PROGRESSIVE YEARBOOK 2024

FEPS
FOUNDATION FOR EUROPEAN
PROGRESSIVE STUDIES


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Cover pictures:
1. Denys Kurbatov/Shutterstock; 2. European Union, 2023 – Source: EC; 3. Tada Images/Shutterstock; 4. LanaElcova/Shutterstock; 5. EFE/Juan Carlos Hidalgo; 6. European Union 2023 – Source: Council; 7. European Union 2023 – Source: Council; 8. Anas-Mohammed/Shutterstock; 9. PES; 10. Fabrizio Maffei/Shutterstock; 11. Savvapanf Photo/Shutterstock; 12. COP28/Christopher Edralin.

This book was produced with the financial support of the European Parliament.

European Parliament

ISBN: 978-2-931233-62-7

KBR legal deposit number: D/2024/15396./03

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FOREWORD

In it for the long run

This is the fifth edition of the FEPS Progressive Yearbook. We are presenting it in a year of decisive elections: a new European Parliament will be elected in May; and the outcomes of the US presidential race and the general election in the United Kingdom later this year are certainly no less important. Some, however, would argue that a couple of elections in 2023 were even more decisive, namely, the parliamentary elections in Spain and Poland. These votes, which took place in the second half of 2023, mean a lot for the future political leadership in Europe and the chances of stopping the populist far right in general.

Whilst the various manifestations of nationalism and extremism – in Europe and elsewhere in the world – have continued to be the focus of interest, progressives turned 2023 into a year of thinking about the long term. No doubt was left about our commitment to protect the environment and fight climate change, and the reconciliation of the digital transformation with the requirements of the European Social Model. With the stubborn cost of living crisis in many parts of Europe, these are expected to remain critical questions for the spring campaigns and the composition of the policy agenda of the incoming new EU leadership.

Meanwhile, 2023 has been a year when leading EU experts and research groups started to think again about the shape and size of our integration in the long run. This is much more than speculation: very concrete plans have been developed, including by experts invited by FEPS, about changes in the EU Treaty to ensure that the needs and expectations of our citizens are better served.

For FEPS, the Progressive Person of the Year is also a politician who was involved in addressing the greatest long-term challenge of our time: climate change. Indeed, the progressive legacy of the outgoing European Commission on this topic will have to be picked up by the new crew.

We hope that the interpretation of current developments – political, economic, social and cultural – by the authors of this yearbook will help overcome the state of cognitive dissonance that could be widely observed in Europe in the aftermath of the shocks of recent years.

The chronology of 2023 allows you to look back, and the predictions at the end of the volume stimulate thinking about the possible scenarios in the upcoming year. FEPS publications, online and offline, remain at the service of Socialists and Democrats in Europe and beyond, in their daily struggles for the primacy of progressive ideas, also in 2024.

László Andor
Ania Skrzypek
Hedwig Giusto

LOOKING BACK

Chronology 2023[1]

January

1 January	Sweden takes over the presidency of the Council of the EU
	Croatia becomes the 20th member of the Eurozone and joins the Schengen area
	Luiz Inácio Lula da Silva is sworn in as the president of Brazil for the third time in his life
4 January	Internet privacy regulators in Ireland fine Meta Platforms €390 million for violations of the General Data Protection Regulation on Facebook and Instagram
8 January	China reopens its borders to foreign visitors, ending restrictions that started in March 2020
	After President Lula's inauguration on 1 January, supporters of former Brazilian President Jair Bolsonaro assault the Brazilian National Congress, the Supreme Federal Court and the Presidential Palace of Planalto
19 January	Mass protests and strikes break out in France after the government proposed to raise the retirement age from 62 to 64. Demonstrations will continue until the beginning of June
22 January	Three days after the announcement by Jacinda Ardern that she would be stepping down as leader of the party and prime minister of New Zealand, the Labour Party unanimously elects Chris Hipkins, education and public service minister, to succeed her
26 January	FEPS launches the Progressive Yearbook 2023
28 January	Petr Pavel, retired general and former NATO Military Committee chair, is elected with 58% as president of the Czech Republic – defeating former Prime Minister Andrej Babiš in the second round

February

3 February	Bulgaria's National Assembly is dissolved after the failure to form a government
	The 24th EU-Ukraine Summit takes place in Kyiv. It is the first one since the February 2022 Russian aggression and since the European Council granted Ukraine the status of candidate country to the EU

1 Special thanks to Marianne Polge for compiling this chronology.

5 February	Nikos Christodoulides is elected president of Cyprus
6 February	A series of earthquakes in Turkey and Syria kill around 59,000 people. This earthquake is among the deadliest of the 21st century, and the deadliest worldwide since the 2010 Haiti earthquake
11 February	The president of Moldova, Maia Sandu, appoints Dorin Recean as the new prime minister
14 February	The European Parliament approves a regulation banning the sale of new CO_2-emitting cars after 2035, to reach the goal of climate neutrality by 2050
15 February	Nicola Sturgeon announces her resignation as the first minister of Scotland and leader of the Scottish National Party
16 February	The Russian Duma decides in favour of the termination of Russia's participation in 21 Council of Europe conventions
20 February	US President Joe Biden pays an unannounced visit to Kyiv to meet Ukrainian President Volodymir Zelenskyy on the eve of the anniversary of the Russian invasion (announcing a further $0.5 billion aid package)
21 February	Russian President Vladimir Putin announces the suspension of Russia's participation in the New START nuclear arms reduction treaty with the US
26 February	Former MEP Elly Schlein is elected leader of the Italian Democratic Party (first woman in this position), defeating Stefano Bonaccini, the governor of Emilia-Romagna
27 February	The EU and the UK announces the Windsor Framework, a comprehensive package that addresses the difficulties in the operation of the Protocol on Ireland and Northern Ireland following Brexit
28 February	A train crash in Thessaly (Greece) causes 57 deaths and dozens of injuries. The accident leads to nationwide protests and strikes against the condition of Greek railways

March

1 March	The prime minister of Romania, Nicolae Ciucă, unveils an artificial-intelligence-run 'honorary advisor' named Ion, which will synthesise submissions by Romanians relating to their "opinions and desires", and makes it the country the first in the world to have an AI advisor
5 March	Elections are held in Estonia. The Reform Party and the Centre Party win 34 and 23, respectively, of the 101 seats in the Rigiitogu. SDE comes fifth with nine MPs
10 March	The National People's Congress unanimously re-elects Xi Jinping as president of the People's Republic of China for a third term, following the abolishment of the term limit on the presidency in 2018

	The Silicon Valley Bank, the 16th largest bank in the US, fails, creating the largest bank failure since the 2008 financial crisis
14 March	The artificial intelligence research lab OpenAI launches GPT-4, the latest version of the system that powers Chat-GPT
17 March	The International Criminal Court issues an arrest warrant against Russian President Vladimir Putin
20 March	The Intergovernmental Panel on Climate Change releases the synthesis report of its Sixth Assessment Report on climate change. It is described as one of the most alarming reports on climate change yet
23 March	World Athletics, the global governing body for athletics, bans trans women who have gone through male puberty from female competitions
26 March	Large-scale protests break out in Israel after Prime Minister Benjamin Netanyahu fired the defence minister, who criticised the government's judicial reform
29 March	Brazil and China sign an agreement to trade in their own currencies, stopping the usage of US dollars as an intermediary
29-30 March	The second Summit for Democracy is co-hosted by President Biden and the governments of Costa Rica, the Netherlands, the Republic of Korea and the Republic of Zambia
30 March	Donald Trump is indicted by a grand jury on 31 counts of falsifying business records, making him the first current or former US president to be charged with a crime

April

1 April	Russia assumes rotating presidency of the United Nations Security Council
2 April	Elections are held in Bulgaria. Former Bulgarian Prime Minister Boyko Borisov's party GERB wins the elections, narrowly bypassing the 'We Continue the Change' party of Kiril Petkov
	General elections are held in Finland. The centre-right National Coalition Party wins 20.7% of the votes, the Finns Party ends second with 20.1% and SDP third with 19.9%
	Jakov Milatovic from the 'Europe Now!' movement defeats incumbent Milo Dukanovic and is elected president of Montenegro with 60.1% of the votes
4 April	Finland joins NATO
12 April	FEPS, Das Progressive Zentrum and the Friedrich-Ebert Stiftung co-host an expert meeting on a joint transatlantic vision for economic policy as part of the Progressive Economics Network, in Washington DC in the margins of the IMF Spring Meetings

14 April	The European Space Agency launches the Jupiter Ice Moons Explorer to search for life in the Jovian system
15 April	The last power plants close in Germany, ending nuclear power in the country after 50 years
24 April	The Council of the EU adopts a regulation to improve and digitalise cross-border judicial cooperation
	The Council of the EU adopts the pay transparency directive to address the gender pay gap
25 April	US incumbent President Joe Biden formally announces his re-election campaign
	The Council of the EU adopts key legislations that are part of the Fit-for-55 policy package

