



European Academy Berlin

The United Kingdom and the EU in 2030

Scenario report of the first European Future Summit of the European Academy of Berlin

Contributors: Megan Foster, Marius Guderjan, Marcel Hadeed, Yuliia Horovetska, Kilian McDonagh, Antje Morgenstern, David Tschorr, Sascha Weber

Copy & editing: Lisa Hohneck, Samuel F. Müller

EUROPA
verstehen

EUROPA
gestalten

Overview

Scenario 1: Fragmented UK – Prosperous EU *(pages 8-13)*

- ❖ In the wake of a 'hard Brexit', the UK struggles economically and politically. Increasing economic pressure hand in hand with significant changes in immigration policies do not only condition the continuous downward spiralling of social justice and prosperity in general, but also the geographic fragmentation of the UK. While social tensions in Northern Ireland heighten, Scotland is successful in its struggle for full independence from the UK and on its way to EU membership as an independent state. By 2030, the UK finds itself in unprecedented economic, political as well as social straits. The EU, on the other hand, manages to prosper economically as well as to deepen democratic integration throughout the upcoming decades.

Scenario 2: Prosperous UK – Fragmented EU *(pages 13-19)*

- ❖ After a 'hard Brexit', Britain manages to steer immigration to the benefits of its national economy. To the detriment of both the UK and the EU, Britain's access to the EU's single market has been limited and trade with EU countries decreases to a minimum. However, Britain effectively reforms its economy and turns the vision of a 'Global Britain' into success. It strikes several highly beneficial trade deals and trade partnerships with non-EU countries, easily compensating the reduced trade with the EU. While Britain is, hence, able to keep its economy and its social systems stable as well as to keep Scotland by its side, the EU struggles for stability and integration.

Scenario 3: Europe restructured *(pages 19-25)*

- ❖ The UK and the EU come to terms, compromising on a 'soft Brexit'. Hence, while Britain keeps (until 2027) access to the EU's single market, it gains full autonomy over its immigration laws and procedures. Britain's new status adds to a new model of inter-European politics. What is seen throughout the upcoming years is the restructuring of a Europe – along distinct political fault lines among the EU member states and their citizens. Such fault lines concern immigration as well as security politics, topics that mobilize adverse social currents throughout Europe. By 2030, some countries have decided for deeper integration, while others have opted out of the political Union, preferring to only keep economic ties with other European states.

Background, method and future challenges

Objectives

What political, economic and social opportunities as well as challenges will be presented to Great Britain as a result of leaving the EU? And, how will European integration develop further in case Britain actually exits the Union? In November 2016, a group of ten young researchers, activists and students met at the European Academy of Berlin (EAB), in order to engage with these questions. The workshop – the EAB’s first European Future Summit, partially funded by the Bundeszentrale für politische Bildung – entailed vivid debates and in-depth working phases. In addition, a round table discussion was held, as well as a public panel with policy experts, to further debate the questions at hand. This paper gives an impression of the multiple results of this process.

Front and centre are three scenarios or alternate future narratives, which have been outlined below. These narratives have been considered both plausible and apt to trigger stimulating debates. Pushing for a continued discussion and providing new vantage points on ongoing developments, opportunities and challenges accounts for the overarching objective of the project. Crucial outcomes in terms of key challenges, which necessitate further debates and analyses, are introduced below (*pages 5-7*).

Authorship

Naturally – in part due to the method used to develop the scenarios, but also due to the pure nature of the task of developing arguments and writing a paper as a relatively large group – the participants of the scenario workshop did not agree on all aspects of the eventual product of the project, i.e. this paper. However, precisely such moments in which disagreement has been most intense – the *knirschpunkte* – account for critical junctures which brought about key questions for further discussion. Such issues have to be debated in greater depth and breadth in future research and public discourse. Some of these aspects are made explicit below.

Therefore, when it comes to authorship of this paper, the following has to be clarified. The three scenarios below rather document a controversial discussion instead of presenting the reader with the common remainder of what all workshop participants have agreed upon. The authors mentioned above have agreed to give their name and take responsibility for what is said here

only to the extent that this paper documents a controversial debate to which they have contributed. Hence, the paper does not reflect a common position. It is a record of a controversial discussion put into narrative, intending to push for further debates.

Method and proceedings

The scenario method which has been applied to the workshop and this paper follows Michael Oppenheimer's approach, as he describes it in his book *Pivotal Countries, Alternate Futures: Using Scenarios to Manage American Strategy* (2016). Indeed, it has been altered to some extent and reframed, firstly, by applying it to the context of civic education and, secondly, by looking at the future of Europe and perhaps taking a "European" perspective on the issues at stake. Nevertheless, the core aspects of Oppenheimer's approach have been taken quite seriously.

This approach includes an open debate towards the articulation of two, three or more scenarios or future narratives. The basic structure of these narratives is defined by drivers (developments, conditions or, if you will, independent variables, which are specifically crucial to an entire narrative) and by titles (topics or topical frameworks of each narrative) which are preliminarily set out for each scenario at the beginning of the debate. The time frame of the scenarios (in our case from today until the year 2030) and certainly the overarching topic (in our case the UK and the EU after the Brexit) account for further principal elements structuring the scenario-making process.

