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The EU in 2030: a long-term view of Europe in a changing world: keeping the values, changing the attitudes

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Abstract Predicting future scenarios in EU politics is an important exercise that allows policymakers to plan for future generations and scarce resources. The EU has commenced this work through the ESPAS report *Global Trends 2030—Citizens in an Interconnected and Polycentric World*. This article surveys the challenges and opportunities identified in the report: the rise of a global middle class, the emergence of a multipolar world, the diffusion of power from the nation state to non-state actors, the paradoxical ‘less poverty but more new poor’ and growing pressure for as well as growing resistance to global governance. Europe’s future success will depend on its ability to address the challenges of prosperity, democracy, demography, fairness and security in the next 20 years. Europe must ‘keep the values, but change the attitude’, while re-evaluating the role of the state to create a more democratic EU that can act as a broker between world powers.

Keywords Future scenarios · Big picture · ESPAS Report ‘Global Trends 2030’ · Global middle class · The next 20 years · ‘Keep the values, but change the attitude’

Introduction

How will the world look in 20 years? What will Europe’s place be in a world shaped by unprecedented change?

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The nineteenth-century Danish physicist Niels Bohr, Winston Churchill, Albert Einstein and Bernard Shaw all claim rights to the now-famous maxim 'It is difficult to make predictions, especially about the future.' If this assumption was valid back in the nineteenth and twentieth centuries, it is more so in our age, which is characterised by uncertainty, seemingly endless crises, technological change and the globalisation of economic and media markets. A business analyst was quoted recently in the social media as saying, 'Nowadays, you can predict the future in three steps. First: know the facts; second: understand your space; and third: cross your fingers, because steps one and two don't work!'

In fact, looking for reliable future scenarios in times of uncertainty and crisis is a complex—yet not futile—exercise. It helps policymakers consider the big picture, and it broadens the policy landscape to care for new generations, to plan for scarce resources and ultimately to resist the temptation of considering day-to-day problems as the safest tool for policy planning.

When it comes to forward-looking studies in modern European politics, doomsayers still dominate the debate, as the intellectual appeal of pessimism often seems more attractive and devoid of facts; the (few) sober analysts, opting for a more rational (and often optimistic) view of things to come, find themselves under tremendous scrutiny to prove their case. Somehow, for someone to say, 'Europe is declining, its economy will not recover and Europeans will become irrelevant' sounds more convincing than to claim that 'Europe will rise again and come out stronger from the crisis.' The former assumption is accepted as a fact, while the latter needs to be proved and documented.

This article, attempting to scan the world and the European horizon 20 years from now, is therefore a delicate intellectual endeavour, one that will require both a base of evidence and sufficient analytical tools. Emerging trends, already visible around us, will also be a necessary—but certainly not sufficient—means to look deep into the crystal ball. Rather than accurately predicting Europe's outlook by 2030, the aim of this article is to indicate the key determinants for its future success or failure.

Establishing a methodology

Where to start? First, by identifying the major global trends likely to shape our world in the next 20 years. Many states¹ and individual researchers, think tanks and research institutes² have successfully launched such a process and are already harvesting the first results.

Since 2010, the EU has engaged in a similar project (the European Strategy and Policy System, or ESPAS), bringing together all institutions in its first serious attempt to implement a comprehensive foresight activity. The first report has

¹ Notably the US, Russia, Singapore, the UK and France.

² For example, Roland Berger Strategy Consultants, Centre for Security Strategy, Institute for Security Studies and Centre d'Études Prospectives et d'Informations Internationales.

already been published (ESPAS 2012), shedding light on the basic components of a future interconnected and polycentric world (see also the next section of this article). Work is still ongoing, with a view to putting in place a permanent inter-institutional system at EU level for forward-looking studies and policy planning by 2014.

Second, once future trends are identified and properly analysed, a convincing methodology should be tailored to promote understanding of emerging challenges. For example, what will it mean, in practice, for Europe and the world to have a globally emerging middle class? Will this trend bring more or less friction and conflict?

