic finance and cross-national technology cooperation after the recession of 2008 and the subsequent Eurozone crisis. A key variable for the renaissance of economic and technology nationalism has been the decline of transnational trust in the EU. A similar development between the EU and US would have deep and long-term implications for transatlantic economic cooperation, growth and security. For the transatlantic alliance to stay ahead of technological evolution, close cooperation between both sides of the Atlantic is paramount. Concretely, the future of NATO and TTIP—or an equivalent trade and investment deal—depends on reaching at least a limited consensus on how to deal with technological innovation. If transatlantic mistrust led to a decrease in cooperation, this could severely affect the alliance's ability to project power and leadership in times of international crisis. Such a lack in leadership would most definitely lead to a power vacuum which could be filled by states which do not value the liberal and free world order with established institutions for civil and peaceful conflict resolution. This would further weaken institutions such as the United Nations and its subsidiary bodies.

Inventing the enemy

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Despite turning inwards, the old transatlantic partners find new common ground. In due course populist governments in the European Union and the United States join forces in a self-declared war against liberal dreamers and corrupt elites at home, and against Islam and terrorism along Europe's broken periphery. As a result, the West loses its economic power and the willingness to shape the international system.

Caught in populism

On the one hand there is a low capacity for collective action by the European Union, which leads to a disintegration through individual member state policies. On the other hand the transatlantic culture is fading away as populist and nationalist governments take over on both sides.

In 2025 both the United States and most of the member states of the former European Union are governed by populist parties. The rise of populism is considered to be the consequence of a vicious circle which the established political parties and governments failed to stop. The continuous refugee flows from the Middle East and North Africa hits Europe at a time of disenchantment with politics. Citizens on both sides of the Atlantic lose trust in the established political parties. Growing socio-economic inequalities within societies and the fear that migration could exacerbate the individual situation further opens the opportunity for populist parties. As cohesion within Western societies wanes and their willingness to work together is undermined by national prerogatives, populists increase their political and societal power. Their triumph marks the end of open political discourse and transatlantic relations as they used to be. The ideas, opinions and election promises promulgated by their followers—first belittled, and then desperately rejected—have taken root deeply in parliaments, bureaucracies and the society at large. Openly xenophobic statements and extreme isolationist prescriptions have become conventional and define the new mainstream in Europe as well as in the US.

The EU, as a regional institution, still exists but has effectively ceased to function. The European Commission, the European Parliament and the Brussels bureaucracy are now staffed by emissaries from national capitals who are sent there to keep the EU in check. As a result, cooperation, coordination and compromise between countries, if achieved at all, are marked by ever shifting coalitions and flexible alliances. Opportunism has led to hitherto unlikely partnerships which by the early 2020s have replaced yesterday's affiliations of left and right. The EU population is well aware of the erosion of the EU. The national level is strictly the only relevant political reference point for the populations in Europe and America. By 2025 this shift away from supranationalism and internationalism in general is complete. Both Europe and the US not only turn away from the world but also from each other. The rise of populist nationalism has led to an entirely inward-looking perspective of governments. National self-reliance and regaining independence are the common catchphrases of recent election manifestos and new government programmes on both sides of the Atlantic. The only banner under which transatlantic cooperation is possible is that of protecting the Christian fatherlands against cultural dilution, foreign corporate greed and a threatening global interconnectedness. The values, norms and other forms of identification that used to unify the transatlantic partners, the EU and societies on both sides of the Atlantic belong to the past.

Towards the 'Transatlantic War against Islam'

Fuelled by a collapse of Western policy in the late 2010s, the little that remains of North Africa and the Middle East is fast falling apart. As a result of violence and destruction, radical jihadism is deeply entrenched in the region. Still, the hope of finding a better life and relative safety in Europe continues to attract hundreds of thousands of refugees. But because Europe is closed, several of the world's biggest refugee slums now lie directly on Europe's doorstep. In turn the misery along European borders is reassuring right-wing populist parties and their propaganda against everything foreign. Hardliners in the US government benefit from the refugee crisis as Europe is stylised to a negative model of what happens without a firm and robust government that protects citizens against external influences. The plight in the region is aggravated as development and humanitarian assistance budgets are cut to pay for some of the new expenses related to enhanced border control capabilities, one of the few areas where groups of countries still find enough common ground for cooperation. A wave of new surveillance legislation and technology in Europe and the United States is being introduced amid fears of domestic terror attacks imported from a neighbourhood in ruins.

As populist governments deliver on their promises, the economic consequences of their policies quickly become obvious. As economic ties are severed for ideological reasons, national wealth, productivity, employment and competitiveness dive. This is accelerated by the disintegration and de facto dissolution of EU structures and institutions: the end of the Schengen area in 2018–2019, the euro and the single market, together with the crash of stock markets following the 2020 US presidential election, push both Europe and the United States into a deep economic crisis. As trade flows dwindle and narratives of national self-reliance and economic independence replace economic policies, governments try legitimising their claim to power by steering public attention away from their failures.

Against the backdrop of increasing economic hardship at home and Europe's neighbourhood in flames, the former market economies of Europe and the US are being turned into war economies by the mid-2020s by their desperate leaders. This is prepared ideologically with the fight against an enemy of terrorist networks in the 'arc of extremism' between Marrakesh and Bangladesh, a region that is considered to have created so many problems for the hardworking citizens of Europe and the United States.

Almost as a side effect, relations with Russia have never been better. Moscow, having effectively lost its former Western rivals thanks to the rise of the populists in Europe and America, joins the emerging alliance. In their Budapest communiqué leaders from several European countries, the United States and Russia officially declare the 'Transatlantic War against Islam'.

Indicators

A number of events would indicate whether this scenario would be realised. These include: a steady flow of refugees (as seen in 2015 and beyond); high levels and new forms of crime committed by foreigners (like on New Year's Eve in Cologne); ever more terrorist attacks on both sides of the Atlantic with an Islamist background producing growing fear; a failed integration process and desolate immigrant suburbs ('banlieues'); the ongoing, unresolved financial and euro crisis, spreading to more and more countries; a high unemployment rate accompanied by a growing rift between the rich and the poor; distribution battles at the lower end of the social spectrum (e.g. low wage sector, subsidised housing, health care, education); a growing frustration amongst the people in Europe and the US, with the feeling of being left alone by established parties and the resulting formation of protest movements (e.g. Pegida) and social unrest; growing xenophobia; the rise of populist right-wing and left-wing parties, winning elections in Europe, member state after member state; the victory of radical candidates (such as Donald Trump) in US elections; the adoption by established political parties of former 'extreme' positions to avoid losing voters; 'extreme' positions becoming the 'new normal' in Europe, being widely accepted by the public and presented regularly in the media; the EU fails to deliver (e.g. no European solution to the refugee crisis, the euro crisis and the new 'terror crisis') and is seen as part of the problem rather than part of the solution; rising nationalism; the end of the euro as a common currency; Brexit and the subsequent departure of other member states from the EU; the USA leaving NATO due to isolationist foreign policy and frustration about lack of European burden-sharing; the dissolution of the European Union as we know it (e.g. malfunctioning institutions, no common policies, non-compliance of the member states with EU law), of diplomatic ties between Europe and the US as well as between European member states, and of trade agreements (e.g. halt to TTIP negotiations); media coverage of political and economic developments on the other side of the Atlantic; further loss of economic power on both sides of the Atlantic, leading to an ever greater decrease of socio-economic well-being of respective societies and the gradual development of war economies; humanitarian catastrophes (e.g. refugee slums at the borders of Europe); violent conflict at European borders which eventually leads to the declaration of the war against Islam; and the rapprochement between former European Union member states and the United States only in the 'common' war against Islam.

The West is crashing to the ground

The transformations in the EU and the US have severe consequences on international politics. The West not only loses its economic power and the willingness to shape the international system but also much of its international reputation and ability to shape global affairs. The lesson for the international community from the years leading up to 2025 is that democracy, in the end, was an experiment gone terribly wrong. A mercantilist Asia emerges to fill the void.

European Union and China

The authors of this scenario wish to remain anonymous.

Playing ball. Towards pragmatic co-integration

In this scenario the EU has successfully overcome its difficulties and EU integration deepens. The impacts of climate change emerge prominently all over the world. In order to tackle these impacts, Chinese and European companies develop innovative technologies. Domestically, the Chinese government continues suppressing dissenting voices and fosters its governance capacity.

Driving forces

The EU has not only successfully managed a number of difficulties, most notably the euro currency crisis and the integration of the many refugees it welcomed in the course of the Syrian civil war, but also implemented a rigorous lessons-learned process which led to a deepening of EU integration.

Climate change impacts emerge prominently. While mitigation strategies are high on the EU's and on China's agenda, it becomes clear that international cooperation is necessary and viable.

Innovations in the energy and digital technology sectors require markets of substantial size that generate high demand. Therefore, cooperation between the two leading technology innovators is highly encouraged. Chinese companies, especially, are highly interested in entering international markets. They push the country's government to engage in international cooperation efforts, for example for designing regulatory standards. Demographic change puts high pressure on China. The shrinking working population spurs the necessity for technological innovation, for example within the field of robotics. Due to the success of reform efforts, the country manages to sustain economic growth, albeit on a lower level than in the early 2000s. Domestically, the Chinese government suppresses dissenting voices and secures its governance capabilities.

Pulling in the same direction

In an ever-increasing number of multilateral fora, the EU speaks with a coherent voice. It possesses its own rapid response forces, based in Rammstein and Cannes. China is politically stable. It has a strong interest in international cooperation. The country's government is convinced that the country has benefited greatly from the global (economic) order and continues to do so. It strives towards further integration via existing institutions, rules and frameworks, such as the WTO, the World Bank and the IMF, as well as regional free trade agreements. The EU and China adopt a common stance towards fighting climate change. The two meet before COPs in order to align their interests. These dialogues frequently result in joint proposals, not only within the UNFCCC framework but also in financing the international fight against climate change.

Going hand in hand

From 2016 to 2020, EU institutions and member state governments work hard to find lasting solutions to the current refugee crisis. Mechanisms for exchanging best practices for integrating the newcomers into society and the labour markets are established. Across the EU, registration centres are put up, in which the procedures for granting asylum move swiftly. While all member states agree that welcoming refugees is important, they negotiate how many refugees are sent to each country. Adopting a long-term perspective, the different agencies think about tackling the roots of migration. In 2018, the EU succeeds in lobbying China to indirectly intervene in the Syrian conflict by convincing Putin (with economic incentives) to support the UN approach. The EU convinces China to intervene in this distant conflict by offering visa facilitations and economic privileges – just as it engaged Turkey in 2016.

In 2021, with privileged access to the EU markets, China decides to move forward with green finance and announces its new 'Sustainable Innovation Programme'. The Ministry of Commerce financially supports private enterprises from China in setting up joint R&D centres in the European market. The European Commission drafts a regulation that EU-based innovation projects should—regardless of their actual and legal location in the EU—pay a modest European Climate Tax instead of a national company tax.

In late 2021, China also announces an IMF initiative to add an additional 300 million dollars per year to the UN's Green Climate Fund in order to support mitigation research in the field of ultra-efficient batteries. The EU voices its support for the initiative and contributes additional funding, mostly coming from incomes generated by the European Climate Tax.

In 2023, realising that cooperation in developing technology is crucial, China and the EU establish a patent pool for innovation and climate change technologies. While the negotiations take quite a while, companies quickly realise the pool's potential and start setting up more and more of the joint R&D incubators with assets on both continents. The number of exchange students jumps and bilingual business schools are established.

In 2025, building on a host of constructive experiences, ranging from effective diplomatic cooperation in solving the Syrian conflict to collaborations in technology and cooperation for fighting climate change, a strengthened EU that has managed the refugee crisis well, and a stable China, decide to take their relationship to a new level by starting negotiations for a free trade zone. Neither side ceases to emphasise the great symbolic meaning of these negotiations.

Indicators

China is a reliable and active participant in international organisations, regimes and fora. The country helps to finance global institutions, such as the World Bank, the IMF and the UN agencies. It frequently voices policy and project proposals. The country complies with international laws, especially regarding maritime claims.

The EU becomes an important actor in global politics. Countries do not leave the EU and societies of EU member states widely perceive the EU as 'useful'. A deepening of integration is visible. Eurosceptic parties therefore lose support. Most significantly, concrete proposals for EU military forces are now seriously discussed.

China and the EU coordinate with each other and play an active and responsible role in the MENA region.

Following the pragmatic path

China can benefit greatly from integrating itself into the global order. The EU can play an important role in making this happen. However, the hurdles are comparatively high. The EU need to act as a unitary actor and has to find a pragmatic approach vis-à-vis the authoritarian regime.

Innovations which help to fight climate change impacts require comprehensive global cooperation. The EU could use climate change issues to push a broader agenda, not only covering CO2 limits but also green finance and technology transfers as well as inventing new coordinated approaches.

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Made in China 2025

In this scenario China has undergone massive structural reforms and has benefitted from the increased effectiveness of public spending between 2015 and 2025. As a result, it is possible to secure a leading position in a large number of technologies shaping the future to 2025. Energy-intensive and ineffective industries have been drastically reduced. This has led to a shift in the economic structure in China. Formally based on cheap labour and the export of low-tech products and investments, the move towards innovation, service and consumer-orientated solid growth has shown first results. In contrast, the European Union has lost the race to keep the pole position in key R&D positions. The reason is its ineffective federal system and its loosening financial power. A decade of deflation has led to the cutting of public funding in research and innovation. In addition the EU has become increasingly protectionist—and as such is forced to coordinate its policies towards China. On the other hand the EU has overcome its disintegrationist tendencies of the years of the refugee crisis.

Fighting over technology

The key drivers of this scenario are EU coherence (effectiveness and efficiency) and energy technology innovation.
As the EU starts to put in place sustainable EU economic governance mechanisms, nationalist and protectionist tendencies within member states and the parties that thrive on these tendencies lose in popularity. The EU can reassign a considerable amount of the resources devoted to crisis management to the more active monitoring and shaping of international affairs. Within this scenario by 2025 the Eurozone moves towards the establishment of a 'genuine' economic and fiscal union, in which the EU institutions have greater competence to react. A fully revised and comprehensive EU foreign and security policy strategy further provides the basis for effective coordination of the actions of the member states and the EU level in this sphere of policy.

Patent pools, massive state investment in R&D and education system reform enable China to commercialise e-mobility, renewable energies, satellite navigation and intelligent transport systems and telecommunications infrastructure on a massive scale, also creating knowledge spillover effects. Trade flows for innovative technologies between the EU and China are reversed. China sets its own standards for global export, making it even more difficult for European manufacturers to catch up. The most prominent example of this development is the automotive sector, which is fully digitalised and fuelled by electricity. Many other strategically important industries benefit from this innovation, including the Internet economy, the information and communication sector and Chinese software developers, who formed alliances during the setting-up process. Therefore China has transformed into a society based on innovation and service orientation and the EU and China have swapped leadership positions in a lot of frontier technologies, in particular in green technologies and energy-related R&D.

The innovating force of China

China is eager to dominate green and information technologies. Thanks to its large and strong mainland economy and its centralised policymaking, China quickly develops, adapts and exports cutting-edge green technologies. The Chinese state and its financially powerful provinces lead the push towards key technologies set out in the five-year plans. These efforts are part of the strategy 'Made in China 2025'. The Chinese government has developed advanced environmental technologies such as e-mobility and renewable energy but also information technology as key sectors for the achieving of economic competitiveness in the future.

China will always look to cooperate (enhance cooperation) with the biggest and strongest, i.e. the US and EU. The trilateral relationship (US-China-EU) is crucial both for the three parties as well as the development and dynamism of the international sphere (see also below).

A politically strong but economically weak Europe has found a coherent common policy, which is more centralised towards Brussels and gives less power to the individual state governments. However, having suffered from a debt burden and a long deflationary phase of zero growth, Europe has lost its stronghold as an economic powerhouse. In 2025 this is also felt in the area of environmental technologies, as Europe has lost its leadership role as a first mover in setting the technology standards.

The dragon is leading the way

In 2016 a global financial crisis hits the world economy, of which the EU is hit the hardest. Major European automotive manufacturers lose their most innovative design teams as a majority head to China to join the transportation revolution. Subsequently EU members are forced to coordinate their policies towards China. The Energiewende and the Paris climate goals are seriously endangered in the EU.

The Chinese and Indian governments set up the Sino-Indian Energy Transition Platform to develop cooperation projects in the field of sustainable energy supply in both countries. The agenda also includes industrial projects and export strategies in the fields of storage technology, wind and solar power stations and energy efficiency in buildings.

China lives through a major phase of 'hard landing'. Having fired several top politicians China establishes a strict and large-scale fiscal spending programme. The move towards a green economy leads to a temporary economic slowdown and social unrest as unemployment rises. However, jobs and growth are rapidly generated once the environmental industry is established and Chinese products successfully enter the world market.

In the long run China extends its funding to large-scale R&D programmes and more effectively: in 2020 Beijing and other large cities see declining pollution (due to mitigation measures, energy transformation, e-mobility) and become more attractive for talents from the EU ('brain drain'). Pollution and water contamination are on the way to being controlled. Thanks to China's financial strength and centralised power the country is able to address these issues effectively. The Ministry of Environment has gained in competences. A revised Environmental Protection Law is in force, meaning higher fines for environmental violations, and is successfully enforced.

Products 'made in China' become market leaders. Fearing being left behind the EU intensifies its protectionism towards China. Nevertheless the EU loses its leading position in a lot of innovation and technology frontiers. In 2025 China leads on setting international technology standards. Technology transfer from China to the EU becomes reality.

Indicators

There are several indicators that can show us that we are moving into this scenario
— More and more appealing technology brands from China are available on international markets
— Growing number of domestic start-ups and innovation patents
— Fewer Chinese scientists and engineers go overseas for training
— More and more international scientist teams work for Chinese companies or research units—reversal of scientific flow from Europe to China
— Growing number of publications in internationally acclaimed scientific journals by Chinese scientists
— EU is moving towards an ever-closer union—unifying foreign policy and streamlining trade with foreign policy interests
— EU–China relations set guidelines for China's meetings with European member states

Unifying resources and will

The economic balance of power will clearly shift towards China, which will have several implications.

As to its financial strength, Chinese investment in Europe is strong, as seen for example in Chinese companies sitting on the boards of major European companies. With this economic strength China influences the EU in becoming more coherent and centralised in order to strengthen their negotiation power.

The implication for the EU is to strengthen its institutions, committing to a structural reform towards a common fiscal, energy, labour market and public financial policy. As such, the EU will adapt, in part, the centralised role of the Chinese state power. Collective European bargaining will dominate trade relations. The implications for the EU with regard to climate policy depend to a large degree on the relationship between China and the US. If China and the US are in the lead together, it means that the process of the negotiations would highly possibly be less multilateral and be bypassing the UN. While leading to a broad pro-climate coalition, this would primarily be detrimental for smaller counties, as the process would be less inclusive. Total EU emissions are increasingly marginal against those of the US, China and India. In the past persuading those major actors to join common action was also driven by material interest for the EU green industries. Losing technological leadership however should not end the EU's external engagement within the process. It should still be driven by normative commitment and policy-building. A strict climate change mitigation regime that is cooperatively implementing effective strategies is still very much in the EU's interest.