The most crucial aspect of the method in use is that the scenarios are not geared towards likelihood. Emphasis is put on plausibility. In other words, possible future events should be made plausible, while their probability is taken to be secondary. Indeed, this asks for somewhat daring arguments for events and developments, which might appear to be highly unlikely, at least highly unlikely at first. This, however, is not taken to be a disadvantage. Instead, it is a constitutive aspect of the method at stake. Ideally, it would allow us to think of and analyse such future events that surprise us in everyday politics and keep surprising us in a world full of uncertainties, as long as we do not dare to imagine them first.

Indeed, the plausible elaboration of *future* outliers is an almost impossible task. It summons controversies which can hardly be solved in full, producing moments of dire disagreement among normative viewpoints and arguments. As said, such moments are counted in from the start as they – ideally – point us to key questions for further debate. Such moments are outlined next.

Future challenges (*knirschpunkte*)

The *knirschpunkte* (or discrepancies) of our debate can be summed up as follows:

- ❖ The mere titles of scenario 1 and 2 appear to indicate a causal relationship. This, however, would be a misperception. In more detail, this paper *neither* intends to argue that the UK's fragmentation would *cause* the EU to prosper, *nor* the opposite, namely, that the UK's future prosperity would *cause* the EU to fragment.

Rather, we *came to picture* a fragmented UK and a prosperous EU (in scenario 1) and a prosperous UK and a fragmented EU (in scenario 2) – if only to contrast stark versions of prosperity and fragmentation of the UK and the EU respectively, emphasizing drastic potential developments. Hence, it is deemed plausible (likely or not) that the UK and the EU might either prosper or fragment in a diachronic or anticyclical way. These versions of future developments (in the UK and the EU) are thinkable at once, even if the scenarios outlined below are incapable of giving comprehensive explanations for the precise explanatory linkages between these two larger developments (namely, fragmentation of entity A and the concurrent prosperity of entity B).

As a result, one of the overarching questions of the project remains in place: **How does the exiting of an EU member state affect the remaining EU countries, what does it *cause* in the EU and how could such a future causal link be established in a scientific fashion?** The given scenarios take a broad perspective which leaves many aspects unexplained. Hence, they only take a first stab at these questions and thereby pose it as a problem to be taken more seriously, indicating its relevance and putting it up for further debate.

In addition to this general issue, further questions have come to the fore. With regard to the role of specific countries, China, the USA and Poland came into focus.

- ❖ Starting with **Poland**, in scenario 1 we portrayed France, Germany and Poland as strong European countries, which in light of the 'Brexit' come to establish a strong and cooperative relationship, opposing and successfully rejecting several of Britain's demands during the 'Brexit'-negotiations. But is it convincing that Poland would actually engage more strongly in a relationship with Germany and France in particular? Several participants had doubts about this prospective convergence, evaluating the relationship between, on the one hand, (an increasingly Euro-sceptical) Poland and, on the other hand, Germany and France as to be rather defined by a considerable degree of distrust.

Against these doubts, scenario 1 argues that Poland would 'come around' and get closer to Germany and France in the wake of the 'Brexit'-negotiations, as the country has a special interest in a united European position against Britain. Namely, in scenario 1, Poland is concerned over the

fate of the Polish minority living in the UK who potentially face different forms of social pressure as well as legal and material disadvantages. Therefore, Poland finds good reasons to align on a deeper level with France and Germany. An additional aspect, brought up during the review phase of the paper was that Poland could, if mediated through NATO, aim for stronger relations to other EU countries, as it perceives Russia as a threat to its national security. Scenario 2, on the other hand, takes another direction. Here, it is said that the EU does not accomplish speaking in a unified voice throughout the 'Brexit'-negotiations.

To tie up these loose ends, the question at stake certainly is: **What about Poland? What is Poland's position regarding the 'Brexit' and how does the 'Brexit' affect Poland's politics on the EU level? And does the 'Brexit' affect Poland's relationship to other EU countries like France and Germany?**

- ❖ An additional moment of disagreement has been the relationship between Britain and **China** and Britain and the **USA**.

In scenario 1, we argue that Britain is unsuccessful in developing good trade relations with the US as well as with China. Especially during the review process of this paper, the participants debated two competing explanations for this assumption. First, it was argued that the UK overestimates its relationship with the US as well as its relationship with China. The trade deals negotiated turn out to be rather unfavourable for the UK, as the UK has little bargaining power in comparison to the US and China. This argument can be extended by assuming that the US and China are in heavy economic competition (i.e. 'trade wars') in which the UK, being already in the process of gradually losing its economic power, is incapable of playing any significant role.

Second, the divergence in political ideologies of the US and Britain, the one being (in economic terms) increasingly hostile towards China and putting emphasis on its very national interests ('Making America Great Again') and the other trying to open up to both powers (pushing for a 'Global Britain') makes trade interests of the two countries rather incompatible. Here, the new American local thinking somewhat collides politically with the revival of old British global ambitions – to the disadvantage of Britain.

On the other hand, in scenario 2, Britain not only manages to engage in profitable trade deals, but can also mediate and improve the relationship between the two global players on the political level. During the review phase of the paper, it was suggested adding that, alongside Britain's success in global trade, the EU finds itself set apart from the global – in various sectors heavily deregulated – market place (in which the US, China as well as Britain successfully engage in common trade).

So the unanswered questions which spring from here read: **What about Britain's relationship with China as well as the US?** Will Britain turn into a sovereign global player, able to strike profitable trade deals and engage in sustainable trade partnerships with both countries, perhaps even with the prospects of politically mediating between the two powers? Or is Britain everything but a desirable trade partner to any of the two countries, somewhat getting stuck between their conflicting interests (or simply ignored in global trade)? In addition, we might ask: Does the 'Brexit' have a global impact and, if so, what would this be?