May

1 May	San Francisco based First Republic Bank fails, surpassing the March collapse of the Silicon Valley Bank and becoming the second largest in US history
2 May	The Greek Supreme Civil and Criminal Court bans the far-right National Party from participating in the upcoming general elections – considering it a continuation of the Golden Dawn
3 May	The S&D Group in the European Parliament publishes the EU Charter of Women's Rights
5 May	The WHO declares the end of Covid-19 as a global health emergency
6 May	The coronation of Charles III is held in Westminster Abbey in London
12 May	Mass peaceful demonstrations against President Aleksandar Vučić take place in Belgrade
19-21 May	The 49th G7 summit takes place in Hiroshima, Japan. Volodymyr Zelenskyy attends the summit as a guest
21 May	Snap parliamentary elections are held in Greece
23 May	FEPS launches the Open Progressive University with an inaugural lecture by Paul Magnette
28 May	Incumbent President Recep Tayyip Erdoğan defeats Kemal Kılıçdaroğlu – leader of the Republican People's Party (CHP), Turkey's main opposition party – in the Turkish presidential election, starting his third term
31 May	Edgars Rinkēvičs is elected president of Latvia

June

1 June	The second summit of the European Political Community takes place in Bulboaca, Moldova

2 June	The Council of the EU approves the EU's accession to the Istanbul Convention on preventing and combating violence against women and domestic violence
5 June	The Social Democratic Party of Austria announces Andreas Babler as winner of the leadership contest (after wrongly announcing Hans Peter Doskozil)
6 June	A dam on the Dnipro River (Kakhovka) is destroyed in the Russian-controlled region of Kherson, threatening the area with devastating floodwaters
11 June	Commission President Ursula von der Leyen, Dutch Prime Minister Mark Rutte and Italian Prime Minister Giorgia Meloni meet in Tunis with President Kais Saied to discuss a partnership between the EU and Tunisia to manage migration and stabilise the North African country
14 June	The shipwreck of a boat carrying migrants takes place off the coast of Pylos (Greece). 82 people were killed, and 500 others are presumed dead, tragically surpassing the 2013 Lampedusa massacre
15 June	Social Democratic leader Marcel Ciolacu takes over as prime minister of Romania
16 June	FEPS General Assembly takes place in Brussels
19 June	The UN General Assembly unanimously adopts the High Seas Treaty, the first-ever agreement aimed at marine conservation in international waters
20 June	Estonia passes a bill legalising same-sex marriage and same-sex adoption by 2024, becoming the first Baltic and post-Soviet state to do so
23 June	The Wagner Group begins a mutiny, before withdrawing the next day, after a settlement brokered by Belarusian President Alexander Lukashenko
25 June	Greeks go to the polls for the second time, after the May 2023 elections did not result in any party gaining an outright majority. New Democracy leader Kyriakos Mitsotakis gains the absolute majority
27 June	The Council of the EU adopts a legislative act that approves the creation of a European Union Drugs Agency
28 June	The European Parliament celebrates its 70th anniversary
30 June	The UN Security Council unanimously votes to end the UN peacekeeping mission in Mali

July

1 July	Spain takes over the rotating presidency of the EU
	The European Space Agency successfully launches the Euclid space telescope to study dark matter and dark energy

8 July	In the Netherlands, Prime Minister Mark Rutte announces his resignation following the collapse of his government over disagreements over asylum policy
9 July	The EU and New Zealand sign a free trade agreement, increasing bilateral trade
10 July	The European Commission announces a new data transfer pact with the US aimed at resolving legal uncertainties that companies face when transferring personal data
12 July	At the NATO summit in Vilnius, G7 officials announce an international framework for Ukraine's long-term security to deter Russia from future aggression
	The European Parliament votes on the Nature Restoration Law
13 July	The International Olympic Committee says that athletes from Russia and Belarus will not receive invitations to the Summer Olympic Games in Paris and will only be able to compete as neutral athletes
14 July	SAG-AFTRA, the US actors' union, announces the beginning of a strike against major film and TV studios in protest against the use of generative AI and ownership of work, among others
16 July	The president of the European Commission, Ursula von der Leyen, and the prime ministers of Italy and the Netherlands, Giorgia Meloni and Mark Rutte, fly to Tunis again to sign the EU-Tunisia memorandum of understanding with President Saied. The deal will raise controversy due to the decline of democracy and the sharp criticism over human rights abuses and racism towards migrants in the North African country
17-18 July	The EU-CELAC Summit takes place in Brussels
23 July	Thousands of tourists evacuate Rhodes (Greece) due to wildfires and a major heatwave
	After a general election, the conservative People's Party becomes the largest party in the Spanish Congress of Deputies but fails to reach a majority, and the vote results in a hung parliament
25 July	The Council of the EU adopts the regulation known as the Chips Act to strengthen Europe's semi-conductor ecosystem
	The EU Council adopts the energy-efficiency directive to reduce final energy consumption by 11.7% by 2030
	The EU Council adopts the FuelEU maritime initiative, a regulation part of the Fit-for-55 package, which seeks to reduce the carbon footprint of the maritime sector

August

1 August	The world's oceans reach a new record high temperature of 20.96 °C, exceeding the previous record in 2016. July is the hottest recorded month for global average surface air temperature
18 August	The USA, Japan and South Korea agree to sign a security pact
20 August	Spain's women's football team wins its first Women's World Cup
22-24 August	The 15th annual BRICS summit takes place in South Africa. It decides to admit six new members in 2024: Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, United Arab Emirates
23 August	India's Chandrayaan-3 is the first spacecraft to land near the South Pole of the Moon
	Yevgeny Viktorovich Prigozhin, leader of the Wagner Group, is killed in a plane crash in Russia
28-29 August	The Strategic Forum is held in Bled (Slovenia). Albanian Prime Minister Edi Rama cracks a joke about the likely involvement of Putin in the death of Prigozhin

September

1 September	Sanna Marin is replaced by Antti Lindtman as Social Democratic leader in Finland, after suffering electoral defeat in April
8 September	A powerful earthquake of magnitude 6.8 strikes Morocco
9-10 September	The 18th G20 summit takes place in New Delhi. The African Union becomes the 21st permanent member
12-30 September	The 78th session of the UN General Assembly is held in New York. The theme of the year is "Rebuilding trust and reigniting global solidarity: Accelerating action on the 2030 Agenda and its sustainable development goals towards peace, prosperity, progress and sustainability for all"
13 September	President of the European Commission Ursula von der Leyen delivers her State of the Union address and announces that Mario Draghi will work on European economic competitiveness
14 September	The European Central Bank raises eurozone interest rates to an all-time high of 4%
17-20 September	FEPS Annual Autumn Academy takes place in Brussels
19-20 September	Azerbaijan launches a large-scale military offensive against the self-declared state of Artsakh. The move is seen as a violation of the 2020 ceasefire agreement
19-25 September	The High-Level Week of the UN General Assembly runs in New York

20 September	The High Seas Treaty, also known as the Agreement on Biodiversity Beyond National Jurisdiction or 'BBNJ', is signed in New York, during the United Nations High-Level Week
22 September	Ukrainian President Zelensky visits the Parliament of Canada. During the visit, House Speaker Anthony Rota introduces 98-year-old Yaroslav Hunka, who fought for a Nazi military unit, as a Canadian-Ukrainian war hero. Rota will step down four days later and Canadian Prime Minister Justin Trudeau will offer an unreserved apology
30 September	Robert Fico's SMER party wins the elections in Slovakia. Peter Pellegrini's HLAS party comes third

October

5-6 October	The European Political Community and EU summits take place in Granada, Spain
6 October	The Nobel Peace Prize is awarded to Narges Mohammadi "for her fight against the oppression of women in Iran and her fight to promote human rights and freedom for all"
7 October	Hamas launches its biggest attacks against Israel and takes around 240 Israeli citizens hostage, carrying them across the Gaza border
8 October	The Israeli Security Cabinet formally declares the country at war, for the first time since the Yom Kippur war in 1973
9 October	The Nobel Prize in Economic Sciences is awarded to Claudia Goldin "for having advanced our understanding of women's labour market outcomes"
	The Council of the EU adopts a new regulation to reduce the carbon footprint of the aviation sector, the RefuelEU initiative, which is part of the Fit-for-55 package
11 October	The Silver Rose Award is presented in Brussels to Justiça Ambiental JA! and Margot Wallström
14 October	In the New Zealand general election, the National Party wins the elections, while the Labour Party receives the worst results for an incumbent ruling party in modern New Zealand history
	Bernie Sanders appears in the Dutch campaign alongside GroenLinks/PvdA candidate Frans Timmermans
15 October	General elections take place in Poland. The opposition wins the majority in Sejm (460 MPs) and in the Senate (100 senators), putting an end to the authoritarian regime of Law and Justice (PiS)
17 October	The Council of the EU adopts a directive to enhance cooperation between national taxation authorities, amending the rules on administrative cooperation in the area of taxation