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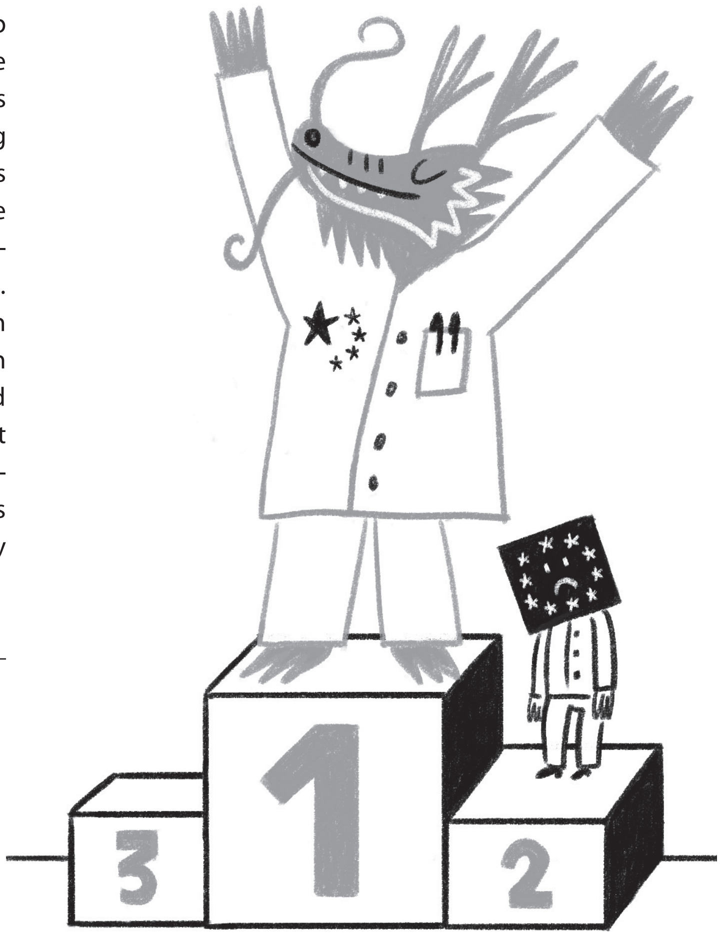

EU gliding aside

Weak governance within a fragmented European Union is among the core characteristics that shape Sino-Euro relationships in 2025 as part of this scenario. Joint EU decision-making in foreign and security policy will merely be a wishful, yet unfeasible, undertaking. EU-critical voices will be dominating public discourses in most EU member states, even if their parties will not be represented in all national parliaments by that time. China, on the other hand, will have successfully overcome a period of economic uncertainty. It will have mounted into an internationally even more assertive, strong and stable state, providing reliable economic growth and prosperity to its citizens. As a result, this scenario assumes a China which will have no choice but to cherry-pick bilateral relationships with European countries in order to partner with the disintegrated continent. The EU member states, at the same time, will find themselves in fierce competition amongst each other trying their utmost to flatter the new global power in order to get their individual lion's share out of scattered, unilateral approaches.

Chinese agility meets European stalemate

The Chinese political system will have yet again demonstrated flexible adaptation to domestic challenges. It will thus have been able to withstand uncertainties that the country had faced during the years 2015–2016 such as a slowdown of economic growth, labour protests, crashes on the stock market and environmental degradation. This scenario therefore presumes that China will be able to secure stable economic growth rates of around six per cent annually, avoiding increasing unemployment rates. The renminbi will become one of the internationally accepted currencies and its share in the IMF Special Drawing Rights will be increased gradually. Domestically, demonstrations and protests against pollution will persist. However, a widespread quest for political change will not be in sight. Furthered by the country's 'Made in China 2025' strategy, technological innovation will have rendered Chinese small and medium-sized enterprises internationally competitive and pushed the team of giant conglomerates of national champions on the global market. Massive state-led investment in higher education and research and development will have allowed for technological innovation. Sectors such as ultra-high-voltage electricity transmission and smart grids, public transport, digitalisation of social life and medical science among others will be making it easier for China to become an 'industrial superpower' by 2049—in time for the People's

Republic's 100th anniversary. At the same time, sectors manufacturing and assembling technological equipment will have been shifted to other parts of the world. Finally, Xi Jinping's ambitious infrastructure project, the 'Belt and Road' initiative, will be spanning over the world, binding countries in Central and South Asia, Africa and also Europe more closely to China and catapulting the Middle Kingdom to the economic centre of the world.

On the other side of the Eurasian plate, the idea of an ever-closer union of Europe will have been put on hold. Insecure sections of European populations will have allowed for an increase of power by populist and highly EU-opposing parties. They will have been able to further push for disintegrating developments and a renationalisation of formerly common European policies, leading to a loss of joint decision-making abilities in many policy areas. Dividing conflict lines over how to deal with the most pressing crises within the European Union which had increasingly taken shape during the financial crisis will have spilled over to policy areas that had formerly formed the basic pillars of the European Union, such as the free movement of people and workers. European populations' ideological foundations with regards to human rights and human protection will be drifting apart and negotiations and disputes within the Council of the European Union will demonstrate the internal disruption among EU member states. The development of a set of common European values—highly contested among scholars of European studies before—will have turned into an unrealistic pipe dream.

Towards the EU's disintegration

Occupied by these internal political and societal disagreements the EU will be incapable of crafting a common policy approach towards China. It will offer a large number of rough policy ideas ranging from education to environmental protection to China. Yet, being occupied by internal disputes, the EU will be unable to prioritise among them, thus adjourning their realisation sine die. Instead, each member state will formulate its own China policy goal, each trying to take advantage of this EU-wide deadlock and pushing Brussels further aside.

At the same time, the disintegration of Europe will have led to a resigning atmosphere among Chinese policymakers; having been sceptical of the European Union as a supranational body early on, belief in the efficiency of this joint project as such will have vanished. Common European structures will no longer be attractive for China and the idea of a multipolar world alongside a strong European Union will seem even more unrealistic. China will therefore deem other regions such as North America and Australia as well as South America and Africa more relevant. China will have learned to choose its European partners selectively only in order to get the best deals for its own sake. Having heavily invested in its own high-tech innovations over previous years, China will also have achieved great independence from European technological capacities. Finally, the Chinese system of quick decision-making chains as part of its political structure allowing for the fast realisation of infrastructure projects and development is attractive for other developing countries. They regard China's fast support during crises such as diseases in addition to unconditional economic cooperation with non-democratic regimes as an attractive role model. On the other hand, European democratic institutions, which resulted in stalemates, struggles and minimal common denominator decisions, will have left a taste of inefficiency on the international palate. The EU member states' conditionality and selective approaches towards development aid cannot keep up with China's infrastructure built up around the world. Altogether, this will trigger a process in which European countries are left behind. Particularly European countries with little to offer to China barely remain a footnote in Sino–European relations.

China's boost

This scenario expects critical events happening that will cause path dependencies provoking a process of European dissolution. It supposes a United Kingdom that will be leaving the European Union as a result of the referendum on EU membership in June 2016. Following this example other European countries' governments will face increasing pressure by populist parties pushing them to hold referenda on the question of remaining in the European Union and in the Eurozone. In the course of 2017–2020 governments in countries such as Hungary, Poland and also Greece may consider leaving the European Union. Parties in other countries, such as Austria, France, the Netherlands and Germany, will call for 'opt-out clauses'.

These developments could result in the advent of the restructuring of the European Union's core political architecture. Accordingly, some countries that share common interests may build coalitions and cooperate in areas where interests overlap. The present Schengen area could thus be replaced by a 'core Schengen' or be limited to bilateral free movement agreements between willing countries only. Negotiations on the Eurozone will be a main issue and the possibility that individual countries, such as Greece, leave the Eurozone may become a valid option by 2020 due to concrete proposals being made on how this can be implemented. During the upcoming two elections for the European parliament until 2025, EU-opposing parties will have gained more seats than ever before.

Internal disputes in the European Union will also play out in terms of international affairs. By December 2016, the European Union will not have been able to negotiate satisfactory conditions for most sides on how to grant China market economy status. While some countries such as Britain strongly favour granting China full market economy status, other voices are opposed. Any decision taken by December 2016 will therefore leave a sour taste in Europe with regards to European solidarity. Having been granted market economy status under only limited conditions, China will increase its economic advantage; oversupply in a vast range of industries will hurt European companies that are excluded from special conditions, making it less likely for them to survive. This will turn them into cheap investment sources for Chinese global champions and small and medium-sized enterprises which, further pushed by China's 'go-global' strategy, will self-confidently agitate on the international market. China will thereby manage to ensure the survival of some European companies. However, this also renders Europe's economy more dependent on China's financial sources.

During meetings with Chinese delegations, European governments will be increasingly confronted with the 'Belt and Road' initiative. Lacking joint visions, the EU will miss the opportunity to help shape this large infrastructure network. European leaders will find themselves in a passive position only able to accept China's further development of the initiative during the course of the next ten years. Financed with Chinese-led instruments it will allow China to increase its influence in the targeted regions. By 2025 the initiative will have transformed into a strong international foreign policy strategy navigating China into the global centre of economic and security-related politics. China's international assertiveness which started taking shape since the beginning of the Xi Jinping's administration crystallised thanks to this initiative combined with the New Development Bank BRICS and the Asian Infrastructure Investment Bank. The prevalent threat of global terrorism forces China to step back from its narrative of military non-intervention. In order to protect its Chinese nationals overseas working in investment projects in risk environments such as Nigeria or Pakistan, China will have built up its international military presence. The Shanghai Cooperation Organisation will have turned into an influential regional security organisation by 2025.

Indicators

Holding all variables beyond Europe and China stable, this scenario excludes intervening factors external to the European Union and China and, thus, controls for developments taking place in third countries. In doing so, the likelihood that this scenario plays out can be found in indicators in some of the developments we are currently witnessing. On the EU side, the refugee crisis following the euro crisis splits Europe and even close neighbours; Austria's building up of border controls and particularly related tensions with Italy are just one example. Also Poland's new government and the increasing support for right-wing parties during elections in France and Germany hint at critical times for pro-European voices. The idea of a united, strong Europe generates only marginal enthusiasm in large sections of the European public. Instead, violence against asylum accommodation as well as public protests and demonstrations portray a generally EU-critical, hostile and internally divided atmosphere.

In addition, the ongoing negotiations on the question of whether and how to grant China market economy status by the end of 2016 indicate the indecision amongst EU member states. The delay in dealing with this pressing topic on the EU level hints towards an EU that is preoccupied with internal troubles. It also hints towards an EU unable to define joint approaches on some of the most urgent foreign economic policy issues. The lack of common ground on how to deal with China, which is guided by a significantly different political economy, also demonstrates the inability to develop a common European identity. Instead, as Great Britain impressively demonstrated by rolling out the red carpet for President Xi Jinping in 2015, national interests may overrule European solidarity.

At the same time, increasing Chinese investments in infrastructure projects around the world are further indicators that China's international presence and influence is mounting. The building up of international organisations such as the 'Belt and Road' initiative, the Asian Infrastructure Investment Bank and the New Development Bank BRICS under Xi Jinping during recent years has generated international acceptance and approval, suggesting that China's leadership is gaining supporters. The Shanghai Cooperation Organisation proves changing dynamics towards gaining regional influence; alongside India, Pakistan was also granted full membership in 2015. Moreover, China's expanding role in UN peacekeeping missions, the deployment of its first military base on the Horn of Africa and China's vast assistance against Ebola indicate the country's augmenting international presence beyond economic affairs. Finally, the breathtaking digitalisation of Chinese society and industry are the tip of the iceberg concerning technological innovation 'made in China'.

These indicators suggest a certain likelihood of this scenario. However, disruptive events within China, unforeseen incidents such as epidemics or large-scale natural disasters as well as the possible ability of the EU's institutions to overcome current crises could have a significant impact on shaping the relationship between the European Union and China. The likelihood that this scenario will play out in a way as described above will be affected by these intervening variables.

Losing influence

The outcome of this scenario would have tremendous implications for the bilateral relations between China and the European Union in particular and for the balance of power in the world in general. The EU will have to discharge its possible role as a neutral third-party arbiter in conflicts in the Asia-Pacific region. This will decrease the likelihood of latent conflicts being resolved and, instead, contribute to insecurity in the whole region. Simultaneously, the EU member states as such will have lost their credibility in terms of value-motivated justifications for their international engagement and their criticism of non-democratic regimes. Moral-related statements towards China or other countries by individual EU member states will widely be regarded as a desperate European attempt to maintain its influence in the world. However, the EU will not be a key player in the world arena any more, leaving its place to other actors. Chinese-led institutions will be gaining in influence, challenging the current international and post-Second World War order. Due to the lack of joint action, the EU will miss the opportunity to take part in shaping these institutions significantly. Only on a single-country basis will Europe be able to uphold its political clout. New conflicts between China and other powers such as the United States become more probable.

European Union and Ukraine & Russia

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Yalta reinvented

In this best case scenario, Eastern Europe is neither a 'post-something' space nor a more or less common 'neighbourhood' but one of the regional lungs of a broader, organic Europe stretching from the Atlantic to the Urals. Steady political cooperation, thriving economic exchange and deep inter-societal relations are all guaranteed and encouraged by a re-invented regional structure. This structure amounts both to a full-fledged normative regime (for the strength and regulating influence of its norms) and to a security community (where these shared values and a sense of common belonging underpin stability). In sketching this new regional structure, the symbol of Yalta is invoked for several reasons: as a model for its negotiated origins and its structuring effects; as an antithesis to its zero-sum game and non-normative texture; and as a symbol for its geographical location at the epicentre of the current crisis (i.e. Crimea) and more profoundly to emphasise that old historical tensions have been overcome with the reinvention of a common future.

Driving forces

The advent of this new regional outlook is brought about and made possible by a set of interwoven drivers. Some of these drivers are systemic, such as a permissive general economic context, and others actor-related. These latter drivers include a change of governance in Kyiv, which results in actors from civil society and a technical government leading a serious reform process focusing on economic stabilisation, the reduction of high-level elite corruption and an overhaul of the public administration. This in turn triggers an upgrade of EU policy, meaning that much more substantial financial support is offered to Ukraine, but with a clearer and more systematic linkage of this support to strict and closely monitored conditionality with regard to the implementation of reforms. Finally, a shift in direction of the Russian regime emerging from internal economic difficulties and an elite struggle results in a change of leadership, which leads to a more cooperative and less confrontational EU-Russia relationship.

Economic and security breakthrough

The situation is optimal for the development, implementation and success of EU policies towards Ukraine in that the overarching regional context (including both the EU and the post-Soviet space) is characterised by a high degree of institutional and economic integration with the EU and European security organisations, by actual and perceived security for all states independent of size and capacity, and by flourishing inter-societal relations.

The EU's economy is booming. Its institutions are efficient in producing consensus and in implementing policies. Member states and their political leaders conduct a consistent and unified approach towards the Eastern Partnership countries and Russia, and enjoy steady backing from their societies in doing so. In other words, the EU is strong and confident enough to integrate new states, should it (and they) wish to. To that end, Brussels has developed new formats of integration, where member states and partners can enhance their interactions and pool their sovereignty in some sectors but not others (e.g. common market, Schengen, Eurozone, societal schemes). This selective integration leaves more leeway for countries like Ukraine to integrate with the EU. If actual EU membership is not seen as a preferred option for one or more of the neighbouring countries, strong bilateral and regional political dialogue as well as various issue-specific institutional platforms guarantee and foster deep and meaningful relations. In any case, the EU has at least succeeded in developing rich, viable and mutually beneficial relations with its neighbours. Ukraine is reformed, stable and prosperous to the extent that it is in a position to apply for EU membership—and so is Russia.

These ties and exchanges are not just state-to-state, nor are they confined to the economic realm. Societal relations are thriving throughout the region—cultural, educational and scientific exchanges constitute their backbone. A new generation that has not known the Cold War and its ideological blinders has come to power. The free movement of ideas, information and people is not only guaranteed but also sought after.

These flourishing inter-state and inter-societal relations are made possible by a stable security situation. All territorial disputes, including those that used to be known as 'frozen conflicts' like Abkhazia, South Ossetia, Karabakh and Transnistria, have been resolved. Transnistria has been integrated into a federalised Moldova, while in the South Caucasus Abkhazia has received an autonomous status within Georgia whereas South Ossetia has been united with North Ossetia as a republic of the Russian Federation. The national military apparatuses of Russia and the EU are not directed at each other, either in terms of equipment, exercises or discourses. Rather, a high level of transparency has been achieved and confidence-building measures are regularly conducted. Both Ukraine and Russia regularly participate in the crisis and conflict management missions of the EU's Common Security and Defence Policy, which has reached a high level of integration and efficiency. Inside the region, the level of non-traditional security threats (e.g. terrorism, pandemics, human and drug trafficking, environmental hazards) is low while the resilience and cooperation of states against them is high. The external borders of each of the regional actors are safe and guaranteed.

Towards a 'new Charter of Paris for a new era'

Parallel general trends have led to this new context (medium to long term): Ukraine has implemented deep and viable reforms; the EU has reformed its institutions and allocated new economic resources to the region; there is a substantial and durable change of direction by the Russian regime towards liberal democracy and an open economy. Successive developments and decisions have sustained these trends.

This started with a change of government in Ukraine. After a brief, unsuccessful interlude during which populism prevailed, fear of losing international funding and growing social unrest led to parliamentary elections which brought to power a strong, independent and reform-minded leadership. This new government successfully implemented an ambitious reform of the state institutions. It also completed the decentralisation process and, over time, fully implemented all the provisions of the Deep and Comprehensive Agreement (DCFTA) with the EU.

In parallel and subsequently, contrary to initial fears, the EU emerged stronger from the migration crisis, which acted both as a wake-up call and a catalyst for greater European integration and reforms. Two major terrorist attacks in Berlin and Paris were prevented thanks to the cooperation of Turkey and the heroism of a group of asylum seekers from Syria, who discovered, reported and helped neutralise a group of terrorists who had been hiding in their ranks to enter European territory. This led to a shift in the media narrative on the refugees and a blossoming of civil society initiatives to support them. A terrorist attack did happen however, in Brussels, against one of the EU institutions. This encouraged EU heads of state, led by the new German Chancellor and the new French President, to take new, radical measures towards greater integration. Overall, the way governments of EU member states and EU institutions handled these multiple crises endowed them with greater legitimacy and popular support. This is witnessed by the fact that, after successfully negotiating a new EU treaty, member states were confident enough to submit its ratification to an EU-wide referendum, which saw the new treaty endorsed by European populations. Reluctance towards electoral consultations on EU-related matters had already started eroding in 2016 after the British citizens opted to remain in the EU.