- ❖ Another debate has been one on terminologies. For example, in scenario 1, it was decided to speak of separatism or of the strive for national self-determination when it comes to Scottish politics, instead of speaking of Scottish nationalism. Hence, to say the least, **the 'Brexit' and the developments surrounding it also push for further debates on separatism and related regional developments in Europe.**

Another question on terminologies was, whether we can speak (in scenario 1) of the 'white unemployed and the white "working poor"', as a segments of society among which (under specific conditions) racist ideologies might take hold first. The term 'white' as a political/ideological term, as some said, would not apply to the European context (but rather to debates concerned with the US-American context), while the argument concurrently indicates a correlation (between poverty and racism) which is, when put like this, just too shallow, unscientific and ignorant. Whether the way it is put and explained in the scenario is sufficient, remains to be discussed further. Hence we are asked to debate more deeply **how we should speak about and debate racism in Europe and especially in Germany, where the term race is surely a politically loaded one.**

- ❖ Last but not least: **What about scenario number 3?** While this narrative was hotly debated during the workshop, it has barely been discussed during the review phase. This is a rather bad sign. The complexity of the narrative – which aims to elucidate the idea of a 'Europe of concentric circles', as it is frequently mentioned but seldom explained in public discourse – seems to push beyond the limits of the workshop and the paper, as it must be admitted. Still, as a valuable attempt in specifying the mentioned idea, which clearly encourages further research, and as this debate was part and parcel of the workshop as well, it was decided to keep an abbreviated version of this narrative as a part of this paper.

There are surely more issues to discuss. But let the scenarios better speak for themselves.

Scenario 1: Fragmented UK – Prosperous EU

ABSTRACT

In the wake of a 'hard Brexit', the UK struggles economically and politically. Increasing economic pressure hand in hand with significant changes in immigration policies do not only condition the continuous downward spiralling of social justice and prosperity in general, but also the geographic fragmentation of the UK. While social tensions in Northern Ireland heighten, Scotland is successful in its struggle for full independence from the UK and on its way to EU membership as an independent state. By 2030, the UK finds itself in unprecedented economic, political as well as social straits. The EU, on the other hand, manages to prosper economically as well as to deepen democratic integration throughout the upcoming decades.

DRIVERS

The economy (economic developments): The UK's economy is defined by uncertainty and failed economic reforms. Neither the deregulation of the economy through the Conservative Government nor its attempted 'reindustrialization' and investment campaigns through the succeeding Labour Government (elected in 2025) can actually put a halt on Britain's economic downturn. The UK witnesses 'definancialization', flight of capital, emigration of major industries to the EU and elsewhere as well as increasing unemployment with heavy social as well as political consequences.

Movement of labour (or immigration/emigration): Britain loses foreign unskilled and skilled workers as well as international students, advanced researchers and scientists ('brain drain'). New immigration laws increasingly hinder foreign workers from entering the British labour market. Furthermore, against the background of the British economic crisis, especially skilled workers seek for better-paid career opportunities outside Britain and leave the UK. Concurrently, gradually more cut off from the European educational exchange market as well as from EU research funds, the numbers of incoming international university personnel (students, postdocs, lectures and readers as well as professors) decrease significantly.

Separatism (or strive for national self-determination): Economic reasoning as well as nationalism (or the politics of national identity), compounded by a wish to overcome what is perceived as a legacy of British patronage drives two major currents for national self-determination in Britain:

The Scottish as well as the Northern Irish independence movement. Their respective causes and political ambitions receive momentum the more they are 'dragged out' of the EU or, in the case of Northern Ireland, separated from the Republic of Ireland without having a say and to their economic disadvantage.

Xenophobia and racism: Overall, Britain witnesses the social and political manifestation of nationalist and protectionist ideologies. Such ideologies take hold among those who feel overreached and left behind, i.e. mainly among the white unemployed and the white 'working poor' but increasingly also among 'better off' segments of society. The various supporters of the growing 'Britain First'-movement find their advocates and spokespeople in Britain's ultra-conservative and anti-European political parties. These parties draw their increasing popularity from xenophobic attitudes and the fear of social decline while fostering precisely such fears, promoting emotional (post-factual) politics. In turn, ethnic and religious minorities, particularly Muslims (including refugees as well as new and long-since British citizens from different Commonwealth countries), and members of the Polish community in Britain are faced with prejudice and continuous, if sporadic, hostilities in everyday and public life (on the street as well as in public administrations, schools and other public institutions).

NARRATIVE

2017-2020 – From uncertainty to failure

In late March 2017, the government of the United Kingdom of Great Britain and Northern Ireland under Prime Minister Theresa May, leader of the Conservative Party, officially triggers Article 50, Treaty on European Union (on Withdrawal of a Member State from the European Union). By giving the starting shot for the exit negotiations as announced, and with several assertive claims in hand, May and her party maintain broad popular support. However, for the British economy, triggering Art. 50 means the prolonging of uncertainty – a period that is now ongoing since June 23, 2016, when a majority of the British people voted to leave the EU. For most economic actors, industries, enterprises and especially for the banking sector, this means to rather wait and see than to celebrate the political developments. Their highly cautious investments and hesitant development strategies continue to weaken the British economy, if only gradually.