The next logical, third step of the proposed methodology will be crucial to allow for educated guesses and informed conclusions: it will consist of raising the right questions about the best way to seize future opportunities and minimise emerging risks.

To sum up, the methodology will be grounded in the logical sequence of trends—challenges—opportunities/risks. After all, since the time of antiquity, even the Priestess of the Oracle of Delphi herself could not foretell the future without some help; in her case, it was the steamy spring water and the hallucinatory herbs around the temple of Apollo that provided the methodology. Nowadays, even doomsayers will concede that a robust methodology is a sine qua non condition for attempting any rational prediction.

Global trends 2030: towards an interconnected and polycentric world

All major forward-looking studies have found converging evidence on the global trends likely to shape the world by 2030. Mapping out these strong currents of influence leads to a surprisingly clear common denominator: a multipolar, interconnected world with many more middle powers and empowered citizens competing for influence and scarce resources. The emerging global trends leading to such an outcome can be identified individually as follows:

- *The rise of a global middle class.*³ Though the change may be geographically uneven, the rise of the middle class will most likely lead to a sense of global citizenship. Obviously, the biggest share of the rising global middle class will be in India and China, thus contributing to more harmonised consumption patterns and interdependence of cultural values.
- *The emergence of a multipolar world with fewer hegemonic powers or superstates and many more middle powers* claiming their share of influence in global affairs. It is more likely that there will be an evolution from today's G7/G20 to tomorrow's G50 framework rather than a consolidation towards a G2 arrangement. Countries like South Korea, Turkey, Mexico, Nigeria, Egypt and (why not?) Iraq will enhance the spectrum of emerging actors currently occupied by the BRIC countries.

³ For a definition of 'middle class', see ESPAS (2012, 28 n. 2).



- *The steady diffusion of power from the nation state to a polycentric web of hubs of influence* such as regions, megacities, networks of like-minded citizens and civil society. The Tea Party and the Indignados movements are early signs of this trend, which would entail dangers of fragmentation but at the same time could also fertilise policymaking with novel ideas.
- *The somewhat paradoxical future tendency of 'less poverty but more new poor'*. The decrease of abject poverty in Africa, Asia and Latin America will not necessarily diminish the number of 'new poor' resulting from economic policies, weak and unequal education systems and the migration of cheap labour towards or around megacities. The increasing scarcity of resources (unless redressed by spectacular technological change and sustainable global policies) will contribute further to social inequality and to a growing gap between the haves and the have-nots.
- Finally, available studies point to a trend implying *more pressure for global governance but also more resistance to it*. The empowerment of the citizen—greatly facilitated by information technology and global media—will continue to reinforce the autonomy of individuals and will create the need for more democracy and better governance standards. Regrettably (and paradoxically), such convergence of the world's citizenry will at the same time risk activating reactionary forces, namely extremist identity politics, xenophobia and populism.

This will be a new world that will involve a higher degree of uncertainty, but also interesting transitions fuelled by new drivers of change in the economy, in governance, demography, management of resources, technological change and democracy. It will be a world of transformation and paradox, which will inevitably raise fundamental questions for Europe to answer. Potential responses may carry great uncertainty for now, but the quest to explore Europe's strengths and weaknesses will remain a pressing necessity for policymakers in Brussels and in the national capitals.

Europe 2030: the challenges

Today, the EU represents only 7 % of the world's population but produces about 22 % of the world's economic output. However, the enduring effects of the ongoing financial crisis, Europe's declining demography and the rise of the global middle class of empowered citizens worldwide will logically—some time in the 2020s—shift the centre of gravity in economic and human development from the Atlantic to the Pacific. History is accelerating: it took 155 years for Britain to double its GDP per capita, 50 years for the US and just 15 years for China.

The study of global trends, as seen in the previous section, clearly points to such an outcome, but it should be stressed that Europe's decline resulting from such a shift is not a foregone conclusion. Europe's place in the world by 2030 will

largely depend upon its ability to address effectively the following challenges, which are already darkening its horizon.