Meanwhile, repeated economic failures significantly eroded the domestic legitimacy of the Russian leadership and favoured the emergence of a new governing elite that gradually installed itself at the core of power. This new elite group, based on economic liberals who were marginalised during the annexation of Crimea and Russia's military involvement in Ukraine and Syria, started implementing structural economic reforms as well as progressive political reforms that eventually paved the way for the liberalisation of the regime.

The internal situations of all three actors having significantly evolved for the better, they became more confident in engaging with one another and better able to tackle collective problems, resolve underlying disputes and revamp their relations.

This started with the resolution of each and every lingering territorial dispute, a process in which the OSCE played a central role. The last but most symbolic achievement in this regard was the resolution of the Crimean question. The peninsula became an international territory administered by the OSCE, which moved its headquarters to Yalta. The OSCE Secretariat was given new competences and gained new authority.

The resolution of the territorial disputes opened the way to the successful negotiation of an overarching regional security treaty—a 'new Charter of Paris for a new era'. With this architecture in place, other regional organisations were better able to cooperate with one another and several redefined their mission and identity. The EU and Russia worked towards the establishment of a true and functioning common economic space. NATO has been dismantled: the political and strategic links between Europe and the US remain strong but mainly bilateral. Washington's attention and resources have indeed been redirected towards the Pacific, especially after China launched a surprise military operation and annexed an island belonging to Vietnam (the referendum Beijing organised there was not recognised as valid by the international community). EU countries on their part have significantly invested in their militaries and built their own new alliance. Russia is not part of it but closely cooperates with EU countries on political and military issues through the reformed OSCE.

Out of regime insecurity at home and pushed by a new nationalist ideology, Russia's pivot to China failed, because of growing rivalry in Central Asia and competing influences in the Russian Far East. Beijing is experiencing conflicts not just with its Asian neighbours but also regarding Russia. China desires to expand its economic influence in the Russian Far East and therefore attempts to foster unrest in the region: its security services finance, train and provoke a series of public protests that become known as the 'tea revolutions'. This leads Russia to see China as a much greater enemy than the EU or even the US as well as to the dismantling of the Shanghai Cooperation Organisation.

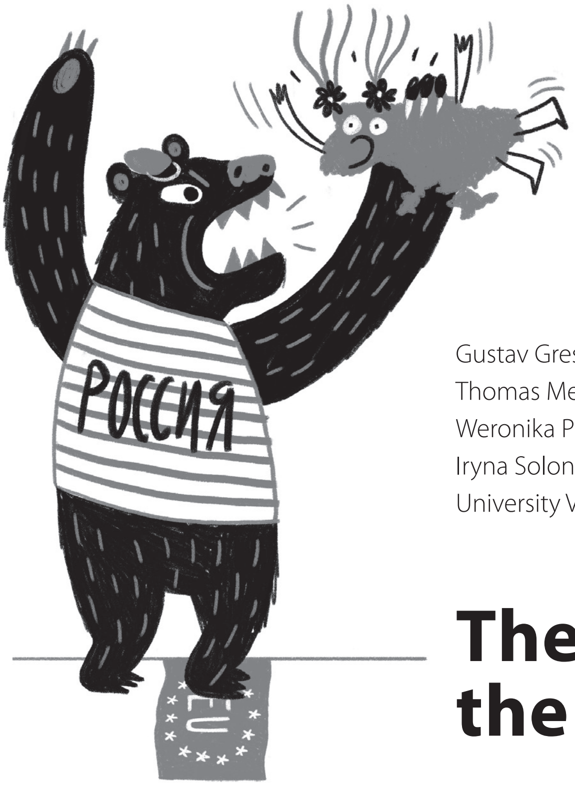
Crimea became a hub for and symbol of flourishing East–West cooperation. A pan-European University has been created there, offering high-quality teaching and offering established dual programmes with several major educational institutions. The status of an international territory allows for excellent financial conditions for regional businesses and the peninsula becomes a new European Silicon Valley, drawing on the university for research and development.

Indicators

Indicators of this scenario include: EU Foreign Direct Investments flowing into Ukraine; Transparency International and other indicators reporting low levels of corruption all across Ukraine; institutional changes towards deeper EU integration; and Freedom House and ease of business indicators pointing towards structural reform of the Russian economy and progressive liberalisation of its regime.

From internal consolidation to greater external responsibility

The success of the EU as a major contributor to the creation of an overarching space of stability, prosperity and security extending throughout its Eastern neighbourhood has several somewhat paradoxical implications. First, the EU is admired and taken more seriously as a model beyond the economic arena than before in the rest of the world. Although this gives the entity more potential for influence, the EU actually chooses not to take advantage of this newfound power for at least a decade or so, instead opting to focus on and ensure the sustainability of the changes achieved inside Europe. It focuses indeed on consolidating the adherence to the European project among EU citizens rather than attempting to export it outside its borders. Nevertheless, existing networks dealing with China as well as the MENA region continue to function and to some extent become stronger. Due to the disappearance of NATO and the emergence of a broader European security architecture, the EU becomes less dependent on the US. Transatlantic ties remain strong, but the two actors increasingly pursue independent agendas, leading to a less cohesive 'West' than the construct which existed previously. With time, the EU begins to show signs of being willing and able to take on greater responsibility for ensuring order in global trouble spots, which is welcomed by the US. In the long term this leads to an approach to various international conflicts which is less militarised than in earlier years. Rather, it is characterised by a holistic logic and a division of labour in which different European states take the lead depending on the conflict situation.



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The downfall of the West – the last laugh is the best!

The worst-case scenario describes the downward spiral of a failing state in Ukraine, a discordant and overstrained European Union, an increasingly isolationist and non-committing US and a neo-imperial Russia. While Ukraine slides from one domestic crisis into another, the EU and the US lose hope in Ukrainian transformation and withdraw their assistance. Simultaneously, Russia seizes its chance of tightening its grip on Kyiv. This fits into a general pattern in Eastern Europe: while the EU struggles with its never-ending migration and Euro crises, the US under the presidency of Donald Trump followed his isolationist approach by withdrawing its troops from Europe and suspending article 5 of the NATO Treaty in order to focus on a global rivalry with China. President Putin seizes the opportunity of reinstalling a quasi-hegemonic regime in Eastern Europe to distract his electorate from domestic troubles. In lack of any alternatives, the Baltic States have to subdue to the impertinent demands of their Eastern neighbour and turn neutral and enter into comprehensive cooperation with Moscow. The West has lost cohesiveness and courtesy and thus global attraction, while Russia dictates the rules in Eastern Europe.

Points of departure

There are several presumptions on which the scenario rests. Being the cognitive basis on which the scenario hinges, some key aspects shall be explicitly mentioned. First of all the Ukrainian transformation success is mainly dependent on its domestic politics. Even though the EU is able to grant incentives for transformation, externally initiated democratisation appears as an illusion. The domestic balance between reformist and conservative political actors turns out to be crucial for whether and how external incentives are used. The political influence of oligarchs and thus particularistic commercial interests in Ukraine seems a rather stable parameter in Ukrainian politics given that some pivotal political actors are simultaneously oligarchs. As long as commercial leverage can be translated into political power and the domestic reform-minded actors are unable to challenge this state of things, the profound overhaul of the system of governance seems highly unlikely. Furthermore Russia maintains its neo-imperial claim to influence politics in its 'near abroad'. Given strong nationalism and support for the annexation of Crimea, it seems highly likely that any foreign policy aiming at the preservation of rights for Russian minorities in the post-Soviet space is domestically highly popular. In the near future, Russian authorities may compensate for economic failures by promoting a proactive foreign policy to maintain Russian control in its neighbourhood. It is not conceivable that Russia will give back Crimea to Ukraine and even abandoning the separatists' regime in Eastern Ukraine will come—if at all—at a very high price for Ukraine and/or the West.

At the same time the EU will not be primarily focused on Ukraine in the years to come. Neither the migration nor the Euro crises seem to be tackled for good. As soon as one of these crises erupts again, a viable solution will have priority over democratisation in Ukraine. Moreover, EU member states differ in their vested interests in Eastern Europe and the more challenges the EU faces, the less probable a consistent Eastern policy will be.

Eventually the US will be faced with intense public debts and increased global rivalry with China. For decades the US intended to sustain their global commitments by encouraging European countries to invest more in their own security. While this does not necessarily translate into an isolationist approach, any president has to counter isolationist criticism by proponents of a more US-focused foreign policy approach.

All go down in flames

There are three key drivers behind this scenario. The most crucial one is the failed transformation in Ukraine. The bumpy road of unfinished and never-implemented reforms, overhauling corruption and destabilisation in the country leads Ukraine to the edge of a failed state. The entanglement of political and economic interests of pivotal actors in Kyiv hampers reforms, which leads to social unrest and decreased stability. While this lowers the capacity to participate in the EU and NATO integration processes, it also lowers Ukraine's resilience to counter pressure from Russia, which Moscow makes good use of and increasingly influences domestic processes in Ukraine.

The second driving force is the divided transatlantic community. The EU member states are hampered by a bunch of domestic, economic and foreign policy crises and are not able to come up with a coherent and effective strategy on either the EU or Ukraine. Given that the EU's modus operandi was lately persistently driven by crises to which it could only react and hardly control their development, it seems likely that the traditional limited prospective approach of EU policies perpetuates into the future. A wide range of national interests obstruct an effective common approach, and the EU institutions become increasingly engaged in mediating among member states and rivalling political agendas. The EU as an entity becomes sidelined in international negotiations. In the United States, President Trump diverts the country into an era of isolationism and populism. The US withdraws its troops from Europe, and the Euro-Atlantic institutions lose credibility. Moreover, public debts and global rivalry with China restrain the US' ability to compromise. As the US withdraws from Europe, Ukraine loses the most committed supporter of its sovereignty, security and democratisation process and is left alone to face Russian aggression.

The third driving force is the destructive role of Russia. In the absence of active and coherent Western policy, Russia can increasingly tap into the multiple voids the West has left behind. This is supported by an increasingly nationalist attitude of the Russian population, which overwhelmingly supported the annexation of Crimea. Moscow as a new gravitational centre in Eastern Europe is a vision that can compensate for economic deficiencies within Russia due to failed economic modernisation and Western sanctions in the course of the Ukraine conflict. Therefore, Russian leaders have no inclination to become more cooperative in Eastern Europe. Moreover, there is a risk of instability spreading in Russia, with its leaders having more incentive to take irrational decisions, including the use of nuclear weapons.

Tipping points

Ukraine never really got on a strong and stable track of transformation. A corrupt and inefficient public administration kept sabotaging any efforts to make a difference. The reform of the judiciary has never been implemented and no rule of law has been established in the country. Ukraine remains dependent on Western support, but this support has dwindled, since ongoing and widespread corruption, inefficiency and oligarchism discouraged the West from engaging further in Ukraine. This led to a brain-drain in Ukraine and a drastically decreasing interest in Ukraine both in the EU and US media and in public awareness as hopes of transformation success waned. All in all, the failure of reforms and the lack of alignment to the EU's norms and policies within the AA/DCFTA paper contributed to a negative image of Ukraine in the West and on international financial markets.

The EU itself has been shaken by ongoing and multiple crises. Major Near-East and North-African states (Syria, Iraq, Lebanon, Egypt, Libya) disintegrating into chaos spilled waves and waves of refugees to European shores. The stability pact has been overhauled and an inflationary 'race to the bottom' set in. Not only are the two milestones of European integration—the Schengen Agreement and the Euro—at the brink of failure, but member states cannot find common denominators and do not speak externally with one voice. The EU exists formally but it is not capable of solving pressing challenges.

Globally, the Republican President Donald Trump can easily justify his isolationist vision for a US that focuses on internal problems with reference to the European crisis and the EU's inability to assume global responsibility. The West is confronted with an ever-ambitious and self-confident Russian President Putin, who seizes on the weakness of the EU and the decreasing US leverage in Eastern Europe to mask his domestic weakness with a proactive and nationalist foreign policy. Paradoxically, Russia slowly emerges as the only sheet anchor there is for Ukraine. This, however, comes at the price of playing along with an ever-demanding emerging hegemon in Eastern Europe.

Between nationalism and forced cooperation

The domestic chaos after the Maidan revolution and the war against the separatists and disguised Russian military did not find an end. Ukrainian governments were short-lived, either torn between conflicting political objectives, vested economic interests or because they could not sell their agenda to the public. Increasingly this permanent failure of a heterogeneous political class was effectively used by populists who, in turn, also could not install a working public administration or rule of law or embark on a successful path of economic growth. The general political climate worsened, oppressing any attempts at establishing a democratic culture. Each subsequent parliamentary election was less and less free and fair. Cases of political prosecution and harassment against civil society became frequent. The chaotic situation encouraged corruption and young, qualified Ukrainians have been leaving the country in droves in search of better jobs and life perspectives (brain-drain). This has two consequences. On the one hand, spreading corruption dried out remaining financial flows domestically. Oligarchs retained control over whole sectors of the economy and public institutions and resources. The sources of financial support simply slowly ran out, and public money has been replaced by gain-driven private funding. On the other hand, external actors drastically decreased their commitment to Ukraine. International donors became increasingly reluctant to grant FDIs, as the conditions of doing business were poor (legislation, infrastructure) and limited to the exploitation of cheap resources and low-tech goods. In addition, Ukraine received less and less generous development aid. The IMF was one of the first international financial actors that denied any substantial commitment given the domestic crisis. Worst of all, the EU lost faith in Ukraine's successful transformation.

The ever-changing Ukrainian governments failed to implement the Association Agreement and the DCFTA. Therefore, cooperation became more and more fragmented and superficial, and the established framework remained hollow. There was limited knowledge and know-how transfer and highly polished intergovernmental 'shake-hand' consultations without deeper meaning or impact. The EU did not actively support the strengthening of economic and trade relations with Ukraine, as Brussels did not want to serve as the 'milk cow' for the corrupted establishment. Thus, the EU reduced its funds available for the European Neighbourhood Policy and bilateral programmes, which further worsened the situation.

The EU had been distracted by other pressing challenges anyway. First, with regard to its migration policy, climate change and severe droughts in Africa encouraged even more economic migrants to seek opportunities in Europe. This inability to control migration flows challenged European integration, destabilised the domestic situation in the member states and gave rise to populism, right-wing extremism and all kinds of terrorism. By enthusiastically constructing enemy images and a ubiquitous atmosphere of insecurity, anti-democratic and semi-authoritarian regimes managed to incrementally take the lead in Europe. Finally, even the last man standing—Germany—was unable to maintain the cohesion of society, politics and economy and slowly subdued to the right-wing demands of the Alternative für Deutschland (AfD) and other new protest parties and movements. Second, the Euro crisis re-entered the agenda with unprecedented force. The EU member states took on debts in excess, hoping that inflation would ease their debt burden in the long run. However, this inflationary spiral got out of hand, and a huge currency crisis disrupted Europe's ability to develop and finance any sort of sustainable common foreign and security policy. Athens bluntly failed to implement reforms and maintain itself on the international financial market. Once Greece left the Eurozone, the fiscal crises spread like wildfire. This, again, nurtures nationalist propaganda of populist movements within the EU. These two major crises of European integration have serious implications for the global image of the EU, which turns from one of an appreciated club of wealthy and democratic states and thus a model for regional integration into a prime example of how regional integration can dramatically fail.

With regard to Russia, the EU member states started to look for new ways to get along with Moscow and first bypassed and then openly suspended sanctions. Some countries, such as Hungary and Romania, struck special economic, political and energy-security deals with Russia and China in the vain hope of rescuing their economies and sharing the refugee challenge in exchange for long-term stability promises. Those still trying to support Ukraine did not have the resources to do so effectively and cohesively. The different activities were poorly coordinated, as every country strived to maximise its own interests and profit from the chaotic situation in Ukraine by 'cherry-picking'.

The US and Russia as the major global actors in the conflict in Ukraine adapted their strategy to meet their domestic demands. In the US, the radical Republican President Donald Trump navigated the country towards a path of isolationism and low commitment which his Republican successor does not intend to abandon. He is easily able to justify his major U-turn in US foreign policy with reference to his weak European allies and the potentially immense costs of a proactive approach to global challenges and Eastern Europe in particular. Altogether the decreasing engagement worldwide, the limited willingness to support the bumpy transitions and the interest-driven policies in third countries made Euro–Atlantic relations an even more uneven and non-committing partnership. Finally, the US decided to enter the third decade of the 21st century by withdrawing its troops from burning Europe. Donald Trump had stressed that the US is neither authorised nor obliged to further act as global policy officer and that the primary goal of an American president is to strive to meet national objectives. In order to avoid bankruptcy – something he can indeed call himself an expert on – current costs had to be minimised. He argued that if the US wanted to stand a chance of competing with China globally in the 21st century, Washington could not feel responsible for every minor conflict in the world. If Europe was not willing to deal with their immediate challenges internally and in their neighbourhood, the US should not succumb to the temptation of compensating for any weaknesses of their allies. Consistent with the foreign policy stance, Trump did not hesitate to suspend Art. 5 of the NATO treaty, after the European NATO member states failed to come up with an adequate military alternative in Eastern Europe. In consequence, the entire organisation lost trust and confidence and could not even provide security to its members. Without US leadership, the Europeans got lost in internal squabbles and did not feel confident enough to stand up to Russia.

Russia, in turn, used the transatlantic weaknesses to destabilise the Baltic States by organising paramilitary 5th column organisations and insert energy blockades. The Baltic States were forced to leave NATO, adopt a neutral status in international relations and accept the corridor solution for Russian interests in Kaliningrad. Without the military backing of the US, an undecided and incoherently acting EU and Ukraine as the prime example of a country in an open conflict with Russia, the Baltic States have had to bow to Russian demands. This sent shockwaves throughout the European continent. Some European countries decided to get along with Moscow and try to profit from increased economic and energy ties and common fight against Islamic terrorism. Strategic partnerships with Moscow popped up like mushrooms. But the disintegration of the common European and transatlantic institutions (EU and NATO), as well as the Westeuropean states' bilateral race for Moscow's favours re-ignites ethnic tensions, nationalistic policies, and inner-European conflicts. Again war will be a usual tool in inner-European power struggles. Others were too weak to oppose these new axes of forced cooperation. The post-Soviet space became a no-man's land between them and the Russian empire, economically and politically marginalised and object of exploitation. Georgia and Moldova, frustrated with the lack of a plausible European alternative, blackmailed in economic terms and strongly supported by their Russian-speaking minorities, realigned themselves with the Eurasian Economic Union.