	An explosion occurs at the Al-Ahli Arab Hospital in Gaza, resulting in the deaths of displaced Palestinians who were seeking shelter there
20-21 October	The Young European Socialists Congress takes place in Barcelona
22 October	At the Swiss federal election, the Swiss People's Party retains its majority in the National Council

November

1 November	The first AI Safety Summit takes place in the UK. 28 countries sign an agreement on how to manage the riskiest forms of artificial intelligence
6 November	The death toll in Gaza surpasses 10,000
7 November	Portuguese Prime Minister António Costa announces his resignation amid a corruption probe
9 November	The European Parliament adopted the text of the European Data Act
10-11 November	The Party of the European Socialists (PES) Congress takes place in Málaga, Spain, on the topic "Europe in the lead: Progressive solutions to global challenges"
14-17 November	Chinese President Xi Jinping visits the US for the first time since 2017. China and the US agree to reopen their suspended military communications and to cooperate against the increasing climate crisis
17 November	The global average temperature temporarily exceeds 2°C above the pre-industrial average for the first time in recorded history
	Pedro Sanchez is sworn in as prime minister in a brief ceremony with King Felipe VI of Spain
19 November	Javier Milei wins the presidential elections in Argentina
22 November	Israel and Hamas agree to a four-day ceasefire, the first one since the 7 October attack. Israeli and Palestinian hostages will be released in exchange for each other
	At the Dutch general election, Geert Wilders' far-right Party for Freedom (PVV) wins the most seats
27 November	The Council of the EU adopts the Data Act
30 November -12 December	COP28 takes place in Dubai

December

7 December	The 24th EU-China Summit takes place in Beijing. It is the first in-person summit since 2019
8 December	The US vetoes a UN Security Council draft resolution, which called for an immediate humanitarian ceasefire in Gaza

	After months of intensive trilogue negotiations, the European Parliament and Council reach political agreement on the Artificial Intelligence Act
12 December	The German government coalition led by Olaf Scholz overcomes budgetary deadlock and disarray created by a court decision
	Donald Tusk wins a confidence vote in the Polish parliament and forms a coalition with the participation of the Polish Left Party
	At the COP28 climate summit in Dubai, participants reach a consensus to "transition away" from fossil fuels
	The European Parliament 2023 Sakharov Prize for Freedom of Thought is awarded to Jina Mahsa Amini and the Woman, Life, Freedom movement in Iran
13 December	The European Commission allows Hungary to access €10 billion, recognising progress in judicial reforms
14 December	The European Council grants Georgia candidate status and decides to open access negotiations with Ukraine and Moldova (overcoming opposition from Hungarian Prime Minister Viktor Orbán)
17 December	Parliamentary elections are held in Serbia. The Serbian Progressive Party (SNS) claims victory, while the opposition complains that there were a lot of irregularities
20 December	After three years of negotiations, political agreement on the New Pact on Migration and Asylum is found, opening the door for formal adoption in 2024
21 December	15 people are killed and 25 injured in a mass shooting by a postgraduate history student at the school at Charles University in Prague. It is the deadliest mass shooting in the Czech Republic
26 December	Wolfgang Schäuble, German politician, member of the CDU, former finance minister and Bundestag speaker, dies at 81
27 December	Jacques Delors, French Socialist and former president of the European Commission and one of the most important architects of the Single Market and the euro, dies at 98
31 December	In his New Year's speech, Chinese President Xi Jinping says that China-Taiwan reunification is inevitable
	Queen Margrethe II of Denmark announces her abdication

European Progressive Observatory 2023

Keep progressive and carry on
Estonia, 5 March

On Sunday 5 March 2023, Estonians elected 101 members of the Riigikogu. A record level of turnout was noted, with almost half of voters using the possibility to cast their ballots ahead of voting day, and more than half participating via e-vote. To top up the list of breakthroughs, 30 women entered parliament as MPs – becoming the largest representation ever. The electoral win of EKRE – the party of nationalist, right-wing radical, frequently racist and pro-Russian rhetoric – which many pollsters had predicted, was prevented.

The Estonian Reform Party of Prime Minister Kaja Kallas obtained 31% of the vote, translating into 37 seats, which is more than any party has won before. Negotiations led to the establishment of a coalition government with three out of 12 ministries (Interior, Health and Regional Affairs) going to SDE – the Estonian Social Democrats led by Lauri Läänements.

Anneli Pärlin: "The overall voter participation was also record-breaking for Estonia. This time, 615,009 voters, or 63.7% of the electorate, have cast their votes. This high voter turnout can be explained by the polarisation in society. The liberal, as well as the conservative parties, did everything to mobilise their voters. Progressive parties won the majority, with 60 of the 101 seats in parliament. The winner was the liberal Reform Party of the ruling prime minister, Kaja Kallas, with 37 MPs, the highest number of seats ever achieved by a political party in the parliamentary history of Estonia".

Jörgen Siil: "The Estonian elections were won by fear of another extreme-right coalition government, as had happened in the past, especially in times of war. The only party able to take advantage of this fear was the ruling Reform Party of Prime Minister Kaja Kallas, who had proven to be a strong leader since Russia's war in Ukraine started. A win for a single party is unprecedented in Estonian modern history. It can be explained by two factors: the fear of war; and, due to this, the fear of another government involving the populist, partly anti-Ukrainian, extreme-right and nationalist, even racist, Conservative People's Party of Estonia (EKRE)".

The return of the blue
Finland, 2 April

The Finnish general elections saw the centre-right National Coalition take first place on the podium, with 20.8% and 48 seats out of 200. Just behind them was the Finns Party, 20.1% and 46 seats, which became a reason for great concern. SDP finished the race third, with 19.9% and 43 seats. Though the Social Democrats have improved their results by 2.2% compared to previous elections (which is almost unprecedented for the party leading the Finnish government), and they won the support of many young voters, this was not enough to keep the country on the progressive, reformist course. Especially since SDP's coalition partners noted considerable defeats. Consequently, SDP moved into opposition and the party's remarkable leader, Sanna Marin, who had been the youngest prime minister in the world's history and appreciated for her strong leadership in turbulent times, stepped down in autumn.

Kaisa Vatanen: "The recent election was the first one held since the war in Ukraine started, and also the first since Finland applied for NATO membership. It was not the first election since the pandemic (there were local elections in 2021 and regional in 2022), but rather the first one where the pandemic no longer affected campaigning. And it was also seen as a test of the popularity of the government's handling of the economy during several crises of the past mandate".

Tapio Raunio: "During the election campaign, Marin engaged in aggressive rhetoric against the centre-right National Coalition and the other parties of the right. Specifically, she argued that voting for SDP was the only way to prevent a victory for the political right. This did not go down well among the Greens and the Left Alliance, as media attention during the final campaign weeks focused very much on which party would finish first and thereby have the lead in forming the new government: the National Coalition, the Finns Party, or the Social Democrats. Other parties received much less media attention, with especially the Greens finding it difficult to get their message across. Marin's strategy probably increased the SDP's vote share but hurt the Greens and the Left Alliance. […] What this implies for future cooperation between the left-wing parties remains to be seen, but it is safe to predict that the support for the Greens will increase again over the next few years – and this may happen at the expense of Social Democrats".

Is the fifth time a charm?
Bulgaria, 2 April

On 2 April, Bulgarian voters went to the polls for the fifth time in just two years. This time it was GERB-SDS, reaching 25.39% and improving its score by two seats, who became a force, with 69 MPs in the 240 MP National Assembly. This translated into the bizarre comeback of Boyko Borisov, whose result was a particular blow to the 'protest party' PP-DB,

of Kiril Petkov. PP-DB ended second with 23.55% and noted a loss of nine seats. Last on the podium was the ultranationalist 'Revival' – whose anti-EU, anti-NATO and pro-Russian rhetoric convinced as many as 13.58% of the voters. The coalition 'BSP for Bulgaria' finished fifth, with 8.56% and 23 MPs.

Georgi Pirinski: "GERB, the party of former Prime Minister Boyko Borissov, having ruled for 12 years until 2021, was able to win, even though it had been, until recently, considered the epitome of corruption and nepotism. This means that Borissov personally and his party have, to a large extent, overcome this stigma of the past and now have a real chance to form a governing coalition – no small achievement, given the mass protests against them that brought them down in the summer of 2020"."

Lora Lyubenova: "Aside from the number of voters for the political winners, it needs to be considered that more than 100,000 voters ticked the option 'I do not support anyone' in these elections. In April 2021, this option was still only chosen by less than 50,000 voters. This increase indicates that the political perma-crisis pushes citizens to cast their votes to distance themselves from the political establishment. And another important fact is that the smallest party to pass the threshold, 'There Is Such a People' managed to convince fewer voters than those who chose not to support any party. This also means that voters who did not support any party could have a small political group inside the parliament".