Concurrently, the EU, with France, Germany and Poland (the latter, in light of the 'Brexit' and its anticipated negative consequences for Polish workers in the UK, driven to increase cooperation with other EU member states) leading the way, manages to strengthen inter-European

cooperation. They do so not only in light of the 'Brexit', but also in view of several challenges that they, as they increasingly feel, can only tackle in common – such as the ongoing refugee crisis, the increasing economic divide between Northern and Southern EU member states, in addition to continuous internal and external security threats.

In consequence, the remaining member states of the EU confront the UK with a strong common stance, while the UK's government struggles throughout the 'Brexit' talks to negotiate favourable deals for its national progress. At the same time, the UK's efforts, to globalize trade and to strike new deals with the US as well as with China take much more time to bear fruits than the UK government had hoped.

The result of the 'Brexit' negotiations is a 'hard Brexit' with all major deals closed in early 2020. Pressured by its own people and anti-European campaigning of the right-wing parties, the British government insists on heavy restrictions on EU workers freely moving to the UK while being increasingly uncooperative when it comes to jointly resolving the refugee crisis. In turn, the EU restricts Britain's access to the single market, hitting the British economy hard – even if this means to settle for what appears to many moderate politicians and policy makers as a lose-lose situation.

2020-2025 – From failed reforms to fragmentation

As the British Conservative government manages to cater to the interests of its voters, selling the 'Brexit' as a success to the majority of the British people, the Conservatives win the national elections in 2020 and May remains Prime Minister. Due to their campaign promise of further market liberalization, the Conservatives manage as well to maintain the support of the British business elites and industrial leaders in the run-up of the 2020 polls.

In the following years, the re-elected government does keep its promises. It keeps the numbers of immigrants in general but especially of lesser-qualified immigrants as well as refugees low. Furthermore, it tries to provide banks, businesses and industries with all desired freedoms. However, given the reduced inflow of foreign workers ('cheap labour' as well as 'high potentials') which comes hand in hand with the now limited access to the EU market, British economic programs hardly pay off. Despite heavy deregulation of the British market and the intense search for global trade partnerships, several companies respond to the new situation by leaving the island. Deprived of the continuous inflow of human capital as well as easy access to EU trade, investments as well as jobs keep shifting to the continent.

In the years to come, the UK finds itself at the beginning of several crises. Most devastating to the British people is the UK real estate crisis in 2023. While the Conservatives are struggling to manage the situation and Labour is bringing itself in position to win the next elections – blaming the Conservatives for increasing social injustice and the gradual dissolution of the British social system (reduced corporate taxes, wage dumping, rising unemployment, decrease in quality in the educational as well as the health system etc.) – the situation in Scotland as well as Northern Ireland turns ever more critical.

Throughout the ‘Brexit’ negotiations (2017-2020), the relationship between, on one side, Scotland and Northern Ireland and, on the other, England and Wales had worsened dramatically. In the case of Scotland, the Scottish people feel constantly ignored by British politics and decision-making. This feeling is not without substance, as the Scottish parliament, spearheaded by the Scottish National Party (SNP) and First Minister Nicola Sturgeon, was continuously overruled in its attempts to push for a ‘soft Brexit’. As a result, the Scottish independence movement, represented throughout all Scottish parties and affiliations, gains unprecedented strength.

Backed by its people, the Scottish parliament is eventually granted permission by the British government to hold a second referendum on Scottish independence. Fuelled by their anger over what is perceived as single-handed decision-making by the British government as well as by the belief that economic well-being would be better achieved through continued ties to the EU, the Scottish people decide for their independence with a small but clear majority. In 2023, Scotland gains independence and immediately applies for full EU membership.

In the Northern Irish case, discontent is rising as well. As the border to the Republic of Ireland has turned into an EU external border (in 2020), the realization of being involuntarily separated from Ireland and the increasing restrictions in their free movement between the two states leads to mounting discontent among the Northern Irish people. Especially those who consider themselves as Irish feel once more deprived of their rights as a people, loudly voicing their wish for reunification with the Republic of Ireland.

In subsequent years, multiple crises reach their tipping point, culminating in the continued and ever more rapid downward spiralling of the British economy, its social system and the continued disintegration of Britain’s territorial integrity. Concurrently, the EU sees the need to further strengthen European integration, reinvigorating the idea of a European constitution.

2025-2030 – from crisis to crisis

After the Conservatives could not manage to lead Britain to economic success, Labour can win the national elections in 2025. Now on their part riding the 'Britain First'-wave, the Labour Party is successful in its campaign when blaming foreign capital for the sellout of Britain, such as the British housing market. Next to the promise to reform the educational system and the British National Health Service (NHS), which has not been able to keep public health care of high quality (especially because of the lack of qualified but inexpensive health care professionals and caregivers), as well as the general impetus to better regulate the market and foster labour rights, most people hope for what is called the reindustrialization of Great Britain.

Though Labour's reindustrialization program slows further economic downturn, it cannot stop it. The idea behind the program is to support businesses (small and medium size as well as big businesses) that keep or bring production back to Britain. Britain now competes with different (e.g. Eastern European) countries that try to attract international companies to build factories there, as (manual) labour has become specifically cheap in Britain. In addition, tax reforms are planned which are meant to bring further investors.