Indicators

In order to measure the state of affairs in Ukraine one can take the standard transformation indices such as state of democracy, good governance, fighting corruption, business climate etc. as measured by for example TI Corruption Perception Index, Bertelsmann Transformation Index, Nations in Transit/Freedom House, World Bank Governance Indicators, Doing Business/World Bank, or the European Integration Index for Eastern Partnership Countries. In addition the number of Ukrainians who emigrate (leaving the country for longer than three months, excluding for the purpose of study) as well as the number of financial flows to and from Ukraine as measured by Western FDI compared to Russian FDI into Ukraine, capital flight from Ukraine versus money transferred from the Ukrainian diaspora back, IMF/WB/USAID/EBRD/EU macro-financial assistance and loans to Ukrainian public and private sectors can be taken into consideration.

In order to measure the quality of the European and transatlantic cooperation, one can concentrate on the cohesion of the European Russia policy and the question of whether the EU will continue to punish Russian misbehaviour (war in Donbass, no progress on Minsk, occupation of Crimea) with sanctions or aim for rapprochement. The disunity within the EU can be identified by voting results in national elections or public opinion polls and popular support of Eurosceptic parties in the EU member states and the number of unilateral ties and 'Sonderwege' in bilateral relations with Russia. On the other hand Moscow's influence in Europe can be measured by the number of Russian soft-power instruments (propaganda outlets, funding for parties etc., churches, 'Ruski mir'-institutions and other agents of influence) increasing across Europe.

The preparedness of NATO vis-à-vis Russia can be measured by the number of US military bases and soldiers in Europe, the number of European soldiers and technical equipment deployed on NATO's Eastern flank states as well as military exercises practising Article 5 operations. In order to measure Russian military posture along its Western frontier one can take Russia's arctic and Nordic military posture, Russia's military presence around the Baltic States and the operations/ manoeuvers conducted by the Baltic Fleet, Russia's military presence in Belarus, Russia's military posture on the Ukrainian border, Russia's military presence in the Black Sea and the militarisation of Crimea, and Russia's military presence and military operations in the Southern Caucasus.

The failure of the European Neighbourhood Policy

This outright swap into the Russian camp was not plausible in Ukraine as the annexation of Crimea and the ongoing semi-frozen conflict in the East were still too fresh. But the corrupted and oligarch-controlled government in Kyiv informally agreed to comply with some Russian demands and progressively opened up to Russian economic and subversive influence. This necessary arrangement strategy caused renewed distrust in society towards the authorities. In some oblasts, local actors and oligarchs took fate into their own hands, and enforced local self-rule by their own militias, leading to the disintegration of the country. These feudal-like actors sometimes lean towards more pro-Russian stances and sometimes towards rather nationalist-isolationist views. Ukraine entered the year 2025 as a weak, corrupted and divided country, surrounded by the sad and dusty remnants of the European integration and transatlantic cooperation and the rising sun of the neo-Russian imperium.

EU–Ukraine relations will be downgraded to a minimum due to the Ukrainian transformation failure, internal challenges within the EU and the remaining pressure by Russia to play by her rules. EU transformative power in its neighbourhood has traditionally rested on its membership perspective but without that and given the limited financial commitment for the European Neighbourhood Policy, transformation incentives by the EU are perceived as low in Ukraine. While the image of Ukraine within the EU deteriorates due to a permanent political and constitutional crisis in Kyiv, the attraction of the EU within Ukraine and other ENP target countries subsequently fades due to the EU's inability to cope with the refugee and Euro crises. Given that the isolationist approach of President Donald Trump leads to neutrality of the Baltic states and a de facto dissolution of NATO, Ukraine lacks any alternative to cooperation with Russia. Alongside a political and economic estrangement between the EU and Ukraine, societal links also break away due to a brain-drain and a feeling of being left alone with an invasive and overpowering Eastern neighbour. In short, the EU and Ukraine happened to choose entirely different political and economic paths.

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The limbo

While the EU is mainly dealing with itself, its transformative power towards Ukraine has almost vanished. The lack of a substantial offer in the political and societal realm as well as insufficient investments from EU businesses have resulted in a more sceptical attitude of the countries in the Eastern neighbourhood towards the EU as a model and incentive for modernisation efforts. Despite staying on the path of reforms, Ukraine is still seen as a risky market for long-term investment, so the hope of stable development remains fragile amongst the population.

Ukraine all on its own

The cohesion of the European Union's foreign policy is low as the EU is drowning in internal quarrels, which consume much of the time and effort of its politicians. Ukraine's reforms and transformation are moving forward, so that Western-oriented international institutions and partners are no longer afraid of the state's collapse. The key to the success of the Ukrainian state is low-level macroeconomic stability and the successful development of small and medium-sized businesses, especially in the area of agriculture. Influential third parties remain disengaged politically and economically most of the time. In the US, decision-making is stalled as both major political parties struggle in vain to fix the loss of popularity among the voters. Furthermore, China has successfully overcome the slowdown of its economy, but concentrates its resources on the most promising investment opportunities, and Ukraine's is too modest to make the list, despite the progress achieved. Russia in turn remains economically weak, and the appeal of foreign adventures as a tool to boost the popularity of its leadership has evaporated among the population, which struggles with economic hardships.

Staying on the path of reforms

Ukraine is progressively reforming itself and the quality of administration is improving. The corruption level has decreased significantly as the critical mass of younger civil activists enters the civil service, replacing the old bureaucrats. The role of the monitoring and auditing institutions was strengthened and administrative capacity has improved due to a large-scale education programme. The agricultural sector of the economy is developing well, as, on the one hand, the decentralisation efforts gave more powers to the municipalities, letting them improve economic conditions on the ground, while on the other hand the Ministry for the Economy provided successful support to the exporters and helped facilitate cross-regional and cross-border production chains. Agriculture also requires a low level of foreign investment and the technological skills of the workforce are adequate to satisfy the requirements of the industry.

Moldova tends to see Ukraine as a model of successful reforms. However, Ukraine is still dependent on external support that helps keep the macroeconomic condition stable. Donbass' low-intensity separatism persists as a frozen conflict. All in all, hopes for long-term stable development remain fragile amongst the population. The EU is mainly dealing with itself, and has almost nothing substantial to offer to Ukraine. The implementation of the Deep and Comprehensive Free Trade Agreement (DCFTA) is nearly blocked by the inability of the EU to renegotiate the trade quota already fully used by Ukraine. The growing protectionist tendencies in the EU push it to use non-tariff barriers ever more often. The US, China and Russia remain largely disinterested, and many potential investors still regard Ukraine as a risky market for long-term investment, though some take a chance and make profits.

The end of the EU's transformative power

In the next few years reforms in Ukraine start to yield results. New waves of refugees from the Middle East and North Africa arrive in the EU, taking its attention and resources. Persisting disputes about the adequate European response to this challenge have undermined the internal cohesion. Furthermore, the disappointments and failures of the integration policy in several member states are widely used by populist political forces to mobilise voters. The room for manoeuvre for governments to accept compromise solutions is getting smaller and these limitations spread to different policy areas. The population of Ukraine trusts the government more than it used to, for two reasons: first, as a result of the government's demonstrated willingness to implement the reform agenda and second, that in comparison with the EU's weak performance, Ukrainian policymaking appears relatively attractive. The elections in Kiev-controlled regions happen in a free and fair manner. The presidential elections of 2019 become a competition of a new generation of politicians, while the old guard is leaving. By 2020 some Ukrainian oligarchs are convicted for law violations; the rule of law applies to everybody.

Energy supply and prices remain an issue, leading to occasional quarrels with Russia and inside the country. Nevertheless, acute conflicts are successfully avoided. The state of the Russian economy remains bad, blocking further interference in Ukrainian affairs. The Minsk agreement is not implemented fully but the Donbass conflict is successfully contained, as the Russian government has to pay serious attention to its internal economic troubles, still being unwilling to completely cease support for the Donbass rebels. The economic interaction between the separatist regions and the rest of Ukraine is secured, bringing profits to both sides that agree to accept the modus vivendi. Ukraine hopes for more investment from EU business, as well as other economic powerhouses, but the results remain modest. No visa liberalisation with the EU is in sight. The visa dialogue is stalled given the state of EU affairs, mainly the migration issues. Brain-drain affects Ukraine, as many of its citizens see more opportunities abroad – about half of them in the EU, some in Russia, and many in the booming Asia.

In spite of the progress achieved, Ukraine is still seen by many as a provincial homeland, good mostly for farmers, rather than for those aiming at transnational careers. The demand for further reforms is low. Most Ukrainians are tired of harsh economic measures and tend to enjoy the palpable economic revival. The societal capacity in terms of skills, education and start-ups remains limited. Few people still believe that further reforms or cooperation with the troubled EU might result in an economic miracle. The developments in the course of the years up to 2025 are seen as an evolution rather than a breakthrough.

Indicators

A number of indicators would signal this scenario. First, reform process assessments are definitely positive. International ratings show improvements in Ukraine in terms of business climate, e-government efficiency, environmental protection and the development of renewable energy supplies.

Second, final results of EU meetings dedicated to the relations with the Eastern partners and the EU internal coherence are noticeably divisive. The army of smaller eurosceptic member states is strengthened by France, threatening to tip the balance in the union to the disadvantage of both enlargement and the deepening of EU integration. A majority of member states all express growing dissatisfaction with the EU structures.

Third, opinion polls in Ukraine show a low level of trust in international organisations and regional institutions including the EU. Finally, effective high-profile anti-corruption sentences are registered in Ukraine.

Inward-looking European Union

Many analysts assess the state of affairs in 2025 as unfortunate, given all the opportunities missed and illusions lost. At the same time, Ukraine is more stable than in 2016. The EU does not stand as a beacon of foreign policy intentions for the Eastern neighbours, including Ukraine. Russia and the still uninspiring but present Eurasian Union, only made looser and weaker by its enlargement first to Tajikistan and most recently to Uzbekistan, demonstrate no ability to play this role either. The EU members remain profitable partners but the deep international integration is no longer perceived as a major driving force for economic development worldwide. A protectionist mood is widespread as people struggle to secure the way of life to which they have become accustomed in the past. Every European country concentrates ever more on its own resources, rather than promoting cooperation with both neighbours and global trading partners. Some say this paves the way to new bitter intra-European disagreements that might end up in a conflict but by 2025 this seems to be no more than an alarmist fantasy. It is rather a fallback on lower economic and technological development which, on the one hand, is due to less cooperation and exchange but, on the other hand, reduces the gap between Ukraine's level of development to that of other Eastern members of the EU.

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Wind of change

The following scenario draws on the combination of two key drivers: a constructive engagement by Russia on the one hand and an incoherent international community on the other. Against all expectations, the Russian leadership changes its foreign policy course, realising the necessity of a cooperative approach towards international partners to overcome isolation and the economic crisis. As a consequence, Russia assumes responsibility as a regional and global actor and starts to play a more constructive role, notably with regard to the Ukraine crisis. At the same time, the rest of Europe and the EU are increasingly challenged by global and regional threats and weakened by multiple lines of conflict and disagreement amongst the EU member states. The increase in popular frustration within Europe, the radicalisation of right-wing protests, the electoral successes of anti-European and nationalist parties all over the continent as well as ongoing economic troubles especially in the south leads to a very limited actor capacity of Europe, decreasing the EU's ability to play a meaningful role as an actor in both regional and international terms.

Constructive Russia meets disjointed West

There are two essential driving forces behind this scenario. The first is Russia's constructive engagement. In this perspective Russia has the potential to be a constructive player, which will positively impact its strengthened leverage as a normative power—both regionally and globally. With regard to EU–Ukraine relations its influence becomes helpful. Russia plays the role of an honest broker, while at the same time demonstrating strong but fair leadership and determination. Russia re-establishes its position as an opinion leader for the region and sets out its interest with regard to positively influencing developments in Ukraine. It takes a firm position vis-à-vis Europe, but with no negative connotations. It enters into constructive talks with the EU and Ukraine. It is considered a partner not a spoiler. Furthermore, it shows a cooperative attitude in multilateral fora such as the UN. Russia is back in the G8.

In addition, Russia strengthens its pivotal role in the future of European energy supplies and uses military, trade, economic, media and/or cultural means to exercise its influence—yet always based on good-faith consultation with its partners. NATO-Russia consultations are re-established. In economic terms, Russia tries to reboot its economy: Russia creates conditions conducive to FDI, fully complies with WTO rules and improves its economic/trade relations. Trade restrictions vis-à-vis Ukraine and/or the EU are abandoned. Russia also enters into constructive talks regarding the EU-UA Deep and Comprehensive Free Trade Area (DCFTA); the idea of a Free Trade Area (FTA) from Vladivostok to Lisbon becomes a realistic prospect pushed for by Russia.

It is thanks to Russia's role that eventually the conflict in the Eastern part of Ukraine comes to an end. An acceptable solution with regard to Crimea is found providing for special autonomy although within Ukrainian borders. Overall Russia will provide for a positive track record due to its mediating role, which also ultimately ensures a positive outcome—a win-win solution.

The second driver is the incoherent international community, including the European Union and the United States as well as the International Monetary Fund and NATO. The international community, more precisely the transatlantic community and the EU, loses its ability to act cohesively in the international arena. The internal cohesion which for decades determined the EU's actor capacity in international relations becomes increasingly marginalised. Faced with external challenges the EU does not find its 'one voice', especially with regards to the Ukraine crisis. EU member states are either consumed with national challenges, such as right-wing party gains and economic problems, and/or national foreign policy goals differ to such an extent that the EU cannot form a single set of policy goals. Favoured by a lack of leadership of the EU institutions and a missing mandate from the EU member states, international actors, including Russia, no longer have means to address the union as a whole and are increasingly forced to interact with each member state individually. Furthermore, actors such as the USA and Russia increasingly disregard the EU's strategic needs and normative demands, which again challenges European internal unity on how to act on such a development. As a result, the EU is not able to deliver a comprehensive and meaningful EU foreign policy and a power vacuum is created which surprisingly is filled by Russia's constructive engagement.

Tipping points

Within a decade Russia becomes able to modernise its economy and society, which overall leads to new, positive dynamics within the engaged and active Russian civil society. This provides a boost for business and new investments and re-establishes a positive external perception of Russia.

Russia develops a different value-based and normative national narrative, which also has an important impact on its foreign policy actions. Russia starts to respect international norms and principles and looks for win-win situations—both in terms of security and the economy. In this context, Russia makes an offer for a comprehensive FTA with the EU ('from Lisbon to Vladivostok') which builds on the network of FTAs negotiated in past decades with its partners, including the DFCTAs with Georgia, Moldova and Ukraine. In consequence, Russia gives up its protectionism with regard to trade over the CIS space. On the multilateral level Russia plays a constructive role and discontinues its veto abuse in the UN Security Council. Overall Russia distances itself from any attempts at zero-sum games.

In this vein, Russia looks for a way to end the Ukraine crisis in order to get rid of the Western sanctions and to overcome international isolation. Another incentive for Russia to overcome the Ukraine conflict are the high costs of covering the administration of Crimea and the threat of spillover effects in other eastern neighbourhood countries. Lastly, the poor political performance of Europe, notably the EU as a single actor, decreases Russia's perception of Europe as an economic and normative threat to Russian regional hegemony.

In turn, the international community shows increased disunity with regard to competing visions in foreign policy, namely EU–Russia relations and European policy towards the eastern neighbourhood. The lack of EU leadership and ongoing competitive attitudes between the member states, characterised by introverted approaches, leads to the sending of mixed messages internally (towards EU citizens) and externally (towards the international community). Double standards in the EU's and member states' foreign policy are becoming obvious. The EU puts their focus on domestic and institutional challenges, namely the migration crisis, the economic crisis and Brexit, neglecting the challenges of a coherent foreign policy strategy. Furthermore, the competition between third parties (for example between the US and the EU) and new players such as China is becoming stronger.

Towards paralysed Europe

After three years of sanctions and economic downturn as well as the growing costs of sustaining the unstable situation in Crimea and Donbass, which is mirrored in growing frustration and discontent with the leadership by the Russian population, the Russian leadership realises that a drastic change of course is necessary in order to pacify the situation. 2019 therefore marks the starting point of a new constructive and cooperative foreign policy strategy of Russia.

With regard to Europe, the outcome of the negative referendum in Holland on the EU-Ukraine Association Agreement (6 April 2016) as well as the UK's citizens' decision to exit the European Union (23 June 2016) triggers processes of disintegration of the internal cohesion within the EU. In 2025, the EU is still struggling with domestic issues, namely the bad economic performance of certain member states as well as growing populism, nationalism and anti-European movements. Overall the EU is paralysed in its ability to act.

With regard to Ukraine, EU member states struggle to find a common stance. While EU members from the East and the Baltic region continue to support a more confrontational stance towards Russia in order to counter potential spillover effects of the Ukraine conflict, southern members favour stronger economic cooperation with Russia, in order to overcome economic stagnation.

The EU is in bad shape. There is no political will for a common foreign policy. The EU is driven by particular interests of member states. Its member states are no longer able to formulate a vision for future prospects. At the same time, strong leadership from within the institutions (e.g. the President of the Commission or the Council) or a member state is lacking. In addition, US foreign policy also reflects the growth of nationalism and turns towards more isolationism and—if any—unilateral actions. Negotiations on the "Transatlantic Trade and Investment Partnership" (TTIP) between the US and the EU fail. The USA and the EU do not play a constructive and cohesive role in international institutions—something which also influences NATO and the work of other international organisations (e.g. UN, OSCE, World Bank, IMF).

Bearing in mind that the EU remains the main trade partner of Russia, Moscow and the Board of the Eurasian Economic Union (EEU) make a proposal for more cooperation with the EU and the creation of a Free Trade Area between the EU and the EEU. This comprehensive FTA from Lisbon to Vladivostok could even be extended across the Atlantic.

But as the EU is consumed by internal challenges and divided over the approach towards Russia and its neighbourhood policy, it does not formulate a coherent answer to this offer. It cannot react to the constructive role of Russia.

Indicators

There are several indicators that can show us that we are moving into this surprising scenario. With regard to Russia's constructive role we could observe: a change of rhetoric in public statements by the leadership, backing away from confrontational attitudes towards the West and stressing the importance of cooperation and modernisation; voting behaviour in international institutions, e.g. UN Security Council (not using the veto, but supporting initiatives for conflict resolution), adhering to WTO rulings; behaviour in foreign policy and foreign economic policy, such as abolishing trade sanctions towards the West, inviting investors and improving investment conditions; travelling to EU and Western countries with proposals of cooperation (e.g. for a free economic zone between the EU and the EEU, reviving the idea of a modernisation partnership); and acting constructively in solving the conflict in Ukraine by withdrawing Russian forces and equipment from Eastern Ukraine, stopping 'humanitarian convoys', using its influence on separatists to accept autonomy within Ukraine (and elections under Ukrainian law), restoring Ukrainian control over the border, and offering a negotiated settlement for Crimea.

With regard to the incoherent international community we could observe: a lack of joint strategies such as joint communiqués and resolutions by G7 and international institutions, a not very ambitious 'EU Global Strategy' and lacking follow-up documents with guiding principles for the Common Foreign and Security Policy, and a lack of substantial Council conclusions on foreign policy (especially on Ukraine), with no developments towards a future for the Eastern Partnership; difficulty to agree on or to prolong sanctions towards Russia, no further coordination within the EU/G7 and with the US; and opinion polls in EU member states showing that citizens are more interested in national policies with growing scepticism of the EU and its institutions.