A labyrinth of unlikely outcomes
Greece, 21 May

On Sunday 21 May, 300 new members of the Hellenic Parliament were elected. After a difficult campaign, which wasn't free of scandals and smears, it was New Democracy (ND) of Prime Minister Kyriakos Mitsotakis that collected 40.79% of the votes. It made the party break a pattern and be the first incumbent party in four decades to ensure such a victory. Still, it fell five seats short of reaching an outright majority. With no prospects for a coalition, it became apparent that the election would have to be repeated on 25 June.

Petroula Nteledimou: "On 21 May, the dilemma put to the Greek people was right or left, Mitsotakis or Tsipras. PASOK was only questioned as a potential coalition partner, on either side. Instead, the Greek Social Democrats maintained a position of their own, denying being the 'filler' in an artificial parliamentary majority. They proved to have chosen right, increasing percentage, but – what's more – raising again esteem and support among voters. On 25 June, the dilemma will be a new one: who will be the alternative to the centre-right? Is the once-upon-a-time 'left' of Tsipras still able to veil its populism and extremism in the eyes of the Greek electorate?"

Vassilis Ntousas: "The election outcome dealt a powerful, potentially devastating, blow to SYRIZA, the main opposition party, and to Alexis Tsipras, its leader and former prime minister. The party failed to capitalise on the government's flaws and inactions, with

its vote collapsing to just over 20%**.** […] Tsipras appeared unable to revamp his and his party's tarnished image, creating a deficit of trust among swaths of the population, where their election manifesto could be a credible solution to the problems at hand. In the end, voters expressed a preference for ND's lustre of progress over SYRIZA's bleak reading of the moment Greece finds itself in: they wanted to put the crisis behind them, and SYRIZA failed to convince them it could do that".

Lefteris Antonopoulos: "Mixed messages by SYRIZA's leadership on the composition of a post-electoral coalition and PASOK's risk-averse and non-committed stance towards becoming a junior coalition partner to either of the two larger parties, was seized by the conservatives to cast doubt on the stability, coherence and effective governing capacity of a potential coalition involving opposition parties and tarnish the perception of credible alternatives. Adding to the common feature of Western democracies, hollowing out of party structures and the undercurrent 'centralisation' of Greek politics, the electoral campaigns served to further promote the image and role of the party leader against the influence of party structure as concomitant with the de facto reshaping of the prime minister's office as a quasi-presidential executive".

From the impossible to harder: A consolidated ND to lead in a fragmented Hellenic Parliament Greece, 25 June

In the repeated elections, New Democracy (ND) saw what many called 'unanticipated gains', whilst the previous leader on the Greek party scene – SYRIZA – noted a further decline, dropping from 20.1% in May to 17.8%. PASOK-KINAL gained an additional 0.4%, which its leader, Nikos Androulakis, put in the context of previous defeats, underlining that it's a 50% increase in comparison to the party's worst-ever result.

As it is often said, a month is a very long time in politics. And so, the new parliament reflected an even greater degree of fragmentation. It also included 12 MPs from the Spartans Party, rising from the foundations of the previous Golden Dawn party, and it managed to do so successfully in just three weeks. Among the other actors that entered were the communist KKE; the ultra-nationalist Greek Solution; the national-conservative NIKI and populist, leftist and anti-establishment Course of Freedom.

Dimitris Tsahouras: "From 1977 to 2023, Greece's party system was premised on a two-horse race, whereby victory for the mainstream centre-right party came at the expense of the centre-left, and vice versa. The distance between the two main contenders hardly ever reached double digits. This is no longer the case, as ND is a whopping 23 points ahead of its nearest rival. What is more, ND has won every single electoral contest since the spring of 2019 and has topped the polls in every voter survey since 2017. It is Greece's

predominant party. […] Does this matter? Yes, because the rise of the predominant party is accompanied by fragmentation in parliament, reminiscent of the crisis years, and the absence of a large, solid opposition party able to challenge the government and appear as a credible, alternative government in waiting. Holding the government accountable can now prove difficult in the potential cacophony of a heterogenous parliament, with important implications for the quality of Greek democracy".

Loukas Tsoukalis: "Three things stand out in Greece's two consecutive parliamentary elections held with little tension and high abstention: a personal triumph for Kyriakos Mitsotakis, leader of the centre-right party ND; the implosion of the radical-left party of SYRIZA; and the rise of the far right – albeit a fragmented one. The result will be a powerful prime minister leading a one-party government faced with a weak and divided opposition".

A halted right, a hung parliament and hope for the centre-left
Spain, 23 July

On Sunday 23 July, Spain went to vote in snap parliamentary elections. The decision to vote was taken by Prime Minister Pedro Sánchez, after a set of poor results in the local and regional elections on 28 May. The campaign that followed was vicious, and there was a gloomy prediction that Spain would join those EU member states that are governed by a right-radical right coalition.

The result was far from that. With a turnout of 66%, the outcomes indeed saw Partido Popular (PP) winning numerically, by gaining 33.1% and the largest number of seats (136) in the new Cortes. The gain was smaller than foretold, not to mention that the radicalisation of the PP and the prospects of forming the next cabinet with the far-right Vox was what Spanish voters clearly rejected: Vox went down from 52 to 33 seats. To that end, PSOE finished second, with 31.7%, rising by almost 4% in comparison with the previous elections and winning 121 MPs. Hence, four months of political detours later, the new government with Pedro Sánchez at the head was confirmed.

Lina Galvez: "A progressive coalition government led by PSOE's leader, Pedro Sánchez, is the only viable option for governing in Spain. And in Europe, it is the dam that holds back the expansion of the far right. The defeat of the extreme right in Spain breaks a streak of success for the far right in Europe. Manfred Weber's EPP strategy of convergence with the far right is not yielding the expected results. This leads to a balance in the EU that is once again in favour of pro-European forces: a Union led by Social Democrat chancellor Olaf Scholz; the liberal Emmanuel Macron; and now the Spanish Socialist Sánchez, who consolidates his weight and reputation – and that of social democracy – in Europe".

Oriol Bartomeus: "PSOE, far from the bad omens of the polls, has managed to increase its seats in Congress to 122 from the previous 120 and, what is better, it has remained only

300,000 votes behind PP, a tiny 1.3% of the vote. Together with Sumar, the new party on the left of PSOE, they obtained 153 seats. Taken together, the government parties only lost five seats. But, unlike PP, PSOE can negotiate the support of other groups present in the chamber, groups that had already supported the left-wing government in the past legislature: the Basque nationalists of the left (EH Bildu) and right (PNV); and the centre-left Catalan independentists, ERC. Thus, even though it has not won the elections, PSOE has a better chance of forming a government than the winner, PP".

Unai Gómez-Hernández: "So, what does this mean for the EU and European social democrats overall? The answer to the question has two underpinnings. The positive one reflects how social democracy has been triumphant against the radical right and hot-headed conservatives. In a rather plural and complex country such as Spain, only PSOE can be regarded as a truly national force that is significantly represented in all provinces without exception, including those with nationalist movements where the PP is largely absent. […] The second underpinning has a sombre implication for the EU, and for liberal democracies as a whole. Despite the good results, the latest electoral campaign further advanced the trend that Global North societies have witnessed since the rise of neoliberalism in the 1990s: citizens are more detached than ever from politics".

The growing complexity of the EU's political landscape
Slovakia, 1 October

On Sunday 1 October, Slovakia went to the polls, following the no-confidence vote against the coalition government led by 'Ordinary People and Independent Personalities'. The campaign was intense and harsh, built on a debate around the implications of the multiple crises and the outgoing government's incompetence in managing the situation on the eastern border with Ukraine. Soon after the campaign kicked in, it seemed that a political demarcation line fell to divide voters into two main camps – pro- and anti-former prime minister and leader of SMER, Robert Fico. In the end, the elections saw the largest turnout in 20 years (68.4%). Out of 150 seats, SMER-SD obtained 42 (with 23% of the votes), the neoliberal Progressive Slovakia 32 (18%) and HLAS-SD 27 (14.7%) – while the rest was divided between OL'aNO, KOH, SaS and SNS. This led to coalition talks, which quickly led to the establishment of a new, three-party government – with Robert Fico returning as prime minister and HLAS and SNS joining SMER-SD in the cabinet.

Brigita Schmögnerová: "Two of the results of the 2023 parliamentary election are undoubtedly positive: the electoral participation of 68.51%, the highest in the last 20 years, and the elimination of the two xenophobic, anti-European parties from parliament – Republika and the far-right party ĽSNS ('People's Party – Our Slovakia'). On the other side, a repeated absence of the Hungarian ethnic parties in the Slovak parliament sends several possible messages: it either signals the end of ethnic parties and a growing political participation of the Hungarian minority in non-ethnic politics; or signals internal tensions

within the political representation of the 600,000 Slovaks of Hungarian ethnicity. The most significant negative signal of the election results, however, is that none of the two potential coalition governments in their election manifestos made a strong commitment to a triple transition: an environmental transition, including energy transformation (well elaborated only in the program of PS); a digital transition, including transformation to an industry 4.0 and green industry; and a social transformation, focusing on an active social state also focussed on services of general interest".