However, while Britain's national economy appears to gain some stability in 2025 and 2026, the state's attention is increasingly captured by Northern Ireland. Scotland had to be given up already (Scotland becomes a full EU member state in 2026) so that Britain wishes to maintain Northern Ireland as part of its territory and national economy. However, public discontent and continued rallying in Belfast as well as a series of terrorist attacks of the Irish Republican Army (IRA) and splinter groups in different English cities in fall 2026 draws the attention of the British security apparatus to Northern Ireland. In early 2027, the British Army enters the region where civil life, law and order have broken down. As the EU must take sides, tensions deepen and the relationship between Britain and the EU further deteriorates.

At the same time, the conflict refuels English nationalist propaganda. All, the Europeans (especially Germany, France and Poland), the Northern Irish as well as the Scots are scorned for their supposed disloyalty and blamed for the troubling social conditions throughout the English working class. While the success of Labour's educational reforms is modest, their economic reforms as well as their attempts to reform the NHS fail to bring the desired effects. Foreign investments serve Britain's upper crust, but without unlimited access to the EU market and trade, as well as continued restrictions and a hostile atmosphere towards immigrants, Britain's economy

fails to effectively serve its people. In the run up to the 2030 national elections, ultra-conservative parties have poll numbers as high as never before, while the politicians in power start to consider applying for monetary assistance from international financial organisations and even the EU financial institutions.

Scenario 2: Prosperous UK – Fragmented EU

ABSTRACT

In this Scenario, the UK profits from a ‘hard Brexit’. With highly exclusive immigration laws and distinct employment policies, Britain manages to steer immigration to the benefits of its national economy, dramatically reducing its support for refugees entering Europe. To the detriment of both the UK and the EU, Britain’s access to the EU’s single market has been limited and trade with EU countries decreases to a minimum. However, Britain effectively reforms its economy and turns the Conservative’s vision of a “Global Britain” into great success. It strikes several highly beneficial trade deals and trade partnerships with non-EU countries, easily compensating the reduced trade with the EU. While Britain is, hence, able to keep its economy and its social systems (health, education etc.) stable as well as to keep Scotland by its side, the EU struggles for stability and integration. Being continuously unable to speak in a unified voice and in the wake of deepening crises, by 2030, a disintegrated EU starts losing additional member states when the Netherlands and Denmark follow Britain’s example and leave the EU for good.

DRIVERS

The economy: Despite limited trade relations with the EU after a ‘hard’ Brexit, Britain’s economy remains stable and can flourish over the years to come. Market as well as tax reforms in Britain (toward the further liberalization of the British economic system) pay off. Trade partnerships with the USA as well as with China are successfully implemented. Economic ties (as well as international relations in general) with many of the Commonwealth Countries are newly emphasized, reinvigorated and extended so that the EU’s single market increasingly loses its relevance to the UK’s economy. At the same time, the remaining member states lack the effective modes of cooperation necessary to overcome several crises (economic as well as political), leading to the deepening of economic rifts between the EU states. The most burdened countries in Europe’s South as well as its East face mounting sovereign debts and become heavily dependent on EU financial aid, while for many of the richer countries in the North, the British way has turned into a role model.

Populisms: Populist leaders of minority parties gain enormous support all over Europe. Ideologies include protectionist / nationalist stances with exclusive notions of national culture, tradition and

identity, cultivating prejudice and propagating actions against Muslims, refugees and generally people of colour (nationalism). Moreover, other currents of political extremists from the right as well as from the radical left support anti-state views, negating and wanting to undo any existing political order (separatism / anarchism). Against the background of increasing social injustice and the general feeling of heightening insecurity, those several creeds appeal to people from all strata of society (to a large degree independent of one's educational or economic status), while solidarity is sought only within one's own ideological sphere. What (paradoxically) 'unites' all such political currents is their anti-Europeanism / Euroscepticism. While their followers generally despise the EU institutions, populist parties unite internationally and become a significant force in the European Parliament.

Immigration: Refugees continue to enter (or try entering) the EU and to seek for asylum in different EU countries, especially in the wealthy Northern ones. The EU member states are unable to agree on common immigration policies and related legal measures to deal with this challenge in a cooperative and productive way. Especially Greece and the southern member states in general lack the necessary means (financial as well as political) to successfully cope with the ongoing crisis. Without meaningful reforms and effective help from other EU members, their national economies are put under unprecedented pressure. Xenophobic and racist sentiments are fuelled by populist party leaders. When Turkey decides to terminate the 'refugee deal' with the EU, this situation turns into another open crisis. Britain, on the other hand, restricts immigration to its country. A points-based immigration system is applied (in 2019) which only allows highly qualified immigrants to enter the country, while others are kept out. The latter includes minimizing its support for refugees entering Europe.

Security: Internal as well as external security threats put the EU under heightening pressure. While terrorist attacks lead more and more EU countries to increasingly control and even close their borders (pressured for and welcomed by most populist parties), EU member states fail to share intelligence and to install an effective common security apparatus.

A more daring version of this driver entails. Concurrently, the EU is weakened by external forces that start challenging territories at the edges of the EU, such as parts of Finland and the EU neighbour Norway. Disunited and without an effective security and defence strategy the EU member states heavily depend on NATO under a strong UK leadership. – *though it needs to be*

clarified better what or who is meant by 'external forces' as well as by 'challenges to EU territory', as it was remarked during the review process of this paper.

NARRATIVE

2017-2020 – Political gridlock in the EU to the benefit of Britain

In March 2017, the Government of the UK officially triggers Article 50, Treaty on European Union (on Withdrawal of a Member State from the European Union). While Britain pushes for many concessions on trade and market access and being rigid when it comes to the issue of immigration and the free movement of labour, EU member states and especially key players like Germany, France and Poland find it impossible to speak with a unified voice. The end result turns out to be a 'hard Brexit'. While both sides must eventually take their chances, none of the EU countries can gain from these outcomes. For the EU, energies have been wasted on fruitless debates.