Russia in the driver's seat

With regard to the implications for Ukraine, the scenario as such does not describe the internal situation of Ukraine, but a changed international environment for Ukraine. The EU is not able to offer Ukraine a stable European perspective in this scenario, nor is it able to help Ukraine on an integration path (e.g. implementing the Association Agreement and the DCFTA, applying for membership, decreasing financial support, less political support in confronting Russia and in solving the conflict in Eastern Ukraine and the Crimean question). This will surely lead to disappointment or even frustration by Ukraine, notably its citizens, with the EU and some of its member states.

Russia's constructive engagement towards Ukraine, its willingness to solve the conflict in the East and to settle or even reverse the annexation of Crimea will strengthen those in Ukraine who would like to mend relations with their 'big brother'. As support from the EU decreases, the offer to be part of an economic zone from Lisbon to Vladivostok becomes more attractive and Ukraine becomes more willing to fulfill the role—as foreseen by Russia for it—as a bridge between the EU and the Eurasian Economic Union (inducing Ukraine to become a member of the EEU).

Hence, it will be harder for Ukraine to follow through with a fully pro-European reform agenda with a focus on fighting corruption, overcoming an oligarchical system and modernising the economy. The success of such a path will completely depend on the will of the Ukrainian leadership of that time and the influence of the civil society as there will be no coherent international support for this agenda by the international community.

Summing up, in this scenario the combination of a constructive role of Russia and a low cohesion of the international community, notably the European Union, leads to Russia taking a more constructive role in Europe. The US would presumably grow concerned about this dominant role of Russia in the face of a weak Europe. Furthermore, any closer relations between the EU and Russia as well as stronger ties between Russia and some EU member states will be observed with suspicion by the United States.

The debate on the proposal for an economic free zone from Lisbon to Vladivostok by Russia will create more disunity and division within the EU as it will be difficult to form a coherent answer to it. Ukraine will grow more and more disappointed as it feels ignored by Europe. It seems that Ukraine once again finds itself stuck in the middle. No matter whether they push on with reforms and strive for EU membership or whether their European path remains unsteady, the EU is not in a position to offer them a clear perspective or either political or economic incentives.

European Union and Turkey

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Turning tables

The following scenario of Turkey and Turkey–EU relations in 2025 is characterised by an increasingly autocratic and geopolitically emboldened Turkey turning the tables on a disintegrating European Union. It is assumed that the two entities are able to maintain functional relationships driven by the domestic consolidation of the ruling party's majoritarian power, Turkey's rent-seeking behaviour with regard to her priorities in Europe and by the European countries' dependence on Turkey in various policy fields. The EU is dominated by national interests of her member states and thus key elements of the Turkey-EU relationship, including eventual membership, are redefined.

A semi-democratic Turkey emboldened as a regional hegemon

A key driver in Turkey's development for the coming years will be determined by the policies of the President of the Turkish Republic and the ruling party. Their majoritarian regime consolidates further from 2016 onward.[1] Indicators for this trend are a new constitution that is passed in a referendum, enshrining the president's enhanced competences at the expense of legislative and judicative powers and thus creating a political system lacking effective checks and balances. This is followed by the President's and the AKP's re-election in 2019 and 2020 respectively in free, but not fair elections. The centenary celebrations of the Turkish Republic in 2023 will serve the President and the AKP government as a platform to stay in office for the years even beyond 2025.

The years until 2025 will thus show the continued implementation of the AKP's so-called 'Conservative Democracy' (muhafazakar demokrasi)[2] approach, which on the one hand exhibits limited reformism and liberalisation from above, partly in line with EU and international norms and standards enhancing the country's modernisation. On the other hand, Turkey will be characterised by restricted rule of law via controlled juridical institutions, confrontational political discourses and polarisations through policies based on a conservative socio-political agenda, the securitisation of the public sphere, and political exploitation of ethnic, social and cultural cleavages. Authoritarian leanings will continue in the repression of oppositional groups, unfair campaigning, violations of citizen and human rights, and tight control of media outlets and civil society organisations.

This consolidation will be supported by the continuous co-optation and containment of other actors of the political system, such as the Turkish Armed Forces, oppositional and business groups, media and critical civil society, mainly by the ruling circles. However, also domestic structural factors, such as the transitional dynamic of the country's demographics and economy, and a reliance on nationalist discourse favoured by Turkey's dominant hierarchical, conservative political culture support the consolidation of the President's and the AKP's power; so do external structural factors such as ongoing, low-scale conflicts in Turkey's direct neighbourhood and the reluctance of EU actors and institutions to enforce EU rules in the accession process against the President's will, indicated by numerous 'opt-outs' granted for Turkey by the EU in various policy fields even before accession.

Thus, it is assumed that the executive will continue to undertake some reforms in line with EU requirements and the Copenhagen Criteria based on tactical interests and on domestic power calculations and a reciprocal calculus towards European actors. Some de jure reforms will be implemented by the AKP government in the coming years, for example with respect to minorities and refugee integration, as well as citizenship, citizen and human rights, possibly with more gradual improvements for the Kurdish population (along with an ongoing fight against extremist groups); as well as with regard to market liberalisation and trade (reform of the Customs Union, FDIs and investments in R&D etc.), public procurement and transparency, the European energy regime, or environmental protection. The practical, de facto implementation of reforms, however, is both crucial and unsure: unless Turkey is able on her own or supported by the EU and other international actors to build up strong administrative, economic and civil society capacities and institutions for implementing these reforms, all aspects of politics will regularly be subordinated to the domestic power games and the regime's consolidation of majoritarian rule.

In the area of foreign policy, Turkey, with a disintegrating European Union and a neighbourhood in the Middle East that is still unstable, will become a regional hegemonic power as had been envisioned by AKP circles in the early 2000's. As the conflicts in her neighbourhood cool over time, but continue in structural terms, Turkey will be able to rebuild trust in the region by projecting her image as a prosperous market economy, an electoral democracy still more liberal than the regimes in its neighbourhood, and with some kind of inspiring soft power over other predominantly Muslim societies. The authoritarian leadership style of the President serves Turkey's potential as a wielder of hard and smart power. Turkey keeps on following her own, 'national' interests—in particular with regard to security as well as natural resources and energy concerns—resulting in a generally constructive posture in the neighbourhood despite continued rhetorical belligerence and the political, tactical exploitation of tensions. Relations with other autocratic leaders and regimes will be based on mutual recognition but mistrust, thus being prone to tension, quarrels and even temporary, open hostility.

One way to regain credibility as a regional power broker—and another indicator for the realisation of this scenario—will be for Turkey to help solve pressing political challenges, for example reducing the tensions between Iran and Saudi Arabia, to accept a solution on Cyprus by own interests (especially with regard to guarantee rights being upheld and Turkish troops remaining on the island) being met, or through a return to pragmatic relations with Israel and with Vladimir Putin's Russia, both of which are necessary to form the post-conflict order of Syria. Also for the new US President Turkey will still be considered a 'strategic partner' for US geopolitical and security interests in Eastern Europe and the Middle East. In this context, the Kurdish question in general and Turkey's perception and handling of the Syrian Kurdish PYD in particular will remain a crucial case. On the one hand, the resumption of fights of the state against the PKK and other extremist and terrorist groups since 2015 continues for more years without any ultimate success for either side. On the other hand, the slowdown of the conflict in Syria will show a de facto and later also de jure autonomous, allegedly democratic and, thus, internationally accepted Kurdish region along the Turkish border. With the centenary of the Republic approaching, the AKP executive, wholeheartedly willing to re-establish Turkey as a trustworthy political and economic power in the region by the mid-2020's, will redefine and normalise its relations with the opponent Kurdish groups. However, this normalisation is built on fragile ground.

Fragmentation, renationalisation and differentiation of EU politics

The multiple crises that have been shaking the EU as a group of 28 solidary states and liberal societies between 2007 and 2016 have put into question the union's ability to function effectively and, thus, deepened its legitimacy and identity problems. It is assumed that for the next ten years various developments and contemporaneous crises will continue to affect the shape of the union, deepening fragmentation and differentiation. Four main aspects will indicate this scenario for the EU to come true: At first, the national debt crises in some member states with their negative consequences on labour markets and social coherence, economic prosperity and competitiveness will continue to harm the union's socio-economic outlook and global competitiveness (even if the TTIP negotiations succeed). Second, various member states aiming to redefine their relations with the European Union or leave it altogether will further add to centrifugal forces. Third, the continuous pressure of thousands of refugees of pre-dominantly Muslim background seeking entry into the European Union's territory will keep both the Schengen border management regime and the social balances of some EU countries under stress, strengthening demands to renationalise politics and policymaking. Fourth and finally, nationalist, right-wing governments and extremists gain power on various levels of political decision-making and opinion-shaping, strengthening a public discourse dominated by xenophobia, polarisation and a semi-authoritarian leadership style, thus deeply undermining the European normative order.[3]

All in all, the unity and coherence of Europe's legal and political order and the union's effectiveness as a responsible and democratic international player will be put into question.

This will result in a debate on how to restructure the way the EU organises governance after the 2019 elections to the European Parliament that may be shaped less by pro-integration forces than by political players and member states sceptical of further EU integration. As a consequence various institutionalised forms of differentiated integration and thus a much less homogenous and coherent union will emerge, evident through the development of a group of 'core' member states which continue to practice 'deepened' integration, and a more layered approach towards the fringes, in which members and non-members of the EU are associated at varying levels of complex interaction.[4] This implicates a redefinition of Turkish-EU relations where both entities maintain functional relationships, mainly driven by Turkey's rent-seeking behaviour with regard to her priorities in Europe and by the European countries' dependence on Turkey in various policy fields.

Implications and conclusion for Turkish–EU relations until 2025

Confronted with a divided, less cohesive EU developing patterns of differentiated integration, a Turkey centred around patterns of majoritarian leadership and the agenda of Conservative Democracy and bolstered by increased regional importance will be less inclined (and less able, given the fragmented and incoherent policies ensuing from the EU's disintegration) to subject herself to EU pressure for structural and political adjustment policies. The AKP executive will not break with the official policy and narrative of Turkey's EU accession, not least for reasons of domestic policy and reform legitimation. But the longer the EU is shaped by various and profound crises of effectiveness, identity and legitimacy and the more indecisive it appears in its attempts to find comprehensive answers for structural reform for the period after 2019, the less Turkish decision-makers and opinion-shapers will be able to identify with that weak and unattractive kind of EU. Reforms foreseen in the pre-accession agenda will be interpreted and implemented by Turkey in an ad-hoc manner based on interests of power consolidation and using the country's geostrategic leverage to cherry-pick the reforms to implement. Many actors in the EU—as indicated again in various anti-Turkish and anti-Muslim election campaigns in member states and in the respective results of the 2019 polls to the European Parliament—will likewise continue to oppose Turkey's EU accession in distrust due to, for example, fears of Islam, instability and an EU overstretch, hoping that referenda over accession application will ultimately block Turkey's accession. Yet, the majority of mainstream EU decision-makers will refrain from affronting Turkey by rejecting the latter's ambitions for accession unilaterally due to Europe's de facto dependency on Turkey in strategic policy fields such as migration, energy, security or stability-related policies towards the EU's southern and eastern neighbourhood.

Thus, on both sides, growing interdependence on the one hand and indecisiveness and various forms of gradual or ad hoc cooperation on a low scale of mutual trust on the other will dominate Turkey-EU relations in the next decade. However, in a fundamental departure from previous decades, Turkey will be more decisive on its own terms about the nature of her relations with the transforming EU, exploiting the internal fragmentation of the union and applying a rent-seeking strategy based on the leverage that her geopolitical position as a regional hegemon offers. In contrast, the EU in its various forms and identities will rely more than ever on Turkey for managing its relations in the Eastern Mediterranean and with the Middle East, where some of the EU's key strategic interests and concerns lie. The main pattern will be that Turkey and the EU and its 'core' members cooperate more intensively where their interests match, developing functional and cooperative relations in the process. Likewise, the more interests diverge and the more the EU appears as a divided, incoherent actor, the stronger Turkey will pursue her interests in a self-seeking manner. Thus, by 2025, a restructured Turkey under majoritarian rule is incorporated in a European Union at varying levels. It cooperates intensively with both the group of 'core' countries in some highly integrated policy fields such as economy, trade or energy, as well as the 'periphery' group of loosely connected members on issues which are shaped by governance and discourse based on national interests.

1. See also the contributions of Turkish Studies, 2016, Vol. 17, No. 1, on 'Turkey's 2015 parliamentary elections' and of South European Society and Politics, 2016, Vol. 21, No. 1, on 'Is Turkey De-Europeanising? Encounters with Europe in a Candidate Country'.
2. See also Charlotte Joppien, Die türkische Adalet ve Kalkınma Partisi (AKP). Eine Untersuchung des Programms „Muhafazakar Demokrasi" (Konservative Demokratie). (Berlin: Klaus Schwarz, 2011); Başak Alpan, 'From AKP's 'Conservative Democracy' to 'Advanced Democracy': Shifts and challenges in the debate on 'Europe'', South European Society and Politics, 2016, Vol. 21, No. 1, pp. 15-28.
3. See e.g. Werner Weidenfeld, 'Europe in a state of crisis: The strategic perspectives', Journal of Global Policy and Governance, 2013, Vol. 2, No. 1, pp. 79-83; Ahmet Evin, Megan Gisclon, The liberal order in peril: The future of the world order with the west against the rising rest. (Istanbul: Istanbul Policy Center, 2015).
4. See e.g. the contributions in Eckart D. Stratenschulte (ed.), Der Anfang vom Ende? Formen differenzierter Integration und ihre Konsequenzen. (Baden-Baden: Nomos 2015); Nicolai von Ondarza, 'Strengthening the core or splitting Europe? Prospects and pitfalls of a strategy of differentiated integration', SWP Research Paper 2, 2013; Meltem Müftüler-Baç, The future of Europe, differentiated integration and Turkey's role'. Global Turkey in Europe Commentary No. 9, 2013.

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Filling the vacuum

Filling the vacuum is a rather gloomy scenario, which envisages a less united, renationalised, inward-looking European Union, plagued by internal tensions and divisions and thus less effective in its regional and global outreach. Turkey, meanwhile, is marred by political, social and economic instability, which lessens its regional clout, and both the EU and Turkey are adversely affected by persisting immigration pressures. The diminishing role of Turkey and the EU in the Middle East leaves space for Russia's increased presence in the region—Russia becomes a key player in the Middle East, eventually subordinating Turkey geopolitically.

Irrelevant European Union and Erdoganised Turkey

We assume a creeping disintegration of the EU leading to more of a multi-speed Europe (alternatively a 'variable geometry' Europe or a Europe of concentric circles). The federalised, political EU working towards ever closer union becomes a thing of the past. The EU turns into a purely economic project, with the Eurozone at the core of the integration process. Yet even among the Eurozone members there are frictions and tensions, which further undermine the EU's cohesion. Following anti-migration public sentiments, the elites are not willing to take on and share the burden of the migration and refugee crises. Thus the coherence of the EU falls prey to the rising migration pressure, with the free movement within the EU under Schengen no longer guaranteed, as the member states reintroduce national border controls. Even if the UK is to stay in the EU, with the majority of British citizens voting to 'remain' in the June 2016 referendum, its renegotiated membership further enfeebles the cohesion of the EU. This trend is bolstered by the electoral success of Eurosceptic parties, with the anti-EU narratives permeating the mainstream. Some Southern European countries, such as Greece, may even be forced to leave the EU, as the other member states are increasingly reluctant to finance the bailout of the near-default states. The Brexit debate could have a domino effect, with other member states following the UK's lead and wanting to renegotiate the terms of their membership (e.g. streamlining the EU's budget, repatriating powers from the EU, a bilateralisation of external relations). This could be the case for both the countries outside the core of the integration processes (for instance the Central European countries—the Czechs have already raised such a possibility), and the most potent, 'old' member states of the European Union, unwilling to feed the EU budget. In both cases, the decision-making elites will be pressed by the public opinion and fringe parties on the rise (on both ends of the political spectrum) to take a more assertive stance towards Brussels. Russia spares no expense to ignite the disintegration tendencies, and continues to covertly support anti-EU parties.

These negative, centrifugal dynamics affect the EU's international credentials. The EU becomes increasingly inward-looking, giving up on further enlargement, and the neighbourhood policy becomes an empty and fanciful practice. This in turn leads to the EU losing its transformative leverage in the neighbourhood and its geopolitical clout and appeal. Simply put, the EU's regional and global role becomes irrelevant.

The second driver for this scenario is the deteriorating economic situation in Turkey. The disintegration of the EU leads to worsened trade conditions for Turkey, although the EU will remain Turkey's biggest trade partner, accounting for over 40 per cent of Turkey's trade. Beyond that, the Transatlantic Trade and Investment Partnership (TTIP) has negative implications for the Turkish economy—the renegotiation, modernisation and upgrade of the Customs Union agreement is not satisfactory for Turkey and does not offset the negative repercussions of Turkey's exclusion from TTIP. Since Turkey's economy is heavily dependent on foreign trade (accounting for nearly 50 per cent of Turkey's GDP), this affects the Turkish economy as a whole. Foreign investment is dwindling, hampering the modernisation of Turkey's economy. The lingering destabilisation of Turkey's neighbourhood limits the potential for Turkish entrepreneurs (construction companies included) to operate in non-EU markets, including Russia. A burst of the construction industry bubble is highly probable. In the same vein, the Turkish tourist industry is badly affected by the regional turmoil, the Turkey-Russia stand-off and the EU's disintegration. The reckless monetary policy of the Turkish Central Bank, whose independence under the new president is continuously undermined by the political elites, further hits Turkish economic stability.

The economic slowdown and the regional isolation hampers Turkey's quest for energy diversification, which reinforces its dependence on energy supplies from Russia.

The third driver for this scenario is Turkey's role in the neighbourhood. The Turkish political elite, mired by domestic economic crises and social unrest, tries to divert public attention by resorting to a nationalist foreign policy rhetoric and pursuing an aggressive policy in the neighbourhood, punching above Turkey's weight. This leads to Turkey's regional, 'splendid' isolation, with 'zero neighbours without problems' becoming an enduring reality. Turkish foreign policy remains sectarian-based, the relations with its neighbours ideology-driven, and diplomacy highly personalised (or Erdoganised). Ankara's relations with Iran, Iraq, Egypt and Israel remain strained, and the Cyprus issue is unresolved. The role of the Kurds in the region is further strengthened and Kurdish troops are increasingly supported by the United States, leaving Turkey at odds with its EU and NATO partners, first and foremost the US.