The challenge of prosperity

Since the late 1950s, European integration has enabled the spectacular improvement of living standards in all participating Member States. The ongoing financial crisis highlighted the need for both deep reforms and quick fixes to fill in the gaps of an asymmetric monetary union that still lacks a meaningful economic policy component. For Europe to regain its economic strength and international competitiveness, the battle is on: correcting excessive sovereign debt, reigniting growth through structural reform, targeting investment towards innovation and pooling sovereignty to correct asymmetries can still contribute to Europe's economic revival. Delivery on all these priorities should continue despite the considerable amount of pain inherent in any adjustment process. There are two specific advantages that play in Europe's favour: first, we now know what went wrong; and second, Europeans will not opt for decline if they see that there is a clear road from reform to growth and jobs.

The challenge of democracy

Europe will not remain immune from the ever-increasing global demand of empowered citizens to shape major decisions and to control central power and government. If this trend is already obvious in countries having suffered from dynastic and authoritarian politics, the advanced European democracies will not escape such pressures either; in their case, the quest for more democracy, participation and control will especially be felt in relation to the broadening and deepening of EU competence, namely in areas like economic and fiscal policy. It will no longer be reasonable to assume that Member States will continue pooling sovereignty in jointly determining national budgets, controlling their execution, subjecting themselves to multilateral surveillance (including sanctions) and conferring quasi-federal authority to supranational institutions like the European Commission and the European Central Bank without greater direct involvement by people in making decisions and enhancing democratic legitimacy. Failure to establish the right regulatory and institutional channels for broadening democracy in Europe will simply fuel even further the populist and extremist phenomena present today across the EU.

The challenge of demography

The ageing of European societies will place great burdens on today's young people, with the combined demands of an active working life and increased duty of care for the elderly. Active ageing will remain at the top of the political agenda, but the lack of young mobile European professionals will become an issue. In this context, migration is closely linked to demographics and may prove



Europe's safety valve in rebalancing labour markets. On the one hand, economic volatility may reduce in the short term migration flows to Europe; on the other hand, the continent will again become attractive as a host once economic growth returns and the need for young workers surfaces. The globalisation of migration will continue to expand, and Europe should plan for policies that will allow for a legal and orderly process of migration to compensate for the important imbalances ahead.

The challenge of fairness

Despite the decrease of absolute poverty in Europe and throughout the world, existing gaps between rich and poor will persist, and new categories of new poor are likely to emerge. Europe will fail the globalisation adjustment test unless it manages to reconcile its drive for competitiveness with its traditions of fairness, income distribution and values of social economy. The challenge of fairness should not only cover the most vulnerable groups in society (those on low incomes or without jobs, people living in remote areas, immigrants, children and women); it should also strive to address future issues of scarcity of resources such as water, energy, commodities and raw materials, and related challenges of climate change and biodiversity. Of course, fairness will not be achieved in a vacuum; it will require substantial investment by EU institutions and Member States' capital in growth-enhancing policies, along with adequate regulatory breakthroughs in governance and legitimacy.

The challenge of security

Internal and external security will remain key issues for Europeans in the period leading up to 2030. Within Europe's frontiers, armed violence (including organised crime and terrorism), transnational criminality and a growing proportion of crime linked to citizens feeling cut off from education and labour opportunities will continue to test governments' ability to deliver security for their societies. Tackling such problems will require closer and deeper coordination between the EU Member States in Justice and Home Affairs policies, as well as overcoming the traditional reluctance of certain governments to share with others the tools and instruments at the heart of national sovereignty. Beyond the EU's external borders, state fragility and armed conflict in Europe's neighbourhood will constantly remind Europeans of their duty to secure international peace and security. The Southern Mediterranean and Caucasus may witness further instability and conflict. The EU should not undermine its defence cooperation potential ('pooling and sharing'), especially at times of serious cuts in national defence budgets. The Libya experience last year offered an illustrative example of the dangers of fragmentation and the benefits of defence cooperation.

Europe 2030: risks and opportunities

Over the past five decades, European integration proved the most suitable model for rebuilding a war-torn continent through shared prosperity and transnational cooperation. This pattern of development will have to adjust at the dawn of a new era: an emerging reality of power shifts, fragmentation and new drivers of influence, power and wealth. Many of the certainties of post-Second World War society, centred on a relatively stable monetary order and a well-established system of international relations, power politics and trade will no longer be in place to provide a comfort zone for Europe.