Robert Zanony: "It should not be surprising that a country feeling like a ship in a storm without a captain elects the strongest protector. However, one should not forget that there is no way to build a sustainable welfare state through culture wars, hate, fear, homophobia and xenophobia. People deserve solutions instead of shared anger. […] There is an old saying in US-campaign vocabulary, stating 'we campaign in poetry, we govern in prose'. Adapted to the Slovak parliamentary elections we could ask, 'can you calm the country after setting it on fire, metaphorically speaking, with a campaign based on fear and hate'?"

Another slide to the right
Luxembourg, 8 October

On Sunday 8 October, general elections were held in Luxembourg. The turnout was 87.18% and 60 new members of the Chamber of Deputies were elected. The Christian Social People's Party (CSV) got 29.21% of support and an unchanged number of seats, 21. Luxembourg Socialist Workers' Party (LSAP), which ran a campaign under the lead of Paulette Lenert, came second, gaining 18.91% and 11 seats (one more than in 2018). The elections also marked the collapse of the Greens (which dropped from nine to four seats) and the weak result of the Left (only two seats). The overall shift in the proportion of seats meant that the previous governmental coalition between social democrats, liberals and greens could not be repeated, leaving LSAP out of power for the first time since 2004. Nevertheless, its role will remain of crucial importance – remaining strong opposition to the new government formed by CSV and DP. In general, the outcome of this election represents a substantial weakening of the progressive camp. In that sense, the Luxembourgish sliding towards the right – especially with the ADR and Pirates gains (five and three seats, respectively) is another sign of a worrying trend.

Marc Angel: "The election results indicate a somewhat worrying shift towards the right. Even though the LSAP is strengthened, the massive losses of the Greens and the modest result of the Leftist party leave the progressive camp weakened to the detriment of the more liberal and conservative forces in the country. While any future government will remain staunchly pro-European, a possible coalition between Christian Democrats and Liberals could spell more stringency on budget and less flexibility on fiscal matters, a closer relationship with the business community, and a different approach to climate and migration issues".

Poland is back! But where will it go from here?
Poland, 15 October

The turnout was unprecedented, and some polling stations remained open until the next day to allow everyone queuing to vote. The results announced by the National Electoral Committee 48 hours later showed that the Law and Justice party (PiS) came first, with 35.38% of the votes and 194 seats. But it was the opposition that won: with Koalicja Obywatelska (KO, Civic Coalition) reaching 30.70% and winning 157 seats; Trzecia Droga (3D, the Third Way Coalition of Polska 2050 and the Polish People's Party) obtaining 14.40% of the votes and securing 65 seats; and finally with Nowa Lewica (NL, New Left) achieving 8.61% of the votes and 26 MPs. The last party to enter Sejm was the defeated Konfederacja, which, against initial expectations, ended with 7.16% and 18 seats and failed to become the disruptive force in the new setup. The opposition also won in the senate (here opposition parties stood together within the coalition 'Pakt Senacki' and common candidates across 100 majoritarian constituencies). As a result, PiS ended with only 34 senators. Last but not least, the referendum (that took place at the same time as the general elections) was boycotted: voters refused to take part and hence the 50% threshold for that vote to be valid was not reached.

Whilst there is a great sense of relief and much hope that this election will mark the end of the dark times, careful analyses of the results show a very divided and polarised society, which will need to be reintegrated for the change to last. The damage from the last eight years is massive and runs deep, which will make it hard to both recuperate and modernise with a speed that would correspond to popular expectations. The new coalition government, which features three political stakeholders – KO, 3D and NL (without Razem) – and is led by Donald Tusk, faces some immense tasks.

Marcin Duma: "One of the key factors that led to the democratic opposition – Civic Coalition, KO (EPP), Third Way, 3D (RE/EPP) and Left (S&D) winning a majority of 248 out of 460 seats in parliament – was the record voter turnout. The scale of citizen mobilisation was even greater than in 1989, when the first partially free elections were held and voters decided to remove the communists from power after 44 years of de facto dictatorship and dependence on the USSR. Nearly 75% of Poles took part in the elections. This turnout, compared with the average of the past 30 years, which was a little over 50%, is a sign of the impressive turnaround in civic attitudes that has taken place in recent years".

Anna Paczesniak: "While it was legal for PiS campaign contributions to be made by people employed by state-owned companies, thanks to their connections to the ruling party, it is difficult not to consider them a sign of political corruption. PiS used – as in previous campaigns – public media for crude propaganda and attacks on the opposition. […] A few weeks before the election, women, especially young women, declared that they were hesitant to vote at all. The feeling of powerlessness when confronted with the ruling party, which has imposed a total ban on abortion and failed to respond to the huge

street protests of 2020, had translated into general disillusionment with politics. However, even more women than men attended the polls on election day. Frustration turned into action".

Ireneusz Bil: "The election campaign that has just finished turned out to be the culmination of PiS's efforts to utilise the image of the Polish Army and its soldiers for the purposes of political means. There was not a day without a press conference of the Minister of National Defence against the background of soldiers and equipment in military units. The minister's statements were always of an extremely electoral nature. […] From this perspective, with a war raging east of the Polish borders, reestablishing the constitutional place of the army and rebuilding a civic sense of mission within the force shall be seen as one of the most important tasks of the new democratic government".

Aleksandra Iwanowska: "The record-high turnout of young voters is clear evidence of the Polish youth's political engagement. It would only be fair that younger, newer faces are trusted and allowed to represent this huge chunk of the electorate that grew up during the lockdown, the abortion law protests or spending nights volunteering at the closest train station helping refugees from Ukraine. Because younger does not necessarily mean inexperienced".

Business as usual? Switzerland, 22 October

On Sunday 22 October, Switzerland elected the new National Council and Council of States. The right-wing populist Swiss People's Party performed strongly in the National Council, winning 62 seats out of 200 – and improving their position with an additional nine MPs. The Social Democrats ended second with 41 seats (two more than before). The main losers of this election were the Greens and the Green Liberals, who lost five seats each. In the Council of States, the Center Party won 15 out of 46 seats, while the Swiss People's party and the Social Democrats retained their share of seats, six and nine, respectively.

The campaign evolved around the issues of migration, whereby the Swiss People's Party embarked on a vicious and stigmatising narrative. The Social Democrats tried to change the terms, promoting the focus on household purchasing power and other relevant social issues. The final outcome shows some other trends observed elsewhere in Europe, including a strong divide between the urban and rural electorates.

Pascal Zwicky: "If we consider elections as a political moment in which the broad promotion of competing visions of the future is crucial, then the 2023 elections did not meet expectations. What could a desirable, just and democratic future in a post-carbon world look like? Such visions are being developed within the left. Still, they were absent from the election campaign also this year. The centrist parties (including the Green Liberals) are refusing to confront reality, and they are deceiving people (and likely themselves) by suggesting that we will somehow emerge from the mess we're in through technology and

calm management of the status quo. Meanwhile, the SVP is accentuating its destructive course. On this dystopian path, we not only abandon the chance to mitigate climate change but also solidarity and democracy. Ultimately, it leads to fascist conditions".

Sandro Liniger: "A new, identity-based line of conflict is restabilising the system: the socio-political line of conflict between openness, universalism and internationalism, on the one hand, and national-conservative traditions that need to be preserved, on the other. The question is, can such a polarised political system tackle today's major challenges – climate change, social inequality, and public health? […] On Sunday, FDP lost every seventh vote to the SVP, resulting in one of their worst results ever. The adoption of SVP statements and positions on migration by centre-right parties, but also by the dominant media, has generally led to a weakening of the taboo against the expression of anti-migration sentiment in the public sphere. The 2023 elections showed once again that when there is a lot of talk about the issues of the right (e.g. migration), the right wins."

The Dutch voters out on an electoral hike
Netherlands, 22 November

Since the exit polls were announced, there has been an avalanche of comments regarding the 'shocking' outcome, one which has also been called "the biggest political disruption" in the post-war period. Indeed, that the Party of Freedom (PVV) of Geert Wilders finished first, with almost 24% of the votes, and 37 of 150 seats in the Tweede Kamer – the Dutch lower house – is a very worrying result. Firstly, because in the opinion polls his party grew 11% in just the last two or three weeks of the campaign (which would suggest that Wilders managed to capture the undecided) and, secondly, because he managed to do so by articulating essentially racist, xenophobic, anti-Muslin, anti-migration and anti-EU sentiments. Additionally, his success is considered a strong signal reaffirming the upsurge of the anti-democratic forces across the EU. As a result, Groen-Links-PvdA ended second, with a score of 16%, a result very close to what opinion polls had predicted when the alliance was first launched, and with 25 seats – up eight seats compared to the two parties' seats before the elections. The People's Party for Freedom and Democracy (VVD), neck-and-neck with GroenLinks-PvdA, ended just below that, with 15% and 24 seats. They did not benefit from being the incumbent prime minister's party, nor from having chosen Dilan Yesilgöz – a woman of Turkish-Kurdish origin – as their candidate. If anything, their flirtation with the idea that they may enter a potential government with PVV fired back.