Tipping points

As a starting point, the EU is still not capable of effectively addressing the migration/refugee issue. The 18 March 2016 EU-Turkey deal, although hailed as a major step towards stemming the flow of refugees, quickly turns into a dead letter. Although Turkey upholds its part of the bargain due to self-interest, it is not enough to stem the flow of refugees. The more the EU pressures Turkey to do more, the more Turkey ups the ante, but also fires back with more anti-EU rhetoric. That in the end causes the deal to collapse. This adversely affects both the EU and Turkey. As for the former, the continued flow of migrants to Europe, also through other routes outside of Turkey, leads the member states to suspend ad finitum the Schengen zone. The rise of Eurosceptic parties in the largest member states—notably France and Germany—as well as in Central and Eastern European countries in subsequent elections makes the EU increasingly inward-looking, which undermines its Common Foreign and Security Policy.

As for Turkey, the migration influx puts an enormous strain on its economy, as the EU freezes its financial assistance. Ankara bears the brunt of the rising education and health costs of its 'welcome' policy. Repeated terrorist acts, the ongoing war-like conflict and an increasingly instable currency further harm the economy. Politically and socially, the growing number of migrants and refugees who flee to Turkey may lead to public unrest and social tensions (e.g. the problem of unemployment, security, rising housing costs) on a local level.

Turkey's weakening economy challenges the government of the Justice and Development Party, which gradually forfeits the support of the Anatolian SMEs, traditionally the lynchpin of AKP's 15-year-long success story. Even before the 2019 parliamentary presidential and local elections (electoral triada), AKP creaks at the seams. This leads to a protracted destabilisation of Turkey, with an unstable government unable to successfully lead the country and conduct an effective foreign policy. The military, whose political clout has been significantly curbed during the AKP years, has neither the potential nor the will to take the helm and intervene in domestic politics. The enfeebled government, facing an economic slowdown, is more willing to cooperate with Moscow, which makes an attractive financial offer to crisis-hit Turkey.

This gives Russia the upper hand not only in Syria, but in the whole region. With the EU's common foreign policy practically non-existent and with Turkey bogged down in its turbulent domestic affairs and isolated in its neighbourhood, Moscow moves into the regional void. The Turkish leadership, disheartened and disenchanted with Europe's passiveness, weakness and creeping irrelevance, strikes a deal with Russia to stay out of Syria in exchange for renewed trade relations and for integrating Turkey into the Eurasian Union. Turkey's withdrawal from NATO, upon Moscow's insistence, is considered by Turkish decision-makers as the most viable geopolitical option.

The EU ceases to play an important geopolitical role, and its leverage on the developments in the region significantly decreases. Russia steps into the void, with enfeebled Turkey becoming part of Russia's sphere of influence. The coherence of not only the EU, but also NATO, is imperilled, as Turkey is pressed by Moscow to fully disengage from its transatlantic commitments. This leads to the diminished influence not only of the EU but also of NATO on the Southern flank.

Indicators

The following indicators have been set that will help gauge the unfolding of the scenario: Turkish public opinion polls (i.e. support for the AKP falling below 30 per cent); Turkish economic performance (i.e. GDP growth falling below 2 per cent); Schengen suspended indefinitely within the whole of the EU; Russia's defence budget (i.e. annual increase of more than 20 per cent); more than seven EU countries renegotiating their membership of the EU.

Geopolitical repercussions

The decline of the EU has broad geopolitical implications, affecting not just Turkey but the region as a whole: Russia starts playing a key role in the MENA region, which is a challenge to the West's strategic interests, as Moscow sees its regional presence in terms of confrontation with the West and bolstering its global status. Thus, MENA becomes a proxy in the West (EU)-Russia geopolitical standoff. The EU loses its normative potential in transforming and democratising the region, as Russia is interested in consolidating the authoritarian regimes and the regional disorder. Likewise, the EU loses it economic weight in the region. Thus, on the EU's doorstep, there is an area of simmering instability and economic volatility, with Turkey becoming a country in between.

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The Bodyguard

The 'bodyguard' scenario discusses the economic, social and political implications of the refugee deal for Turkey. While Turkey gains from a major power shift in which it is able to raise the stakes in the refugee deal, the lack of an alternative European solution leaves the European Union with a lack of leverage over the situation and continued disunity within. For the EU these implications are furthermore of key importance as its current transactional relation with Turkey foreshadows future policy trade-offs within this and other relationships.

Refugee deal as a game changer

Turkey's relation with the EU will be shaped for many years to come by the economic, social and political implications of the refugee deal and the continued migration pressure from zones of conflict in its vicinity. While Turkey has for centuries been a major transit country from East to West, the region has seen a major increase since the upheaval in the Middle East beginning in 2011. In particular, refugees from Syria and Iraq have meant a large burden, with the costs on the whole covered by Turkey. Yet, with the military escalation in Syria through regime forces and Russian armed forces in the Halab area, further substantial refugee flows are expected. Since late 2012 Turkey has been calling for more international monetary support. And with a very limited asylum law in place which keeps refugees in a constant state of limbo (including the very limited rights for refugees regarding access to the labour market, education and health services), a substantial number of refugees have been leaving Turkey to travel the land route to Northern Europe.

The EU-Turkey migration deal that was reached in March 2016 promises Turkey up to €6 billion in financial support, in return for the prevention of refugees from leaving Turkey to reach EU territory. The money is supposed to kick-start an upgrading of refugees' living conditions. However, the deal has also resulted in massive human rights violations of asylum seekers such as pushbacks to Syria. Transparency in the use of the money is a major shortcoming of the agreement and independent research is being suppressed by the Turkish government. With more refugees coming into Turkey and a degrading political situation in the country itself, it is unclear if both sides can deliver their side of the bargain. The deal furthermore tolerates the deficiency in governance and democracy in Turkey and continues to shy away from criticising the expansion of an authoritarian system in the country and growing cleavages in society. The refugee deal hence drives the development to a greater shift in the balance of power between Turkey and the EU. Furthermore, the situation bolsters low-income industries and hence the economic status quo in Turkey. But for the EU too the deal has major implications in relation to its internal unity and foreshadows further policy trade-offs to come. This necessity of keeping the Turkish partner happy has already made its mark on current debates on media freedom in Germany. Erdogan's attacks against satirical sketches criticising his person and the unwillingness of German politicians to take a stand for its satirical media has triggered a major public debate on whether freedom of speech is being sold out in return for refugee containment in Germany. The lack of an agreement amongst EU member states to allocate refugees according to a distribution key gives the Turkish position more leverage. The crises shaking the EU increasingly make a smooth, united vision an unlikely scenario. Push and pull factors keep the union intact but severely restrict its ability to function effectively and, thus, deepen its legitimacy and identity problems.

The key distinguishing characteristic of this scenario is the continued migration pressure on Turkey, resulting from the upkeep of the agreement with the EU to manage the borders and the pushing back of illegal migrants to Turkey from the EU and the policy trade-offs this implies for the EU. Meanwhile, due to the continued unstructured nature of the migration flows and management within Turkey, the polarisation in Turkish society between society and refugees becomes more pronounced. The central problem with governance in Turkey that continues to threaten the rule of law, freedom of expression and human rights does not help to alleviate this continued widening of the gap between different parts of the population. Yet the economy has a high capacity to absorb a large number of refugees into the workforce of its low-wage, highly labour-intensive industries. While this results in a bolstered economy that is stabilised in the medium term, in the long run it leads to a lack of incentives to modernise the economy and diversify into more knowledge-intensive and high-value-added markets. The EU's money versus values conundrum furthermore leaves the EU paralysed and shying away from confrontation with Turkey. Hence the EU does not regain its leverage but Turkey remains an important strategic partner with the power balance shifting further.

Towards a paid gatekeeper

The migration pressure into Turkey continues in the years to come. While Brexit and Grexit are averted it does not herald a new beginning of unified EU policy. The agreement between the EU and Turkey holds but this does not lead to more management in terms of a good integration system, a well-elaborated asylum law and social benefit system in Turkey. In Europe also, the allocation of admitted refugees continues to generate tough debate among the member states. The pressure of refugees seeking entry into the European Union's territory will keep the Schengen area and the social balances of some EU countries under stress. Turkey is in for the money, visa liberalisation and accession prospect and plays along as a gatekeeper. The cheap labour sector in Turkey flourishes and broadens due to the ability of the labour market to absorb large numbers of migrants after the laws for entry of migrants into the labour market is fully endorsed. The middle-income trap cannot be solved due to a lack of diversification into high-value-added markets. This leads to wage dumping in the years that follow, creating antagonisms in society. The additional cleavage between nationals and migrants that has become a clear marker of societal developments from 2017 onwards becomes a central topic for the 2019 super-election year. In the run-up to the elections, authoritarian tendencies increase. Due to the lack of solidarity and an alternative solution to effectively addressing the migration/refugee issue, the EU has little to contribute in the form of criticism and support for alternative voices in Turkey. The EU remains an institution, but one that has little power and does not have widespread legitimacy. A failed coup d'état follows in 2020 that leaves Turkey in a state of open enmity between the parties and open violence in society. It gives President Erdogan further grounds to shut down civil society and infringe civil rights. Although continued migration pressure has brought Turkey to its breaking point and continues to haunt the EU, the members are resolute in their decision to keep Turkey as its gatekeeper. The EU hence sells out further on its values and gives Turkey as its strategic partner leeway but no credible option for EU membership.

Indicators

Indicators that should give policymakers an idea that this scenario could be a likely outcome are already visible. The 'bodyguard' scenario is one that spells out where the current refugee deal could take Europe and Turkey. If migration pressure continues and the EU does not manage to agree on a system of burden sharing, but can agree on a common gatekeeper, this scenario becomes very likely. Furthermore, with the increasing pressure on wages and the deepening of societal fissures, right-wing nationalist violence takes hold in Turkey. With increasing violence within society and a government that no longer adheres to human rights and checks and balances, foreign investment levels off, leaving Turkey worse off in the long run.

When 'cherry-picking' fails

The dilemma in this scenario is that EU policy makers cannot pick and choose as they wish to in their dealings with Turkey today. While they accept that they cannot solve the migration crisis without Turkey, they also need to take their norms and values at face value rather than selling out for economic and strategic interests. In the long run, this scenario shows, this strategy will fail, as it will leave Europe finally distraught with a crisis of potentially much greater severity.

A further hardening of Turkish borders pushed for by both the EU and Turkey would mean a closure of flight routes out of Syria, leading to further violations of international and human rights law.

As the middle-income trap cannot be ironed out and necessary reforms and developments do not go ahead, the Turkish goal of becoming one of the world's ten largest economies remains a dream. But with the economy at first stable, then later faltering, this scenario makes even the top 20 insecure. For Europe, Turkey remains a necessary but difficult partner. While the strategic side is kept up, the likelihood of Turkey joining the EU yet again loses ground.

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Association of MENA and European Countries (AMEC)

In this best case scenario EU-MENA relations are characterised by peace, economic prosperity, social justice, mutual understanding, freedom of movement and close social and cultural exchanges. The MENA region is economically highly attractive and is a member of the OECD. Islamophobia in Europe and negative stereotypes of the West in the Arab street belong to a different time. The EU and the MENA region have established a common political forum, the 'Association of MENA and European Countries' (AMEC).

Turning current tendencies upside down

Four factors are central to the realisation of this best-case scenario:

High level of political, economic and social inclusion
A high level of inclusion would refer to a situation where most citizens in the MENA region have a stake in the political, economic and social development of their country. It would describe a situation of both basic equality in terms of political, social and economic opportunity and basic equity in the distribution of economic, political and social benefits and costs. More specifically, a high level of inclusion would entail a passive component (e.g. enjoyment of human, civil and citizenship rights, institutionalised equity in access to health, education, justice systems, housing, information and communication, mobility, culture, social protection, accountability, transparency) and well as an active component (e.g. capacities to participate in the society and in political processes and decisions).

High level of circular migration
A high level of circular migration would describe a situation where a larger share of a country's population would freely move to another country for a certain time period. People would and could move for various purposes; motives could be work-related or 'just' an interest in cultural exchange. Depending on the purpose and thus also the type of migrant, the benefits of a circular migration pattern would include the enhancement of mutual understanding, gains in financial and human capital for the host country and the transfer of skills as well as social capital to the home country.

Low level of external interference
A low level of external interference would refer to a situation where the involvement of actors external to the MENA region would be minimal. International relations would take place on equal terms and they would be very cooperative. Countries would seek to tease out common values and interests. Mutual respect would be at the core. In their foreign policymaking, external actors to the MENA region would take 'inclusive growth', ensuring of democracy and the incorporation of wider societal interests of their counterpart seriously.

High coherence of EU foreign policy
High coherence of EU foreign policy would refer to a common EU foreign policy worth its name. The EU would act based on consistent, long-term and anticipatory policies and mechanisms. It would quickly learn from crises and mistakes.

It would act in a consequentialist manner if actors it engages with do not comply with its values- and human-rights-based approach to foreign policy. That implies the EU would, if necessary, also take difficult policy decisions that may even harm its interests in the short term if such decisions secured its interests in the long run. Still, the EU would make sure it acts highly cooperatively, primarily using its 'soft power', including its economic leverage, by taking the larger geopolitical situation into account.

The MENA region has achieved the sustainable development goals and its economies are competitive in the world markets. Within the region there is a high degree of economic and political cooperation. A pluralistic political landscape and increasingly 'good governance' characterise the different countries; human rights and minority rights are respected, and education, healthcare and social systems have substantially improved. Circular migration of both a skilled and unskilled labour force from the MENA region to the EU demonstrates the close interconnectedness of European and MENA job markets and societies. The social and economic interconnectedness fosters the exchange of ideas, promotes innovation and mutual cultural understanding, and strengthens tolerance and diversity in the respective societies. The increasing opportunities in the MENA region lead to increasing migration from the EU to the MENA region (e.g. entrepreneurs, start-ups, pensioners, students, scientists, artists), attracting additional foreign direct investment. The EU and MENA establish themselves as a highly innovative common cultural and socioeconomic space, marked by the founding of the 'Association of MENA and European Countries (AMEC)'.

Towards AMEC

How did we get there? The beginning marked a radical change in the European approach towards the region. This was enabled through a reform and a change of mindset in the European institutions. The EU established itself as a true foreign policy actor: it developed a coherent political vision, gave it the diplomatic administration together with the resources it needed, and developed a more comprehensive policy instrument toolbox. Most importantly, however, intensive discussions within the EU led to a radical revision of its paternalistic, Eurocentric, self-interested (particularly its economic interest-oriented) approach towards the region. The EU realised that it had to approach the MENA region on equal terms by taking local political-economic conditions, needs and interests seriously. The EU established a coherent long-term political strategy in close cooperation in which it integrated the interests of other local and regional actors—in particular political-economic ones—in its conceptualisation and subsequent implementation. It did so by involving experts from the MENA region in the strategy development process.

While the EU, and particularly its old elites, first felt uncomfortable with this new strategy as it contradicted long-established practices, it quickly realised that its regionally differentiated and geopolitical outlook was the right choice. The EU managed not only to establish itself as an 'honest broker' in the Syrian and Libyan civil wars but also contributed substantially to securing peace. It did so by establishing efficient, target-oriented multilateral diplomatic dialogues through its full diplomatic service and by using its financial power, in the form of aid and grants, to support the rebuilding of the countries. In the follow-up the EU declared a renewed emphasis on state-building, democracy and human rights in the region and substantiated such claims with substantial financial and economic support. It created the 'Mogherini Plan', which foresaw privileged access to EU markets through a preferential trade agreement, easier travel conditions through mobility partnerships and substantial financial support to the region (only to those countries/actors in need of and seriously interested in close cooperation). In that context, the EU and the MENA countries (including Israel) created a common political forum, the 'Association of MENA and European Countries (AMEC)', to define systematically common interests and delineate goals, targets and priorities and thus to strengthen mutual inter-regional cooperation (in all fields). As the region stabilised economically, socially and security-wise, radical forces like ISIS lost their ideological power and dissolved. The MENA region, once perceived as a 'lost region', became more attractive within European business circles. Religious extremism (in the MENA region and the EU), popular European clichés of the MENA region's 'backwardness' and right-wing extremism in the EU are in retreat.

Building on the huge success of the 'Mogherini Plan', the forum created a successor programme, the 'Al-Bathisch Plan'. The 'Al-Bathisch Plan' was based on a people-centred approach and aimed at deepening the social ties between the two regions. Already the name of the plan indicated the EU's dramatic policy shift towards the region over time. The plan facilitated not only visa access (lower criteria to get the 'blue card') but also the process to get European citizenship. Al-Bathisch, leader of the common Euro-med political forum since 2025, sought to realise the vision of a double Euro-med citizenship. He was supported by a strange alliance of young entrepreneurs on both shores of the Mediterranean, digital nomads, students, artists and European pensioners who pass the winter in the far sunnier South. The mutual and fertile social exchanges challenged the stereotypes of the West (i.e. 'double standards') in the Arab street and, likewise, Islamophobia in European countries. These developments gave way to new perceptions of the other. Contemporary historians came to the conclusion that the 19th and 20th centuries constituted an unusual estrangement between two regions that actually have belonged together.

Indicators

A number of indicators will demonstrate if the AMEC scenario will be realised. A better score of the MENA region's Human Development Index, the region's GDP, level of FDI and Sustainable Development Goals would signify a trend in that direction. Also positive scores in governance indices as provided, for instance, by Transparency International (transparency of governmental institutions, transparency of public budgeting and the degree of corruption) or the Human Rights Index (e.g. number of arbitrary arrests and incidences of torture; degree of freedom of expression, respect of minority rights, freedom of belief) help to establish if the region is developing towards an AMEC scenario. Indicators that capture the state of EU-MENA relations could be: number of double citizenships; number of mixed marriages/partnerships; number of pupil and student exchanges; number of EU-MENA partner companies; degree of intra-regional trade; degree of dismantling of borders and border controls; perceptions of Islam within the EU and perceptions of the EU in the MENA region; number of successful start-ups in the MENA region.

European approach on the rise

The success of this large-scale policy shift is indicated by peace and economic prosperity on both sides of the Mediterranean. The MENA region not only achieved high integration into the world market (competitiveness, employability) and the sustainable development goals but also joined the OECD. The success of the European approach led to a decline of national and EU-member foreign policies. What emerged is a multipolar order with regions as key actors. This new alliance between the MENA region and the EU, in turn, creates increasing tensions with Russia, China and the US. Russia, together with Iran and China and other nations of the East, are constructing a more stable alliance to counterbalance the rising influence of the AMEC on global policymaking. Meanwhile the US, after a period of neo-isolationist attitudes, has returned to the global stage demanding a clear transatlantic commitment and a renewal of the failed TTIP negotiations. More and more European investment is flowing to the MENA region and challenges the US dollar as the world's currency.