Britain, on the other hand, when it fully exits the EU in 2019, manages to successfully implement several reforms, benefiting the British economy. Britain further opens its markets by reducing regulations on trade and foreign investments and also lowers its taxes for financial transactions, a measure that helps keep London secured as the financial hub of Europe. In addition, Britain also manages to create the financial as well as infrastructural conditions for the development of new technologies, inviting researchers and start-ups as well as big investors to collaborate and boost technological development. Internationally, Britain starts negotiating special trade deals not only with the US and China, but it also attempts setting up deals with single EU member states.

Furthermore, in the wake of leaving the EU, Britain introduces its new Immigration Act as announced. By denying especially refugees to enter the country (leaving them with the EU) and by managing the influx of foreign labour in a highly exclusionary way (introducing a points-based immigration system), the UK government reduces numbers of foreigners entering the EU and thereby pleases its right-wing supporters.

The European parliamentary elections in 2019 result in a significantly higher election turnout, which means first and foremost an enormous boost for a number of anti-European parties who praise Britain's choice as a desirable option for other EU member states. Already celebrating the outcomes and prospective long-term results of the Brexit negotiations as a great success, the Conservatives with May on top easily win the 2020 British general elections with a clear majority.

2020-2025 - The end of Dublin-III

In the upcoming decade (2020-2030), the EU experiences several interlinking crises, starting with Turkey ending the 'refugee deal' with Europe (in 2020). By allowing asylum seekers to freely try entering the EU, a new humanitarian crisis in the Aegean Sea arises. And, as mounting numbers of people continue to try accessing Bulgaria via land, the country, with substantial support by Frontex, keeps fortifying its borders with Turkey, creating an unbearable situation for refugees heading for the EU via Bulgaria. Hence, what has been a simmering crisis in the past years now reaches new extremes, demanding immediate actions.

In economic terms, the Southern as well as South-East European countries feel ever increasing economic pressure, while the Northern countries remain reluctant to support the former with sustainable financial support. Common political programs to solve economic imbalances and dependencies in the EU on a deeper level seem to be fully out of reach.

In terms of politics, throughout Europe, right-wing populist parties ignore the complex reasons behind this lack of (transnational) social equality and precisely blame the refugees for the financial struggles of the Southern and Eastern EU member states. They put much emphasis on the supposed financial burden that refugees would allegedly cause EU citizens, demonizing the latter and blaming the established parties for not solving the problem. On the far left, populists equally condemn the established parties for their supposedly lax actions in solving the EU financial crisis as well as the refugee crisis while taking the political institutions of the EU as a severely flawed legal-political framework, inadequate to create actually just and humanitarian political standards.

Concurrently, the power of the once dominant parties of Europe continuously decreases. The conservative parties struggle for a cohesive course of action, shifting between right-wing populism and traditional conservative positions. Social democratic parties fail repeatedly to reconnect with their constituents.

In 2025, Greece, Italy, Portugal and Spain face mounting sovereign debt. Driven by populist voices as well as pure material needs, all four countries heavily blame the EU and especially the Euro-group and also Germany for their lack of political as well as financial support. For all countries, the idea of exiting the eurozone and reintroducing national currencies increasingly appears as a solution to one's economic problems, holding the (alleged) promise of independence and prosperity.

With the 'refugee deal' off the table, the Western Balkans, other Eastern European countries, and now the Southern European states too decide to end the humanitarian catastrophe on their soil by waving refugees, stranded at their shores, through towards Germany, Austria, Switzerland, France (and thereby abandoning 'Dublin III').

Unable to find a political solution to social inequality in the EU as well as to the new refugee crisis, the Central and Northern member states, including Germany, have started to count on a 'common' security strategy. This, however, mainly consists of a rising degree of border security, while actual cooperation (e.g. when it comes to sharing intelligence) remains scarce.

The European parliamentary elections in 2024 result in a highly fragmented European Parliament with a strong block of right-wing parties, now able to put a conservative / right-wing candidate in power. Concurrently, Britain manages to remain stable. The 'trickle down' effect of the deregulation as well as the opening of the British market had some success in the years since 2020. However, many British people still feel that they do not profit from the economic success of their country. Therefore, in 2025, the Conservatives lose many seats to Labour, while nevertheless remaining in power.

2025-2030 – The breakdown of the EU and the realization of a strong and united UK

With Labour having gained considerable strength in the British parliament, new labour programs and the long overdue reform of the British educational system as well as the National Health System (NHS) gain in breadth as well as in depth. One of the results is that previously very low paid jobs (especially for care professionals in the health system) are raised. Another outcome is that companies are, with increasing success, encouraged to engage in public-private partnerships and contribute to the funding of schools and other educational institutions.

Moreover, by 2027, Britain has developed highly beneficial trade partnerships not only with large economies such as the US, Russia and China, next to many other countries on all continents, but also with EU countries, especially the Netherlands and Denmark. The latter are the first to breach EU law by taking up individual trade relations with Britain, as referenda in 2027 have shown that the Dutch and Danish voters wish to depart from the EU as well.