Agnes Jongerius: "In the last 20 years, Wilders has been advocating fear. And now, his campaign was suddenly based on *hope*. But hope is the narrative of Barack Obama; hope is the language of the progressive forces. This narrative used by the far right is a new development in this campaign. Also, the new conservative party, NSC, of former Christian Democrat Pieter Omtzigt hijacked the progressive narrative by making living standards a key message in their campaign. […] It is, however, important to keep in mind

that our country did not change overnight. Discrimination has grown gradually over the last decades, and so has the polarisation of our society, as well as the fragmentation in our political landscape. What changed is that voters made a far-right party the biggest party in our national parliament. That the gap is more visible than ever does not mean it was not there before".

André Krouwel, Roan Buma and Nick Martin: "The late surge in support for the PVV was due to the decision of the VVD to abandon the usual strategy employed against populist opponents: isolate and imitate**.** As mainstream right-wing parties have done across Europe, the VVD habitually made it clear to voters that the populists would not be a viable coalition partner, while, at the same time, they would adopt watered-down versions of the anti-immigrant stances of their populist challenger. However, only a few days before the 2023 elections, VVD leader Yesilgöz told voters that she did not rule out forming a coalition with Wilders, giving permission for right-wing voters to support the more radical – and authentic – anti-immigration version. […] Dutch politics has transformed into a system where three political blocks compete. This three-way division between the populist, authoritarian and nativist right block; the Left-plus-Green block and the liberal centre/centre-right block is similar to the French situation in 2022. This shift in the balance between party blocks may be a precursor of what could become a dominant pattern in the European elections of 2024".

Thijs Reuten: "The voters of far-right parties do not necessarily and entirely adhere to the radical anti-Islam and exclusionist views of leaders like Wilders. We can overcome this victory of the merchants of fear. To bring real solutions that work and restore the confidence lost in society and between citizens and politicians, we need a broad alliance with a strong progressive voice both in the Netherlands and Europe. It is time to break through the far-right populist narrative. Not by adopting it, but by inspiring people, by really taking on the fight for progressive ideals, for democracy and for a liveable planet. We are ready".

Marene Elgershuizen: "There is no possible way to restore political trust if we do not call more than half of our constituency by its name: women. We have an international conservative backlash with, at its core, an attack on women's rights. But despite this context, several progressive parties have failed to bring women's rights verbatim to the forefront. […] Yesilgöz easily moved her way to the top of the polls. Being of Turkish descent but nevertheless strict on migration, she was the typical hard-working and never-complaining woman, but never claimed to use her gender in her campaign – exactly how the right-wing Dutch like it – accustomed to brushing off accusations of blatant sexism as feminist nonsense".

Ties Huis in 't Veld: "This is a task for all mainstream parties in Dutch politics, and indeed all over Europe, we need to stop the normalisation of extreme ideas in politics. While migration is a genuine concern of citizens that we must not underestimate, it should not legitimise politicians in just saying whatever comes to their mind**.** If it does happen, politicians of the traditional left *and* right should continuously call them out. No matter the occasion or how many times a phrase or term has been used".

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FEPS European Progressive Observatory (EPO) is a platform and a newsletter, which constitutes part of the Progressive Post publication family. It offers analyses regarding the national elections, insights into the post-electoral negotiations, and predictions regarding the socio-political impact of the votes. The quotes above were extracted from the respective articles, which can be found via https://feps-europe.eu/election-observatory/.

LÁSZLÓ ANDOR

Revamping Europe

The war in Ukraine, the consequent attainment of EU candidate status for Ukraine and Moldova, and the current geopolitical challenges have led to a revision of the EU's agenda and call for new institutional solutions and modus operandi for the European Union. Enlargement, which, for a long time, has been a dormant policy area, is now a central topic for the EU; this has triggered reflections and debates on how to adapt the Union to an increased number of members and how to regulate the EU's relations with its neighbours, particularly those that are not interested in joining the Union. Against this backdrop, the most important innovation is the creation of the European Political Community, proposed by Emmanuel Macron in June 2022.

During the second year of the war in Ukraine, which was started by Russian aggression in February 2022, more and more Europeans – citizens, experts and institutions – started to think seriously about the need for a new design and modus operandi of the EU, and more broadly European integration or just coexistence. It became clear that the war would be a long one. It also became obvious that after the war Europe would be different, and it was high time to think about exactly how different.[1]

The European Commission maintained its central role in forward-thinking, though many had the feeling that things were moving too fast and too far. In her speech on the State of the Union (September 2023), Commission President Ursula von der Leyen included very important statements, according to which the future of Ukraine and Moldova was in the EU, and so was the future of the Western Balkans, while Georgia could also remain hopeful that it would move along a similar path.

All this represents a turnaround in the EU policy agenda, but it is not the first one. Before 2020, health was a marginal policy field, which suddenly became very central. Before 2022, enlargement was a dormant policy area of the EU, but today it is the top interest within the institutions and among the wider population. At the same time, everybody also understands that all enlargement rounds are different, and the next one might be just

1 Tocci, N. (2023) "How the war in Ukraine has transformed the EU". Social Europe, 15 November.

very different from the previous ones. This necessitates fresh thinking about the history of integration, the current geopolitical challenges and alternative institutional solutions.

The EU and wider Europe: A short history

The most important institutional innovation of this new stage, the European Political Community (EPC), was proposed by the French president, Emmanuel Macron, in spring 2022, in the wake of the Russian invasion of Ukraine, but this initiative did not come without precedent. When the Eastern (Soviet) bloc was disintegrating at the end of the 1980s, France's socialist President Francois Mitterrand came forward with the idea of a Confederation. This was an expression of interest in an integration process that covered a wide geography, while signalling to the newly democratising East that a rapid expansion of the EU should not be expected. In the end, the Confederation was not formed, and eight countries from the former Eastern bloc became EU members 15 years after the fall of the Berlin Wall.

The turn of the millennium was characterised by the doctrine of unique, convergent and homogenous integration. This assumed that all EU countries (save those with an opt-out) would also have the euro, and the EU could include all those who wanted to join: Turkey, with whom accession talks started in 2005; Iceland, which was preparing a bid for 2009; and the Western Balkans, to whom the Thessaloniki summit in 2003 made a clear promise. (It is noteworthy that Germany and Austria originally proposed a privileged partnership for Turkey instead of full membership, but this idea was then sidelined.)

The global financial crisis (which threatened disintegration of the euro) and subsequent Brexit referendum (June 2016) incentivised fresh thinking, most prominently represented by Jean Pisani-Ferry and four other experts, who put forward a proposal for a "continental partnership".[2] Under this concept, the UK could have taken back some control over labour mobility and distanced itself from the EU's perceived supranational decision-making. The proposed partnership would have consisted of participating in goods, services and capital mobility; some temporary labour mobility and continued participation in intergovernmental decision-making. It would also have entailed regulatory integration (i.e., enforcement of common rules to protect the homogeneity of the integrated market). The UK could have retained a good amount of influence on EU policies but without formal authority. This approach would have turned the EU into an inner circle (deep and political integration), while an outer circle with less integration would have been created. In the long run, the latter could also have served as a vision for structuring relations with Turkey, Ukraine and other countries.

The Mitterrand idea, with the original vocabulary, was revived after the outbreak of the Russo-Ukrainian war in spring 2022 by the former Italian prime minister (and president of the Jacques Delors Institute), Enrico Letta, who at the time also served as leader of the Italian

2 Pisani-Ferry, J., N. Röttgen, A. Sapir et al. (2016) "Europe after Brexit: A proposal for a continental partnership". Bruegel, 29 August.

Democratic Party (PD). He put forward and started to popularise the idea of a European Confederation – a new organisation that could be established within one year. This was part of a plan to speed up simultaneous deepening and widening of integration. [3]

According to Letta, the existing EU would need to deepen in seven fields, including defence, energy and social, while we would create a Confederation that would include the EU but also countries of the Western Balkans plus Ukraine, Moldova and Georgia in the East. The Confederation would not need to be something entirely separate from the EU. According to Letta, every meeting of the European Council would be accompanied by a consecutive meeting of the heads of state and government of the European Confederation.

Franco-German brainstorming

Adopting the name proposed by Macron, and the content outlined by Letta, the EPC was launched in 2022. At the same time, the European Council turned Ukraine and Moldova into candidates for EU membership, and Ursula von der Leyen became a champion of fast-track EU enlargement for the East. For many, however, and even among those who became supporters of such enlargement, it was obvious that a reform of the EU itself would need to come first,[4] and most likely that would necessitate a change of the EU Treaties.[5]

To solve related dilemmas and chart the way forward, at the request of the European ministers of France and Germany, an expert group was established. Reminiscent of Franco-German rapprochement efforts on questions of the Economic and Monetary Union one decade before (through meetings of the Eiffel and Glienicker groups), the intelligent dozen delivered their report in September 2023 under the title "Sailing on high seas: Reforming and enlarging the EU for the 21st century".[6] The Franco-German Report (FGR) presented a Europe of concentric circles,[7] effectively suggesting that not all European countries can be or should be integrated into the same EU in the same way. And movement should not only be possible from the periphery towards the most tightly integrated core, but the other way around as well.