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A New Thirty Years' War

A region troubled by violent conflicts marked by multiple fault lines based on ethnic, sectarian and ideological differences—all of which were fuelled by competing external actors. Past dividing lines within and between states became meaningless; the end of conflicts—civil, proxy or inter-state—took decades. Militias reigned freely within and across borders. The death toll was devastating, and millions of people were displaced. Such was the history of the original Thirty Years' War (1618–1648), fought within the realm of the fragmented Holy Roman Empire. This picture serves as a starting point for a scenario exploring the assumption of a new Thirty Years' War in the MENA region. Five years after the beginning of the Arab Uprisings, a period of destructive conflicts, economic plight and massive population movements with no end in sight has begun. A new Thirty Years' War?

Underlying forces

The new Thirty Years' War scenario is characterised by five key drivers: ideological, confessional and ethnic tensions, the non-cooperative intervention of external actors in the region and massive economic disruption. First of all, the confrontation between political Islam in its many shades and authoritarian governments continues, while supporters of liberal democracy fail to weigh in. This happens partly because authoritarian leaders rely on violent conflict to sustain their grip on power. Additionally, these regimes' erratic and corrupt policies lead to their failure to address the socio-economic grievances of local populations. A backlash of increasing radicalisation and jihadist rebel groups is thus at once purposefully brought about and at the same time incontrollable. Confessional confrontations between Sunni and Shia interpretations of Islam will increase further—drawing in disgruntled youths from within the region and beyond. Established fiefdoms on both sides are sustained with the help of foreign fighters from Afghanistan, Europe, Iran, Russia, and beyond. Meanwhile ethnic confrontations between Arabs, Kurds and other regional groups continue.

Furthermore, the outside actors worsen the situation both by what they do and what they fail to do. The international community remains incapable of intervening in a concerted and cooperative way. The European Union remains passive in the region, as EU member states disagree about strategies and goals in the MENA region. Individually, European countries and the US intervene in a limited way, incoherently and intermittently. Turkey and Russia pursue their own strategic interests. Confrontational intervention by Iran and Saudi Arabia in their quest for regional supremacy and along sectarian-ideological fault lines goes a long way towards sustaining these conflicts.

Finally, dramatic economic disruptions affect all parts of the population and intensify conflicts for resources as well as population movements. A self-perpetuating war economy at the nexus of organised crime, human trafficking and terrorism will afflict the region for years to come.

A spillover of violence

The expansion of the Syrian civil war into a region-wide confrontation of multiple state and non-state actors with the occasional spillover of violence towards Europe has already begun but will accelerate and widen. Actors include, but are not limited to, the Assad regime, numerous Arabic Syrian rebel groups (al-Nusra, Daesh and many other groups), Kurdish militias (PKK, YPG, Peshmerga), Hezbollah, troops from Iraq, Turkey, Iran, Russia and Saudi Arabia, as well as jihadist fighters from all over the world, Houthi rebel groups in Yemen, remnants of the Yemenite state security forces, intermittent support forces from other Sunni Arab states (e.g. Egypt, Jordan, UAE) and Western air power and a limited number of boots on the ground (predominately from the US, France and the UK).

Local alliances of convenience dynamically shift, but broad dividing lines are discernible along geopolitical affiliation with Iran or Saudi Arabia; Sunni or Shia beliefs; and support for political Islam or opposition to it. None of these dividing lines is clear-cut, as the strong competition within the jihadist, let alone political Islam as a whole, camp shows. The mechanisms of perpetual war help authoritarian regimes and leaders maintain their positions of economic and political superiority. The continued fighting keeps death rates high and in combination with a humanitarian crisis ensures that refugees continue to leave conflict zones, but also the region as a whole, in massive numbers.

In line with a locally fragmented and dynamic warzone, warfare differs widely but includes elements of symmetrical and asymmetrical as well as analogue and digital fighting.

Towards fighting on all fronts

The chronology of events leading to the outcome of the scenario offered below describes the region's continued descent into the abyss. Five years after the Arab Uprisings, optimism already has given way to cynicism as war reigns in Syria, Yemen and Libya, while Egypt grapples with authoritarian repression and a terrorist backlash. No actor in any of these places seems capable of winning militarily. The EU's desire to contribute to regional stability no longer exists.

In June 2016, the Brexit camp wins the referendum; sovereign control over immigration was the convincing argument for the eurosceptics.

Confrontations in refugee camps in Lebanon have spillover effects into the rest of Lebanon. When Shia neighbourhoods are repeatedly targeted by suicide attacks, Hezbollah takes over the role of a security provider for the whole country without the approval of the Sunni and Christian groups. The Lebanese civil war begins to reignite. The resulting renewed influx of refugees from Lebanon towards Europe results in another de facto suspension of the Schengen Agreement. Right-wing party successes at the polls throughout Europe prevent the establishment of EU asylum procedures and a fair redistribution of refugees.

The breakdown of the Saudi-supported Yemenite state structures results in a Saudi-led ground intervention of an Arab coalition of the willing. This coalition quickly breaks up in the wake of mounting loss of life and high economic costs. Fighting in Yemen has intensified due to wide-spread mobilisation against the presence of foreign troops. Despite international condemnation, France, Germany and the UK continue to supply Saudi Arabia with arms that are being used in Yemen.

In 2019, after the two-year transmission period, the UK leaves the EU. Kurdistan declares its independence after a referendum. Turkey refuses to recognise this independent Kurdish state on its border to Syria and Iraq. The Iraqi army also declares war on its former Kurdish region.

Following a number of suicide attacks in Moscow and Tehran carried out by Daesh operatives, Russian and Iranian troops take part in the conflict directly in increasing numbers. In response to this, the foreign fighter flow to Daesh and other jihadist groups looking to prevent a Shia–Christian coalition from winning in Syria increases.

After an attack in Berlin, the German government decides to invoke Article 42.7, the mutual defence clause of the Treaty on the European Union, as France did in 2015 without any major consequences. The invocation conveys intergovernmental consultations that come up with mechanisms for greater sharing of intelligence among EU states via the anti-terrorist Europol Information System (EIS) as well as measures to tackle extremism in Europe online, in prisons and through education.

A military intervention in Libya by a coalition of Western countries and regional actors has failed. Across Northern Africa, the nexus of terrorism and transnational organised crime is expanding from Libya into the Sahel as well as the Southern parts of Algeria, Egypt and Tunisia. The EU once again fails to respond to these crisis situations as the member states can only agree on containment measures and do not manage to implement greater and better-targeted aid to transit states. A deeper and more systematic engagement with regional partners falls foul of the continuing renationalisation processes in the member countries; for instance a campaign to improve job and education prospects in these countries to ensure that people stay in their countries of origin is never implemented.

Foreign fighters returning to Saudi Arabia, Jordan and UAE carry Daesh's assassination tactics and high-profile terrorist attacks back to their home countries. This leads to increased support for Sunni rebel groups other than Daesh, which significantly augments the multidimensional nature of the conflict.

Israel is completely surrounded by threats. Hezbollah, Daesh and al-Qaeda affiliates threaten Israel in the North, East and South. Daesh continuously attempts to enter into Jordan. A foray into Amman, due to existing security agreements with Jordan, draws the US further into the conflict with an increasing number of soldiers on the ground.

With other Syrian rebel groups bearing the brunt of the fight against Assad's regime, Daesh has consolidated its hold in Syria and Iraq. Cooperation between its affiliates in Libya, the Egyptian Sinai and elsewhere in North Africa has increased. These affiliates have increasingly developed proto-government structures of their own, becoming an attractive destination for disillusioned young people in their respective regions.

In 2025, exhaustion has begun to set in amongst all actors and fighting decreases. Yet, no single actor is in control and much of the region has come to be dominated by local fiefdoms. The EU still has not found a clearer role in efforts to end the multiple conflicts, let alone developed a comprehensive regional strategy.

Indicators

The following indicators deserve closer attention by policymakers, foreign affairs experts and human rights activists. First among these is the arms trade. Transparency in armaments can help determine if excessive or destabilising accumulations of arms are taking place. The UN Register of Conventional Arms lists the official exports and imports of seven categories of major weapons. Detecting illegal arms trade is more difficult to achieve. Reports from human rights organisations or analysis of stock prices can help to detect illegal arms trade.

Second is the flow of foreign fighters. Figures on the flow of fighters to the Middle East and North Africa collected by intelligence officials can show the scope of the conflict.

The third indicator is the death toll. Terrorism is a difficult object to quantify, but statistics on the total incidences of terrorism, where they happen and the rate of deaths from terrorism can reveal shifting concentrations of attacks. Also, death tolls, including juxtaposition of death tolls by authoritarian regimes and non-state actors, could reveal the extent of warfare and destruction.

Getting out of hand

This is based on a continuation and worsening of existing trends of state meltdown and conflict. Negotiations and peace talks continue as ineffectively as they have in the recent past. An entrenched war economy and micro-level political interests prevent a solution from coming about.

For Europe and the EU in particular, there are multiple implications for this scenario, the most important of which are increased powers for EU decision-making, the Europeanisation of public debate in the EU paradoxically driven by an increased role for nationalist parties from the political right, pressure on public finances and a regression of the open society. The EU's consensus-based decision-making in the foreign policy realm continues to hamper its relevance in the region. Much focus has been put on the containment of conflict at the EU borders instead, including the development of EU border guard capacities and the reduction of dependence on the region's energy supplies. However, some progress in institutional reform has been made as an elite-driven process leading to increased intergovernmental cooperation in European foreign policy. These limited coalitions driving EU foreign policy continue to contribute to the success of anti-integration parties.

The main direct impact of a new Thirty Years' War will remain the combustible mix of sustained important refugee flows and domestic (both Daesh-linked and right-wing) terrorism. This will have contradictory economic effects. While it will attenuate the demographic pressure weighing on European economies, it puts pressure on public finances (which arguably is a good development to reignite European growth rates in the current liquidity trap).

Politically, the common cause of the nationalist European right to combat the immigration of the European 'other' will contribute to the emergence of a stronger European identity—defined by what it is not: Arab and Muslim. At the same time, the vote share and political weight of European nationalist and populist parties offering easy solutions against immigration and terrorism will continue to rise, with the occasional right-wing party coming to power.

The European open society will regress in a climate where limited economic growth rates combine with a pronounced fear of the 'other'. Social safety nets will be exposed to much political pressure as the ethnic heterogenisation of European societies continues, public finances are put under pressure, and a lack of economic growth abets the emergence of an ethnically marked societal underclass. There will also be an important economic cost to the disruption of transport as a reaction to terrorist attacks, especially in countries where populist parties succeed in putting pressure on mainstream politicians. Schengen could be a victim of these pressures with unforeseeable consequences on the Single Market.

Concomitantly and faced with a border control crisis beyond any single nation's capacity, it is likely that EU capacities in any realm pertaining to the prevention of outside chaos impacting EU member states will increase. These include for example a common border control capacity, a deeper common energy policy and diplomatic ad hoc foreign policy coalitions on issues of particular interest for the member states. EU domestic solutions such as a common asylum policy will be more difficult to achieve. It is also unlikely that more proactive aspects of foreign and security policy, such as military capacities, will be developed.

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A Chinese model for MENA?

This scenario envisages growing political, social and economic inclusion in the MENA countries – under widespread soft authoritarian rule in the region. It means that these developments happen not under the model of a Western democracy but rather under the Chinese model of soft authoritarianism. In reaction to the political change, some Islamist groups feel excluded from politics and the economy and move further towards extremism, carrying out spectacular terrorist attacks both in the region and in Western countries. Nonetheless, the economic ties between the European Union and the MENA region become stronger.

Underlying forces

Two factors are central to the realisation of this scenario. The first driving force is the high level of political, social and economic inclusion in the region in the wake of the period of upheaval that followed the Arab Spring and the institutional meltdown that accompanied it. Generally, the existence of social, political and economic inclusion is vital to secure sufficient social cohesion and symmetry as well as a basic societal consensus in order to sustain a body politic in the form of a modern (territorial) state. The improvement of multidimensional inclusion is seen to have positive effects regarding open and fair societies and political systems, prosperity and peaceful conflict resolution as well as regarding political, social and economic sustainability and cooperative external and trade relations.

The second driving force is the rise of totalitarian Islamist discourse as a reaction to shrinking political space and military pressure. As a result, the Islamists harden their positions and push their discourse further towards extremism.

Soft authoritarianism instead of democracy

The failure of the so-called Arab Spring has resulted in disillusionment with the very idea of democracy in the region. The majority of people in countries like Egypt, Saudi Arabia and Algeria see the war and destruction that is unfolding in Syria, Libya and Yemen and they opt for stability, becoming averse to the risks of political change. The states in the region, with their entrenched authoritarian structures, are happy to reinforce such sentiments. And in varying degrees, they begin to adopt elements of the Islamist discourse, even while persecuting Islamist groups, in order to sustain their legitimacy in the eyes of their populations. But increased repression, coupled with economic failure, galvanises the opposition and people begin to take to the streets once more, in small numbers at first, then later in larger and larger numbers. A number of 'focusing events' take place which push many countries in the region to the verge of total collapse, such as a disputed presidential election or the death of a long-reigning president. Realising that the status quo is no longer sustainable, and unwilling to risk a repeat of the events of 2011, regional regimes opt for compromise. By the end of the period, ca 2025, the new political settlement will begin to consolidate, leading to a real possibility of higher levels of political, social and economic inclusion in the region. However, this will not be an emulation of the Western model of democracy but rather of the Chinese model of soft authoritarianism coupled with economic efficiency. Some Islamists will be co-opted in this new reality. But others, the heirs of al-Qaeda and the Islamic State, who by the end of the period will exist more as ideological trends than coherent organisations, will move further towards extremism as a result of their exclusion from politics and the economy, and their discourse will become more entrenched and totalitarian. Key countries shaping the tempo of events in the region will continue to be Egypt, Syria and Saudi Arabia and their cooperation/conflict with the major non-Arab regional powers of Israel, Turkey and Iran. Other countries of significance will be Tunisia, Libya and Algeria. European policy will continue to be reactive and confused, driven mainly by economic and security interests.

How will the future unfold?

Between now and 2020, the region slides further into disorder but then slowly levels out. The war in Syria continues. But Russian, Iranian and increasingly Chinese involvement begins to create conditions favourable to the survival of the current regime. In both Syria and Iraq, the Islamic State receives fatal blows and slowly disintegrates. More radical splinter groups relocate elsewhere, to Sinai in Egypt and to Libya, which intensifies the 'war on terror' in these countries.

In the case of Egypt, the fight against insurgents in Sinai ensures that Europe continues to turn a blind eye to the repression exercised by the regime against its opponents. Despite voices inside Europe getting louder in their criticism of the regime, official European policy continues to favour the protection of its security and economic interests in Egypt and the rest of the region. The regime of Abdel Fatah al-Sisi thus survives despite its failure to revitalise the economy. Faced with the need to update their strategies and innovate their oppositional tactics, the opposition finally manages to unite behind a single presidential candidate who runs against al-Sisi in the 2018 presidential elections. Al-Sisi wins, but widespread irregularities and repressive measures by the regime before and during the election lead to an explosion of public anger. The military, not wishing to risk another meltdown similar to that of 2011, chooses to negotiate with the leaders of the opposition. A compromise is reached and a period of calm follows.

In Algeria, the death of the ailing president Abdelaziz Bouteflika leads to conflict inside the ruling class and there, too, a compromise is reached. Tunisia is relatively calm, and Libya continues to be divided, de facto if not de jure, between two rival regimes: an Islamist one in the west and a nationalist one in the east. The fault line between the two regimes is filled by the Islamic State and groups loyal to it. Saudi Arabia continues to struggle economically, and its adversarial relation with Iran hardens its resolve to build and consolidate a

Sunni alliance in the region, and makes it try to build more forms of tacit cooperation with Israel.

In the following period, 2020–2025, the war in Syria fizzles out. The regime survives but is severely battered, which forces it to seek compromise with a tame opposition. The compromise in Egypt holds, which frees the state to focus on its confrontation with the radical Islamists in Sinai and pursue bolder economic policies at home. The Chinese model provides further inspiration, and slowly the economy begins to take off. Attempts to modify the constitution to allow al-Sisi to run for presidential office for a third time fail. In the 2022 presidential elections, the candidate of the regime, a retired army general, wins with a narrow margin and appoints a government of technocrats to continue with the economic reforms. A similar scenario unfolds in Algeria, and in Tunisia the Islamists come to power again. In the meantime, the Islamic State fails to expand its presence and influence in Libya and the group and its affiliates shift their discourse further towards totalitarianism. They carry out spectacular and successful terrorist attacks in the region and further afield, in Europe.

Indicators

The region in the following few years will continue to score badly on various good governance indicators such as freedom of expression, rule of law and human rights, while it will slowly begin to perform better, towards the end of the period, on indicators such as the fight against corruption, government effectiveness and ease of doing business. Economic growth, reflected in the growth of GDP per capita, will stagnate or grow slowly at the beginning of the period but will accelerate towards the end of the period. The number of victims of 'Islamist' violence will fluctuate throughout the whole period.

Sacrificing ideas for the economy

The main implication of this scenario is that the region's economic success deprives the European Union of its key tools to influence developments in the region, namely investment and aid. The EU finds itself in a dilemma: forget its ideals (of promoting democracy and human rights) if it wants to capture a piece of the economic pie that is being generated in the region, or continue to adhere to its values but risk being excluded from reaping the benefits of doing business in a lucrative region, and losing out to its competitors, mainly China. The EU opts for maintaining its economic and security interests in the region. As for the region itself, authoritarianism will persist, albeit in a less repressive form. Economic development will be more fairly spread out, and a new set of winners and losers will emerge. Beyond 2025, with political stability and economic development, regimes lose their incentive for continuing authoritarian rule, and social forces supporting democracy, rule of law and other elements of good governance will have more influence across the region.

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Camp nationalism

This scenario[1] is based on the assumption that migratory movements within the MENA–EU region will remain high or will even significantly increase with the EU being the major destination, and that simultaneously the political and policy coherence of the EU will decrease and be low. In 2016, it was the issue of (attempted) migration into the EU itself that appeared to lead to or drastically reinforce tendencies of incoherence and renationalisation. These continued to spill over into other areas of cooperation and began to result in departures from a more general European common ground—such deviations are currently de facto being accepted by the governments of the EU member states.

While the issue of migration—especially but not only from the South—has been politicised and viewed through a security lens before, a new degree of permanence and of comprehensiveness regarding the implications for the migrants, the EU's partner states and the EU itself will be reached.

Securitizing migration bilaterally

As a starting point in this scenario it is expected that the background and root causes of the current large-scale migration from or through the MENA region will continue to exist. (International) initiatives to reach a conflict resolution in Syria will not be implemented successfully in the near future and while ISIS could be weakened in Iraq and Syria, like-minded actors will succeed in firmly establishing themselves in the Sahel, Libya and the Sinai. Furthermore, people fleeing from natural and man-made disasters, from structural violence, Boko Haram and other extremists' rule, poverty and repression from sub-Saharan Africa to the North increase the pressure on infrastructure, societal receptivity and labour markets also in the MENA countries themselves, where sustainable peace, human rights and basic freedoms, decent living conditions and public order are far from being (re-)established. Thus in many cases, MENA governments and societies have an interest in turning their country from a destination country into a transit state by letting migrants proceed towards Europe.