After leaving the eurozone in 2028, many Greeks, Italians, Spaniards and Portuguese begin to flee further economic hardship which has arisen from the reintroduction of their original currencies – as this move did not help reorganize markets in a stabilizing and beneficial way. Almost as a response, the Netherlands trigger Article 50, Treaty on European Union (on

Withdrawal of a Member State from the European Union), now officially embarking on their way out of the EU, while many consider following.

By 2030, the EU is about to collapse, unable to solve its new paradoxes – such as a ‘common’ security strategy that unwinds EU integration efforts, or the emergence of an endemic anti-European movement high-jacking EU institutions – while Britain has become the successful forerunner of a new nationalism.

Scenario 3: Europe restructured

ABSTRACT

The UK and the EU come to terms, compromising on a 'soft Brexit'. Hence, while Britain keeps unlimited access to the EU's single market, it gains full autonomy over its immigration laws and procedures. This only changes in later years when Britain must leave the single market and the EU for good in 2027. Britain's new status adds to a new model of inter-European politics. What is seen throughout the upcoming years is the restructuring of a Europe of different speeds and interests – against the background of painstaking and longish 'Brexit' negotiations and along distinct political fault lines among the EU member states and their citizens. Such fault lines especially concern immigration as well as security politics, topics that mobilize adverse social currents throughout Europe. By 2030, some countries have decided for deeper integration and unite as 'Core Europe', while others, including Britain, have opted out of the political Union, preferring to only keep economic ties with other European states. Eventually, we find Europe restructured in four different concentric integration circles.

DRIVERS

Migration: Europe's refugee crisis deepens when more refugees enter the continent, as political reforms on the sharing of the costs and especially on an opportune modus of distribution of refugees among the EU member states fail. Hence, EU members struggle to find new policies and processes to cope with the inflows of refugees. Highly critical to this development is the ending of the 'refugee deal' with the Turkish government, causing a sudden increase in people entering EU territory.

Security: Several terroristic activities in various EU countries, including cyber-attacks, lead to rising levels of anxiety and general uncertainty in Europe. As terrorists are successful in undermining communication even within and among government agencies, including security and intelligence services, the people's trust in national governments and more so in international institutions and frameworks such as the EU institutions and policies, keeps decreasing over the years to come.

Political fragmentation / political social movements: The society in almost all European countries is deeply divided. Political fault lines run along the mentioned topics, namely, migration

and security. On the one hand, significant numbers of people support right-wing protectionist ideologies. They wish to solve problems from an exclusively national point of view and, hence, insist on retreating from international engagements like common EU politics, programmes and strategies. On the other hand, other equally powerful political and social movements demand the deepening and extension of international / European cooperation, to fight terrorism as well as to find solutions to the refugee crisis in solidarity. Also pushed for by ultra-liberal political currents and 'pro-business and free trade' lobby groups, demands for a single market without deeper political integration in Europe gain strength so that the idea of a political 'Core Europe' and a single market area, which goes beyond Europe's political core can crystallize.

The economy: Economic developments, in Britain, in different EU countries and within supranational institutional and market spheres, like the eurozone, are highly ambivalent. Throughout the 'Brexit' negotiations, Britain's banks, business and industries suffer from the general uncertainty which this status brings about. On the other hand, after the completion of the 'Brexit' negotiations with the result of a 'soft Brexit', the UK economy runs fairly in sync with the ups and downs of the more prosperous EU nations and their economic developments. Eventually, the EU single market reconfigured as an augmented customs union guaranteeing free trade, is the only framework left to supersede (or circumvent) political differences and to 'integrate' all EU countries and even others (such as former EU members like Britain). Interest in beneficial economic relations and the belief in free trade zones remains the one link or common denominator keeping Europe 'together'.

NARRATIVE

2017-2021 – Mounting pressure for a sustainable solution

In March 2017, the Government of the UK triggers Article 50, Treaty on European Union (on Withdrawal of a Member State from the European Union). However, the negotiation phase, until Britain actually exits the EU, turns out to be fairly long.

This is caused in part by repeated interventions into the negotiation process by the British Parliament and especially by the Labour opposition. As a result, the slow negotiation process creates economic uncertainty, beginning to push the UK into economic recession. The compounding phenomena of long-term investment freezes, high volatility of the British Pound, and increasing speculative energies on British financial and real estate markets put the British Government under mounting pressure.

On the other hand, while businesses and traders in other EU countries are equally unsatisfied with these developments, heavily lobbying for unhampered trade relations between Britain and the EU, the 'Brexit' negotiations lose prominence on the European agenda. Especially when Turkey decides to cancel the 'refugee deal' in fall 2018, the EU has more crucial problems to concentrate on.

Two years after May's reelection (in 2020), the British Conservatives face a (by now) quarrelling European Parliament as well as a weakened European Commission – a situation which is paving the way for Britain to reach a 'soft Brexit' in 2022. The country now keeps unlimited access to the EU's single market, while gaining full autonomy over its immigration laws and procedures.

As a result, the 'Brexit' has turned into the acme of the EU's inefficiency, indecisiveness, powerlessness – an impression shared by right-wing and left-wing political currents alike.

2022-2025 – Europe in crisis

Already since Turkey has ended the 'refugee deal' the EU is in crisis. Despite the constant stream of refugees to Europe and despite the many humanitarian catastrophes in this process (refugees drowning in the Mediterranean Sea, suffering from catastrophic conditions in 'hot spots' along the increasingly fortified EU borders), the EU remains unable to negotiate opportune quotas for the distributions of refugees. As no common ground can be reached, several more countries question the integrative power of the EU. Moreover, this situation worsens when terror attacks strike in several European cities, as no common security strategy can be reached either.