Variable geometry has been around as a concept in academic EU studies and in policy debates, acknowledging the importance of national choices (as opposed to complete European uniformity), but particularly policy choices within the same integration framework. Not so long ago, it was the then Commission president, Jean-Claude Juncker, who opened up thinking in this vein when, on the 60th anniversary of the Treaty of Rome, he published

3 Letta, E. (2022) "A European confederation: A common political platform for peace". *The Progressive Post*, 25 April.
4 von Sydow, G. and V. Kreilinger (eds) (2023) "Fit for 35? Reforming the politics and institutions of the EU for an enlarged Union". Sieps. 2023:2op.
5 Rodrigues, M. J., V. Andriukaitis, M. Bresso et al. (2023) «EU treaties – why they need targeted changes». Policy Study. Foundation for European Progressive Studies.
6 Costa, O., D. Schwarzer, P. Berès et al. (2023) "Sailing on high seas: Reforming and enlarging the EU for the 21st century". Report of the Franco-German Working Group on EU Institutional Reform, 18 September.
7 Ibid.

a *White Paper on the future of Europe* with five scenarios. In various ways (functionally as well as geographically), Juncker opened a discussion on possible deconstruction options of the EU, confirming that the straitjacket of the past under the commitment to an "ever closer union" was thrown away.

While the Juncker White Paper allowed for scenario-based thinking at the time, it had very little impact on the Conference on the Future of Europe, which took place in 2021-2022 with the involvement of citizens, and it was seen as even more irrelevant after the pandemic and the Russian invasion of Ukraine. The 2023 FGR is neither about functional deconstruction nor about variable geometry but concentric circles. As Attila Ágh puts it: the four-level Europe is knocking on the door.[8] But for this four-level Europe, the old EU slogan "unity in diversity" does not perfectly fit. What might be more appropriate is organised diversity out of chaotic diversity.

The FGR would allow a deeper integration of the eurozone (an old French idea), and it defines the possible relationship between the EU and a ring of associated members, while the EPC would represent the widest ring, without any form of institutionalisation. By declaring the eurozone as a separate level of integration, the FGR authors would normalise what, so far, has been a borderline anomaly: the non-accession to the eurozone of countries that otherwise committed to the introduction of the single currency when they joined the EU, a group currently including Sweden, Poland, Czechia, Hungary, Romania and Bulgaria.

At the same time, in the name of a Europe that could be a more powerful player in the world, the authors of the FGR are pushing forward the well-known efficiency arguments about the EU and recycling some pre-existing solutions like reducing the number of EU commissioners and abolishing unanimity requirements, especially concerning the foreign policy of the EU. More often than not, the latter proposal has been justified by pointing to the rogue behaviour of Hungarian Prime Minister Viktor Orbán, who has consistently refused to participate in weapons deliveries to Ukraine and often publicly criticised EU sanctions against Russia.

Associated membership: Second class or privilege?

The FGR authors do not assume a clean slate and do not want to invent things that would be totally disconnected from the previous state of affairs. The EPC already exists, and so does the eurozone, with some specialities in which the remaining EU members do not participate (like the Eurogroup). The EU also has association agreements, but associated membership does not yet exist. This is therefore the most important new proposal in the FGR, with a not-so-hidden purpose to offer a status that could fit countries as diverse as the UK, Ukraine and Iceland, if they so wished.

The introduction of the concept of associated membership is a sign of the understanding that fresh thinking is needed about the 'grey zones' located between the current EU and strategic rivals in the wake of Russian aggression, and that EU enlargement as such cannot

8 Ágh, A. (2023) "Bekopogtat a Négy Európa". Népszava, 15 November.

solve all related problems, at least not in the short term. According to the FGR authors, associated membership would mean participation in the internal market and requires the rule of law, but without full engagement in all EU policies and structures. Associated members would still remain rule takers instead of becoming rule makers.

Earlier, the EU addressed such grey zones through neighbourhood policy, and by establishing the 'Eastern Partnership' policy (2009). This was not a bad concept, but consolidation failed and it crumbled before our eyes. The EU still speaks about a neighbourhood policy with two sections: one in Eastern Europe and another one across the Mediterranean Sea. But the Eastern neighbourhood is no more: between the EU border and Russia there are countries with an aspiration to integrate with the EU, except Belarus, which is a vassal of Russia. However, current dynamics may as well lead to a re-emergence of an EU neighbourhood beyond the Caspian Sea, with the five ex-Soviet republics and Mongolia endeavouring to achieve deeper integration among themselves, but also rapidly deepening their cooperation with the EU as well, to redefine their geopolitical status, which so far has been primarily defined by their relationships with their two closest neighbours: Russia and China.

Once associated membership is defined, the EU can think about its content beyond market access, not least to create a bridge to policymaking. One way to satisfy this need would be access to the main consultative bodies, namely, the Committee of the Regions (CoR) and the European Economic and Social Committee. Through participating in these advisory bodies, the associated members would be able to exercise some influence over EU policies as well. It would allow aspiring members to develop a sense of two pivotal features of EU integration: regionalism and tripartism. The CoR could actually be boosted by adding an environmental dimension and one to focus on the quality of public administration. Critical activities to facilitate upward convergence before actual EU membership could focus on the fight against corruption, the reform of oligarchic economies, the rights of ethnic and linguistic minorities as well as the fight against extremism.

There are many in Europe who do not consider these two institutions as very important, and for sure there are many who are not even aware of their existence. By opening them to associated members, they could attain a strategic role in the context of EU enlargement and neighbourhood policies, while continuing their main mission. This approach would be particularly justified since creating peace between Ukraine and Russia may take time, and the reconstruction will also require a long-term commitment. Similarly, further efforts to consolidate the constitutional structures in the Western Balkans (in the cases of Bosnia-Herzegovina and Kosovo in particular) and prepare them for the enlargement process will certainly be needed.

Why EU enlargement is not a sprint

In August 2023 in Bled (Slovenia), the European Council president, Charles Michel, declared that the EU must be prepared for enlargement by 2030. For some, it might have been a sign of reluctance concerning speeding up enlargement, while for others it was

a manifestation of genuine commitment. Most importantly, it was an acknowledgement that the EU not only needs to stimulate reform among the applicants, but it needs to prepare itself, and this may take some time. With every round of enlargement, European policymakers have to face the fact that, for the admission of new members, some rearrangement is inevitable.

The size of the European Parliament and the allocation of seats or the practice of each country delegating an EU commissioner are all up for discussion, and these issues can be long and complex before another actual enlargement round can take place. The size and structure of the EU budget, with the balance between net contributing and net recipient countries at its heart, is an equally critical question. Membership of a low-income and, to a great extent, agricultural country like Ukraine would redefine the Common Agricultural Policy and Cohesion Policy as we know them today (and these two policies represent two thirds of the EU budget).

It should be highlighted that the two blocks awaiting the new enlargement round pose difficulties of a different nature. The point in the Western Balkans is the number of small countries. The institutional architecture of the EU is a special arrangement between a certain number of larger, medium-sized and small countries. Adding six small states would change the existing balance, even if we only speak about 16-18 million citizens. In addition to the lack of full recognition of Kosovo as a state, and the unique constitutional arrangements of Bosnia-Herzegovina, there are question marks around the region's sustainable path towards democracy and the rule of law.

Ukraine's potential accession is a different matter, since, in this case, pivotal EU policies like agriculture and cohesion would need to be reconsidered.[9] This may come either before or after negotiations start. However, even if we just rely on early estimates, it is clear that the nature and effect of these policies would change massively as a result of (or as a pre-condition of) Ukraine's EU accession. The grain dispute between Ukraine and four EU member states in September 2023, which also reached the podium of the United Nations General Assembly, might be a precursor of very complex talks at a later stage about how Ukraine's economy can be integrated into the single market. When exactly the reconstruction effort will bring Ukraine to the level of a "competitive market economy" can only be the subject of speculation at this stage.

Those who pretend that the speed of joining the EU primarily depends on the swiftness of paperwork in Brussels unintentionally mislead others, but probably mislead themselves too. In recent years, the EU has found it hard to move ahead with the integration of rather small countries like Montenegro or North Macedonia. Croatia became an EU member 18 years after the end of the war it was involved in, and without being ruined by its adversaries. Ukraine is much larger and, despite the great potential of the national economy, overall, it is not in a better position now than at the time of the dissolution of the Soviet Union 30 years ago.

9 Korniychuk, A. (2023) "The case of Ukraine's candidacy to the EU". Policy Study. Foundation for European Progressive Studies.