Refugees who the EU were supposed to take in according to the 2016 'Merkel-Turkey' deal could not be distributed within the EU as more and more member states refuse to accept any migrants from the MENA region. After the agreement is eventually cancelled entirely by Turkey due to perceived failure on the part of the EU to deliver the quid pro quo, the Turkish government turns a blind eye to cross-border human trafficking towards Greece and Bulgaria.

Thus, also in Europe, high numbers of migrants continue to arrive at the external borders. Daily reports of inhumane treatment of them within states along their routes and of migrants drowning in the Mediterranean persist. Trafficking of human beings even experiences a massive upturn.

The directly affected states in the region, such as Lebanon and Jordan, as well as in Europe are overwhelmed and the situation of refugees on their territories deteriorates further, but solidarity, burden-sharing and common measures within the EU can still not be attained. Instead public mutual finger-pointing and criticism intensify.

Additionally, several smallish radical Islamist terrorist attacks take place across Europe, in some cases with the proven involvement of people having previously been registered as asylum seekers. At this point, the issue of migration has become entirely securitised.

Enticed by right-wing populist parties that have already massively gained ground throughout the EU, parts of the societies in Europe react in an extremely hostile and indiscriminate manner with regard to migrants and refugees and thus force even moderate European governments to take action against immigration in order to avoid being voted out of office.

But as Turkey keeps reiterating its demands for the acceleration of the membership negotiations and the inclusion of comprehensive exception clauses on top of visa exemption to be granted in return for strengthened 'border management' and the reception of refugees and displaced persons, a new agreement with the EU as a whole cannot be reached. Also due to high levels of disagreement within the EU, initiatives are taken by the border states to seal off their individual countries and thus the EU to the outside. The defensive build-up and a militarisation of language and activities intensify. The lockdown of the land and sea borders of Bulgaria leads to a mere rerouting of refugees once again.

After the already severe tensions between groups of EU member states regarding the reception, registration, support, (re-)distribution and general treatment of refugees waiting on the outside borders or in the fence areas and of those already on EU territory escalate, the first members declare the permanent suspension of the Schengen agreement. Now more and more national borders within the EU are unilaterally closed and controlled as well.

Thus, isolation, intra-EU policy fragmentation and renationalisation proceed incrementally: the militarily supported 'management' of the EU's external borders is followed by the 'strengthening' of borders and border controls within the EU and even the Schengen zone. The 'protection' of (national) borders from 'irregular' migrants becomes a priority of national governments as a reaction to high levels of migration movements around and towards European Union territory and to a simultaneous blanket rejection thereof by growing parts of the political spectrum. The reasons for the emergence and development of mass migratory movements are perceived and presented by these actors as unchangeable (in the short term) and only influenceable by the EU to a minimum extent. Thus the main objective of policymakers becomes to halt their immediate demanding and challenging ('dangerous') implications for the EU—or more precisely for the national governments of Europe. The respective securitising and militarising thrust with regard to the policy field of migration, framed in a reputedly neutral and pragmatic administrative language, is gradually accepted and no longer questioned in large parts of the governments, political parties, mainstream media and societies.

In parallel to an increasing compartmentalisation of the European Union which also begins to seriously hamper the four EU freedoms (especially the free movement of persons, services and goods) and slows down economic exchange and trade, bilateral measures are being taken with regard to 'partners' within the broader MENA region. Egypt, Jordan and Libyan interlocutors now have more leverage in negotiating with individual European states like Italy, Spain and Greece instead of the EU as a whole—especially as after the suspension of Schengen these states cannot let refugees arriving on their coast proceed to the Central and Northern EU member states and thus have to deal with the implications on their own.

Bilateral measures taken between individual EU states and their partners across the MENA region include agreements on sales of arms and military technology and equipment, readmission agreements, cooperation in border security and the fight against terrorism, strategic partnerships and a general upgrading of diplomatic ties for instance through an official acknowledgement or informal treatment of partner countries not only as safe states of origin but also as safe third states. As economic, political and strategic relations intensify and also as in some countries the authorities lack interest, reliability, competences and capabilities to fulfil the agreements by themselves, certain EU member states declare the opening of refugee camps they finance and go on to manage on the soil of so-called 'cooperative states' in the MENA region. While some EU states are still trying urgently to secure Turkey's collaboration in this matter, Turkey is for the time being bypassed by several cooperation frameworks. Thus, many migrants are nevertheless stopped before they reach EU borders, which improves the bargaining position of the EU member state governments vis-à-vis Turkey.

This practice of managing refugee camps across a continuously unstable MENA region in cooperation with the respective local governments is increasingly used by all affected European states and the refugee camps become cemented over time. However, the living conditions and human rights situations in the camps deteriorate constantly and inhabitants are not permitted to work or to move out of the camps into the host country proper. Their only option is to return to their countries of origin, where the repressive conditions and violent conflicts are persisting. Border controls and cooperation between European states and partner governments continue to increase. A broad spectrum of so-called security measures by local regimes within their territories are accepted by the European states. Most of the latter have by now completely abandoned the good governance and individualised 'Human Security' paradigms and instead press ahead with isolation for national and state security reasons. In order to keep the camps from massive overcrowding, the EU states selectively consider asylum applications and requests for work permits and grant visas to the most skilled applicants, depending on the needs of the respective domestic job markets.

Broader economic, political and societal conflicts in the MENA region and beyond continue to be the context of and sources for large-scale migratory movements but the efforts of the European states to help solve them have almost stopped as this is no longer their common priority. These issues are now left to be dealt with by regional actors like Algeria, Egypt, Saudi Arabia and Iran, as wished by them, which improves cross-Mediterranean bilateral governmental relations. The EU as such has ceased to exist as an actor (with its traditional and/or attributed characteristics, political principles and ambitions) in the Southern Mediterranean. It has now also completely lost its authoritative voice and influence as a broker in conflict situation and as a 'normative power' in development cooperation and in good governance and human rights promotion. Some member states still individually engage in dialogue and cooperation with certain states and actors, but they are mostly seen and well respected as pragmatic business and cooperation partners that have shed the former preachy EU rhetoric.

EU's new exteral security concept

EU-MENA relations will thus be de-regionalised, bilateralised, fragmented, securitised, de-contextualised, elite-focused and based on pragmatic, short-term considerations (with the dependency of European states on regimes within the MENA region growing extensively). This is happening against a backdrop of foreign policy orientations, arrangements and actions embedded in and driven by nationalist frameworks on both sides of the Mediterranean.

On the European side, furthermore, a polarisation develops along several axes: within societies, between governments and their populations as well as between EU states or even between certain EU states and the European or EU common ground as such. There is a risk that this polarisation will severely impact upon further external and internal policy and cooperation fields in the medium to long term. As the EU layer loses ground, the previous and EU-specific ambition to extend its liberal and individualised Human Security concept to its external activities and cooperation partners becomes void. Those EU member states involved in the system of externalising the 'issue' of refugee camps and more broadly of migrants from the MENA region (and beyond) through close cooperation with MENA regimes now openly accept the differences between their individual foreign policies and the predominance of national interests and agendas over a common EU approach. This includes them establishing diverging concepts of security in the context of migration, and thus deviating from and even altering fundamental EU–European principles. First there is a very encompassing and individualised concept of security including physical, political, economic and welfare security, which applies to citizens of European states that are to be protected as individuals by 'their' state (of origin). In general, this also applies to European citizens in a host EU state, albeit to varying degrees depending on national migration policies and the according regulations regarding in-work benefits, child benefits and tax credits for non-national EU migrants especially after the demise of Schengen.

Finally, there is another concept of security focusing on state and border security which the European states follow outside of Europe and especially in the MENA region—and which has now also become the framework for dealing with non-EU migrants (including refugees) from the MENA region in Europe This concept centres on a territorial notion of security and is based on an exclusionist rationale. It furthermore represents migrants in a de-individualised and indiscriminate manner as a security risk with regard to which the European states see a need to protect themselves as states and 'nations'.

This double or rather triple standard (national, European and non-European) in security matters—security for humans safeguarded by the state and on the other hand security of the state from ('another category' of) humans—that manifests itself in many statements and policies across Europe and in the member states' foreign policies will be exploited also domestically as a legitimisation or at least a foundation for structural discrimination, racism and islamophobia in European states which will in turn reinforce restrictive and nationalist policies in the fields of migration and asylum.

Remarkably, these developments within the EU and between the EU and the MENA region centring around the issue of (im-)migration are to a certain degree detached from quantitative facts, that is, the absolute numbers of migrants/refugees. Even though the latter are presented as the reference or starting point of these developments, it is not them but other, European actors like parts of national populations of the EU member states, their governments, right-wing populist parties and even some media outlets who are the driving forces behind these genuinely political decisions and developments.

This is why these political developments can more accurately be traced and measured by the results of national as well as EU polls and elections. Furthermore, the number (and content of) national vs. common EU initiatives, agreements and decisions are relevant here, especially those unilateral decisions or actions in violation of EU legal frameworks, agreements and the 'European' core values and principles enshrined therein. Moreover, those policies documenting shifts and open disagreements in priorities or those even furthering the renationalisation of powers and competences in policy fields that were previously considered to be of a nature too transboundary to be dealt with on a national level should be considered.

All of these sources may document the up-valuation of national (security) interests and a prioritisation and diversification of bilateral external relations of the individual EU member states vis-à-vis the MENA states (as they are perceived to be more important to and also more cooperative in dealing with the security-migration nexus).[2]

This, however, will not only mean the end of the 'European Union' as it constituted itself pre-2016. It will also have grave effects on the MENA states—and their societies in particular—as the 'problem' or 'threat' of (mass) migration in a first step will only be pushed back into their responsibility. The European border states will turn them into a buffer zone and extensively support them in the exercise of this function. But as refugee and migratory movements continue and are partly rerouted or stopped and reversed towards their territories, they themselves may in the medium term be overwhelmed by the added pressure on their state structures and economic and societal conditions. In order to prevent becoming failed states they will try to implement rigorous immigration/security policies, to exercise large-scale deportations and to set up militarily backed border security—for which they might not only lack the necessary capacities but which will also lead to an intensification of structural human rights breaches. The EU-MENA logic of pushing back the 'problem' further south, manifesting a gradation between (different 'categories' of) humans as previously between citizens of Europe and of the MENA region will thus be perpetuated. Documenting this most clearly, with the support of their European partner states MENA regimes may begin to set up fences along their borders, sealing themselves off from sub-Saharan Africa, irrespective of the implication this has for refugees as well as for ethnic communities settling in border regions spread over several nation states.

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1. As much as we attempted to consider and include multiple perspectives—from actors within the EU as well as from within the MENA 'region—our account inevitably has a European background which we are aware of and which we try to check and to balance out as much as possible.
2. These trends would be documented also by the respective amount and kind of (financial and staff) resources and material as well as political compensations devoted to recipient countries in the context of refugee camps, border management, readmission, security cooperation and administrative processes. Vice versa, resources derived from sales of (military) technology etc. to these states are relevant.
   As an EU level on top of national external relations ceases to exist in this regard, national bilateral foreign policies may become more 'efficient' and pragmatic and might lead to greatly intensified relations with regimes in the MENA region in all policy fields of common interest. Growing right-wing constituencies may welcome this as documenting the strength and prerogative of the nation state. In the short term this and the accompanying isolation or 'protection' of their labour markets and welfare systems might be perceived by them as a success in safeguarding their encompassing (political, social and economic) security mentioned above. Following through with the three different standards of security, cooperation will only be possible or likely with governments and not with societies anymore, as a matter of fact only with those governments that are not responsive to (the needs, wishes, freedoms and rights of) their societies. However, in the medium to long term the repercussions of the Schengen suspension and the lost political clout of and trust in the EU as a political actor (made up of states and peoples) on the international level and the return to a looser cooperation in economic and trade affairs will endanger security for the European societies on many different levels.

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The ultimate wake-up call – Five policy recommendations for the European Union's foreign policy.

A systematic and forward-looking analysis of the key forces that will shape the external relations of the European Union provides a solid footing for charting the course of policy actions for the EU's role in the world. Drawing upon the outcomes of the Dahrendorf Foresight Project, this paper presents five policy recommendations for the European Union's foreign and security policy. They tackle both the complex institutional framework of the policy formulation and the content of the policies towards the neighbours or strategic partners respectively.

Preparing for the unexpected

As the scenarios indicate, the relations with strategic partners and neighbours may take a course for which the European Union is definitely not prepared. US interest and support for the European project should not be taken for granted and their role as global policeman might be over. China might develop into a stronger actor who will be willing to take over responsibilities beyond its borders and challenge the EU in issues related to climate change. Russia might abandon its neo-imperialist and authoritarian tendencies and get back on the track of constructive cooperation with the European Union. After the 'Arab Spring' some MENA countries may turn their back on democracy and decide for soft authoritarianism as a political system, similar to China's model. Turkey might become even more autocratic and more politically and economically interlinked with Russia and lose interest in cooperating with the EU.

To avoid being caught by surprise, the EU should be proactive in pulling together cooperation in areas which might be strategic in the future, such as climate policy cooperation with China, working with Turkey on energy policy issues or staying united with Russia in the fight against the 'Islamic State'. Potential leadership vacuum in the event of a more isolationistic US will transform the global shift of power currently underway into a global disorder which may become the reality of 2025. The EU should be prepared for this situation.

Thinking differently about coherence in EU foreign policy

Coherence does not have to mean all 28 member states acting together arm in arm. It is time to make use of existing instruments which allow the establishment of more pragmatic coalitions of member states that are willing to act together. Enhanced cooperation in common foreign and security policy and variable coalitions of EU countries which due to their (geo) political or economic interests are willing to take a lead in particular policy areas or relations towards a particular country or region are not only inevitable but also highly desirable. It would also make the best use of the unique expertise and experience of each member state in different areas of external action.

The coordination of such endeavours should be provided by the High Representative for Foreign Affairs and Security Policy, who would undoubtedly benefit from member states' boosted engagement in the EU's external affairs. A new concept of labour division among numerous EU foreign policy stakeholders is certainly urgently needed and would provide the union with more effective external policies. A broad-based debate and consensus around shared strategic interests, which is one of the aims of the EU global strategy formulation, should facilitate the formulation of this new concept of labour division.

Removing a spell from diverse integration circles

As the scenarios show, neither is the further enlargement of the European Union on the table for the foreseeable future nor has the European Neighbourhood Policy been effective in creating a 'ring of friends' beyond the EU borders. Yet there are several countries already in the accession process and others waiting and hoping to start the negotiations or to sign the Association Agreements. At the same time the differentiated integration both within (e.g. Schengen area and the Eurozone) and outside the EU (e.g. European Economic Area with Lichtenstein, Norway and Switzerland) is a status quo. Turning the current situation into an advantage by creating issue-related partnerships with neighbours like Ukraine, Turkey or the Western Balkan countries would help to overcome the deadlock of both the enlargement and the ailing neighbourhood policy. Non-EU countries could engage in subsets dealing with energy, trade, migration etc. and thereby strengthen their relationship with the EU. This could be a way for the EU to regain its transformative power, which currently is rather a thing of the past.

Developing long-term strategic thinking capacities

Due to the overwhelming and unexpected challenges which have shaken the EU to the ground, the necessity of strategic thinking is widely accepted. The ongoing formulation process of the new EU Global Strategy as well as attempts to enhance the strategic capabilities across the EU institutions are still not enough. The challenge lies not only in a sober assessment of dangers, but primarily in answering the questions of how to use the instruments at the EU's disposal in an effective way. Already the 2003 strategy aimed at better coordination across various actors and instruments in executing the EU's foreign policy interests but the delivery was lacking. Against this backdrop, the operationalisation should become the priority of strategic thinking and the implementation of the upcoming Global Strategy is high time to start with it. Otherwise fulfilling the roles of crisis manager and security provider in its direct neighbourhood and beyond will be impossible for the EU.

Moreover, global trends analysis and solid and comprehensive foresight thinking should become an integral part of strategic planning. Thus, it is time to intensify the reaching out for the various methods of foresight thinking within both the European External Action Service and the European Commission.

Early warning mechanisms against extreme right-wing parties

Following the scenarios presented in this booklet there is a clear impression that the endorsement of right-wing populists is growing across the European Union and might be seen as one of the key drivers of the integration project within the next decade. Not only the Eastern European countries such as Hungary, Slovakia and Poland but also France and Holland and—as the local election results have shown—also Germany have to deal with growing support for right-wing EU-sceptical parties. The EU leadership is in need of a political early warning mechanism to address these movements and for a strategy to counter the trend towards more nativist, populist, authoritarian sentiments before it becomes irreversible. Otherwise, with several countries turning towards isolationism and the self-protection of their national interests, the European Union's foreign policy will probably be abandoned soon since the member states will not be interested in the EU playing any role on the global stage. A case in point is offered by the recent referendum in Holland, where the majority of citizens rejected the EU Association Agreement with Ukraine.

Therefore, the support for extreme right-wing parties seems to be one of the essential internal challenges for the EU's foreign policy. It should be tackled on the EU level through both very firm action against the right-wing parties' attempts to break democratic rules and through widespread awareness-raising campaigns for the common strategic interests of the member states. The benefits of European integration should be brokered as tangible reality for the citizens.

In fact, the European Union is still mired in a deep crisis, with no end yet in sight. But history provides several examples that crisis can become an impulse for moving forward towards an even stronger community. Yet, to come back on the integration path, the EU has to transform itself quickly. Otherwise it will plunge into further disintegration and lose its place on the global stage. The EU's foreign and security policy is essential for the success of the European project. Therefore it is time to move to the next level.

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All participants were involved in the project in their personal capacities and their opinions did not necessary reflect the views of the institutions they work for.

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The Dahrendorf Forum

The "Dahrendorf Forum – Debating Europe" is a joint initiative by the Hertie School of Governance, the London School of Economics and Political Science and Stiftung Mercator. Under the title "Europe and the World – Global Insecurity and Power Shifts" the project cycle 2015–2016 fosters research and open debate on Europe's relations with five major regions (China, MENA, North America, Russia/Ukraine and Turkey). It is shaped by five interdisciplinary working groups. If Europe is to develop a foreign policy identity, institutional reform must be met with democratic debate. The Dahrendorf Forum recognizes that both, expert knowledge and public debate can benefit from mutual exposition. It therefore researches future scenarios for Europe's external relations and discusses the findings with an audience as broad as possible. The project's gaze thereby goes beyond eurocentric worldviews: it puts non-European perspectives centre stage.

The Umbrella Project

The project focuses on the overarching question of the Dahrendorf Forum, the future of Europe's relations with its border regions and the core regions of the world economy. The main scope is to bring together the research outcomes of the five Dahrendorf Forum working groups and to develop novel ideas and policy recommendations for the European foreign policy worth its name.

About the editors

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