Hence, already during the 'Brexit' negotiations new rifts among the remaining EU 27 appear and keep deepening. In light of the refugee crises and the question of how to distribute refugees in Europe in particular, especially Germany (in accord with France, the Benelux countries and Italy) and many Central and Eastern European countries permanently fail to agree on a common strategy. In 2025, Hungary, is the first country that follows the UK in officially triggering Article 50, Treaty on European Union (on Withdrawal of a Member State from the European Union).

2025-2030 – Taking the pragmatist road

In many European countries the fear of terrorism and the general feeling of insecurity of the people is addressed by populist right-wing parties. They propose an anti-immigration policy, quick asylum proceedings and an effective deportation process, paired with a strong focus on the national state in terms of internal security and strategies for fighting terror and cyber-attacks. As

this is in line with parts of the population in all European countries, these parties massively gain influence – nationally as well as on the inter-European level.

However, pro-European social movements are equally able to gather considerable support, promoting the view that a strong EU is needed, especially in uncertain times. The migration crisis as well as new forms of terrorism can only be solved when the EU member states cooperate closely and implement common solutions, as these movements and parties claim, who equally find supporters in all EU countries.

Along these fault lines, a new model of EU integration crystallizes. In the years to come, the following EU integration circles manifest: moving towards the periphery of Europe, rights and responsibilities successively fade, creating outer circles at varying levels of integration. Only the single market in terms of an ‘augmented customs union’, guaranteeing free trade, remains as the one mechanism left to unite all European (and additional) countries.

- **CORE EUROPE:** A first group of countries pushes for a ‘coalition of the willing’ reconstituting themselves as ‘Core Europe.’ It is characterized by full integration, including an integrated single market, a common tax- and fiscal agenda, common social standards, such as unemployment benefits, a shared foreign policy agenda, a common security and intelligence strategy, common quotas for the distribution of asylum seekers, and integrated political institutions, including a strong European Parliament.
- **THE EUROZONE COUNTRIES:** A second group of countries remains (as the ‘Core European’ countries do) within the eurozone. They integrate only in selected policy fields, including the energy union, the banking union and common ecological standards.
- **THE WIDER EUROPEAN COMMUNITY:** A third group of countries constitutes the third circle of a restructured Europe. These countries take part in a customs union, as the only dimension they share with the two above mentioned circles. This includes that they participate in and obey to such jurisdictions and legal regulations of the European Court of Justice that concern trade regulations, while these countries are not represented in any other EU institution. They do not participate in the Schengen area and regulations. Social and labour market regulations do not apply to them and neither do they have to obey laws and frameworks on energy and the protection of the environment.
- **THE EUROPEAN ALLIANCE OF SOVEREIGN TRADERS (EAST):** The UK, other former EU members as well as non-EU countries, including the USA, end up in the outermost circle. This circle is solely focused on free trade. The European Alliance of Sovereign Traders (EAST), as the

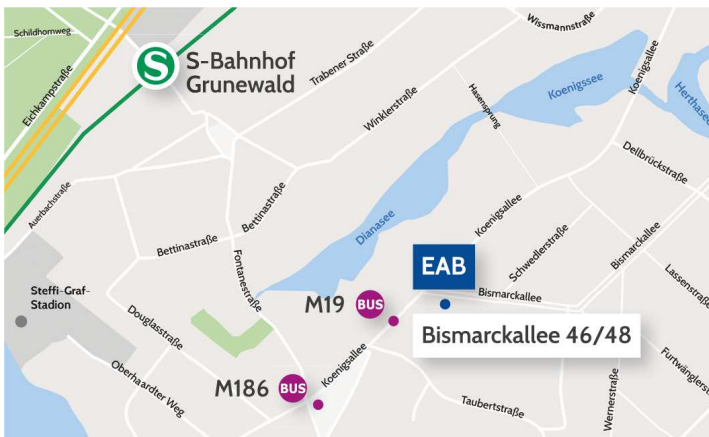
group of countries is referred to, includes all sovereign states who have signed trade agreements with the European Community, the eurozone Countries and Core Europe.

European Academy Berlin (EAB)

Understanding Europe. Shaping Europe

This maxim encapsulates - in a nutshell - the aim of the European Academy Berlin (EAB). Since 1963, the Academy as non-profit and non-party institution has been organising seminars and conferences on European topics, bringing together visitors from Germany and abroad. „Europa“. The Academy is an acknowledged player in European civic education, a competent service provider as well as partner in the fields of international education, seminar and project management, and is a venue for learning, encounter and meeting with its own individual atmosphere.

ANFAHRT



- Bus M19** Station Taubertstraße
- Bus 186** Station Hagenplatz
- S-Bahn Linie 7** Station Grunewald

Europäische Akademie Berlin e. V.
Bismarckallee 46/48
D-14193 Berlin
Phone: +49 30 89 59 51 0
Fax: +49 30 89 59 51 95
www.eab-berlin.eu/en/

The European Academy Berlin is becoming more and more sustainable from the ecological point of view. Since 2013 continuous efforts have been undertaken towards this goal – in addition to commercial and social sustainability.

NACHHALTIGKEIT
VERANTWORTUNG
ZUKUNFT EUROPA

With the support of the Governing Mayor's Office in the form of a block grant towards general EAB costs

The Governing Mayor of Berlin
Senate Chancellery



With the support of the Europe for Citizens programme of the European Union



Europe
for Citizens