During the next 20 years the EU will have new opportunities, but will also face important risks in this 'thicker' and far more complex global scene. Many uncertainties will have to be dealt with and overcome, while 'blue sky' horizons will be in short supply. Any attempt to scan the future standing of Europe in 2030 would not be complete without a closer look at risks and opportunities ahead.

Among the opportunities to seize, Europe's reputation as the world epicentre of *soft power* is probably its best asset for exercising influence in the future. Soft power is about appeal, attraction and persuasion. It stands for inclusiveness and tolerance, for the protection of minorities and the full integration of women in society and the workplace; for the constitutional protection of human rights, universal access to health and social security and care for the elderly; for mobility and fair access to education; for alleviating poverty in developing countries and redressing global social and economic imbalances. The EU can market this 'value of values' *erga omnes* in a more convincing way, as the US will continue to prioritise hard power and the middle powers will be busy building up their economic strength.

The rise of citizens' empowerment and the universal spread of values such as democracy, participation, human rights, the advancement of network societies and universal concerns for the environment, climate and resource scarcity will create more opportunities for Europe. The gradual emergence of an international public opinion will present the EU with many more possibilities to influence world affairs, as it has excelled in defending precisely these same values.

Finally, the radical rethink of European economic governance architecture will offer better prospects for economic revival, as long-overdue reforms are in the works and laxity in controlling sovereign debt and deficits are now in the process of being corrected. Europe's economic recovery may, after all, come as a result of the fact that the crisis acted as a catalyst for change, growth and reform.

However, there will be significant risks, too. If the trend towards sound economic recovery fails to consolidate, poverty will grow, the decline of Europe's middle class will accelerate, European firms will vote with their feet and invest elsewhere and the feeling of discontent will rise. Populists and extremists will tap into this potential clientele of disillusioned Europeans. Should these risks materialise, not only will the perception of the EU as a problem-solving actor be



tarnished, but its soft power capacity to inspire and motivate citizens worldwide will be hampered.

Last but not least, if this gloomy scenario materialises, some Member States may feel tempted to re-nationalise key policies and prefer to engage as autonomous players in the new international game of middle powers. For the EU, this will indeed be the biggest risk of all.

Europe 2030: what works? Keep the values, change the attitudes

It is hardly surprising that an analysis of trends, challenges, risks and opportunities fails to provide an accurate prediction of Europe's place in the world 20 years from now. Nevertheless, this sober prospect of what the future may hold for Europeans does allow for the definition of a (probably *the*) key determinant of Europe's future success.

What will work, then? How can present and future policymakers in Brussels and the national capitals proceed to bring about a stronger, more assertive Europe with global reach instead of fatally waiting for the decline, stagnation and paralysis scenarios to come true?

Keeping the values but changing the attitudes seems the most obvious answer. Maintaining the values behind Europe's undisputed success during the last 50 years is more relevant than ever before: reforming and uniting to keep the economy prosperous, maintaining fairness to and solidarity with the more vulnerable, speaking out for democracy and human rights, continuing to project soft power worldwide and contributing to world peace and security. However, preserving Europe's values will require a fundamental change of attitudes to deal with the profound transition from old to new: revisiting the role and structure of the state to optimise public services, adjusting regulation from times of abundance to times of scarcity, redesigning a deeper, more democratic EU and acting as an honest broker with the US, Russia, China and the middle powers, beyond the confines of post-Second World War realities.

Returning to the Oracle of Delphi analogy, the Priestess of the Temple of Apollo used to formulate her predictions as a way to influence the course of future events, not to encourage enquiring dignitaries to simply wait for them to happen. The jury is still out on the final verdict for 2030, but the outlook of a continent struggling to adjust is rather clear. Preserving Europe's values by changing its attitudes emerges as the most practical advice a modern Oracle of Delphi would have to offer to Europeans.

It might well work this time, too.

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