Such considerations and references to the history of EU enlargement may matter, but their actual relevance will be decided later, given the more general shift towards geopolitics. Since the war in Ukraine, we may find ourselves in the unknown unknowns, and the past may not necessarily be a good guide for the future[10] in various policy fields, including enlargement.

Farewell to Copenhagen?

Under Jean-Claude Juncker (2014-2019), the European Commission carefully avoided any significant move towards the accession of further countries. Enlargement policy was practically dissolved in neighbourhood policy. Since the war in Ukraine, Ursula von der Leyen seems to have changed this completely. A critical question is therefore whether the Copenhagen criteria are still alive.

Veteran Danish politicians (including former PES president Poul-Nyrup Rasmussen) and current office holders at the end of June 2023 celebrated the 30th birthday of the Copenhagen criteria. This set of criteria originates from 1993. Shortly after the EU was formed, the block of 12 countries clarified under what conditions it was ready to admit further members. They simultaneously focus on the qualities of the political system, economic competitiveness and legal harmonisation. This approach has been guiding EU enlargement ever since. In the 1990s, fulfilling political criteria was a precondition to start negotiations and, by the end of such talks, economic criteria (being a competitive market economy) also had to be fulfilled. Because of the former, Slovakia was not involved in the first launch of Eastern enlargement in 1997.

With Prime Minister Rasmussen chairing the European Council, the Copenhagen arrangement pulled the approach of EU enlargement towards a merit-based angle, but it should be admitted that by the end of the 1990s the geopolitical argument also started to play a role. Concerning the FGR, it is very clear: the authors believe that the Copenhagen criteria are alive and well; and they have to be applied rigorously. However, in June 2022, when EU candidate status was awarded to Ukraine and Moldova, the pendulum swung towards the geopolitical corner, as opposed to the merit-based one. (The subsequent Enlargement Report of the Commission was called "schizophrenic" by EPC expert Corina Stratulat.[11])

With Ursula von der Leyen announcing a proposal to open accession talks with Ukraine and Moldova, the commission changed the interpretation of the Copenhagen criteria, to say the least. Considering Ukraine a functioning democracy, when under martial law not even presidential elections can be held, represents a bending of the concept. The patriotic sacrifice of Ukraine is appreciated by all and doubted by nobody. But, contrary to what

10 In November 2023, the Portuguese prime minister, Antonio Costa, welcomed a conclave of leading intellectuals, scientists, entrepreneurs, artists, citizens and politicians to Cascais, Portugal, to discuss the future of Europe.

11 "Enlargement package marks a turn in policy to the East". European Policy Centre, 14 November 2023.

many citizens, diplomats and enthusiasts of Ukraine might believe, this has very little direct connection with actual EU membership, unless we omit the prevailing paradigm of the past 30 years.

Since Ukraine and Moldova have been put on the fast track, there have been many warnings about the existence of a 'queue'. The countries of the Western Balkans have been participating in the enlargement process for some time, and the Western Balkans region has been relatively peaceful for over two decades. The accession process is supposed to be based on merit and performance and, like many other aspects of EU functioning, this has much more objectivity in it than many would believe.

The EU may decide to replace the Copenhagen criteria with something else. However, the approach that EU enlargement can be the unique policy to solve all the problems of the neighbourhood of the EU will most likely prove unsustainable in the coming years. What leaders should avoid, in particular, is creating false hope, which can only sow the seeds of future controversies and undermine the credibility of the EU as a result. The EU should also save itself from ending up with an eclectic enlargement policy: a merit-based approach for the Western Balkans and a geopolitical one for Ukraine.

Geopolitics versus geoeconomics

The perception that geopolitics rules, and almost overrules, everything today is justified by references to the entry into office of the von der Leyen Commission in 2019, when the new president qualified her college as a "geopolitical commission". This statement created an impression that they would like to double down on earlier promises of strategic autonomy, but today there are mixed feelings regarding any genuine movement towards such an objective.

The claim of being geopolitical might just have been a bon mot after Jean-Claude Juncker spoke about a political (as opposed to technocratic) commission, but it also created expectations. The expectation was primarily about stepping up Europe's strategic autonomy, and presenting a more united and better articulated position in global affairs. In other words, Europe would stop punching below its weight in international politics. But how is Europe's weight determined?

The EU's relationships with the rest of the world are primarily determined by economics. Experts speak about a "Brussels effect" because of the regulatory power exercised over one of the two greatest marketplaces of the world (which remains a position even after Brexit). The EU started to speak about strategic autonomy in the Trump era (2017-2021), but this idea suffered a blow with the Russian invasion of Ukraine and the arrival of an era of unprecedented global economic warfare.

The EU was 'mugged by reality', and instead of bringing its role in global politics to the level of its weight in global economics, it went for the fallback option of securitisation, which rests on NATO. Macron was surely wrong to call NATO "brain dead" (in October 2019). But NATO did not choose someone like Kaja Kallas to be its new secretary general, following Jens Stoltenberg, and in July 2023 it evaded the accession of Ukraine, which

would have meant an immediate entry into an open war with Russia. Instead, it continued the coordination of weapons deliveries to Ukraine, thus leaving the EU with a more symbolic rather than substantial role in security.

Perhaps the highest point of the geopolitical ambition of the EU (or at least the von der Leyen Commission) was the leadership role performed in political support of Ukraine's defensive war and sanctions against Russia. But this also raised doubts about whether the EU was subordinating to geopolitics some other issues – defence of the rule of law and the pursuit of economic prosperity – that would be more central to its mission. For example, von der Leyen's choice was geopolitical, but at the detriment to the primary mission of the EU, which is the pursuit of the economic rationale, when she showed readiness to compromise the Common Agricultural Policy in favour of geopolitical considerations during the grain dispute with Ukraine (September 2023).

Alternatively, when a new war broke out in Israel following the horrendous terrorist attack by Hamas against not only military targets but also many civilians (7 October), it appeared that it was not obvious to the Commission how to handle such a complex situation. The debacle involving von der Leyen (and her enlargement and neighbourhood commissioner Olivér Várhelyi) might allow many to conclude that foreign policy should not be allowed to slip into the domain of communitarian affairs. Such episodes make it harder to argue that foreign policy issues in the EU should be decided by a qualified majority instead of unanimity.

If Europe's future is organised in tandem with the EU and NATO, should the EU not concentrate on what it really can do, which is calculate the costs and benefits of everything, and be an economic powerhouse of countries sharing the same democratic values? While preparing for another big-bang enlargement,[12] the EU should not forget about deepening and improving its capacity to deliver public goods,[13] and insist on some meaningful strategic autonomy, so it can also respond to the tragedies of our time with courage and creativity.

EPC: An idea whose time has come?

Francois Mitterrand responded to the fall of the Iron Curtain by proposing a confederal framework, while also initiating the establishment of the European Bank for Reconstruction and Development. In the year of the "*Zeitenwende*", in his post-re-election speech in Strasbourg (9 May 2022), Emmanuel Macron fleshed out the idea of an EPC, bringing together democratic nations of Europe to focus on common security, energy and transport.[14] This is to recognise that there are more countries in Europe that face common

12 Emerson, M., M. Lazarević, S. Blockmans et al. (2021) "A template for staged accession to the EU". CEPS, October; Kribbe, H. and L. van Middelaar (2023) "Preparing for the next EU enlargement: Tough choices ahead". Brussels Institute for Geopolitics, September.

13 Beda, R. (2023) "Rethinking the EU's budget. Perspective and challenges". Eurocomment 2023/4; "The European Union at the time of the new Cold War: A manifesto". VOX EU, 4 October.

14 Mayer, F. C., J. Pisani-Ferry, D. Schwarzer et al. (2022) "Enlarging and deepening: Giving substance to the European Political Community". Policy Contribution, 15/2022.

challenges than those who want to be integrated through both a single market and a single currency.

Within one year, the EPC organised three summits (in Prague, Chișinău and Granada). In itself, this is a sign of viability and, in all likelihood, the format will continue. At the same time, it remains true that the relationship between the EPC and enlargement is somewhat ambiguous. Is the EPC an enabler or a substitute for the enlargement of the EU as such? Those who believe that EU enlargement can be (and will be) fast, do not expect much from the EPC, and those who are sceptical about fast enlargement attribute greater potential to the EPC.

The EPC is not a community of the same values – it actually allows leaders belonging to the same geographical area to discuss important issues, despite entertaining different values and ideas. Thus, the EPC can be seen as a loose format based on the lowest common denominator that allows leaders of European countries to discuss issues of common interest with biannual regularity. Informality is key, and according to the first few gatherings, the right idea is to avoid defining deliverables based on predictions. Even without concrete mandates, the EPC can potentially address issues where the EU is not active or effective, for example, criminality related to migration.

Non-institutionalisation can be seen as a political limitation, but the majority of participants simply appreciate the strategic intimacy that has become part of the EPC brand. Leaders gather without a secretariat in a capital city, with the agenda determined by the host government, which in every second semester coincides with the presidency of the EU council. This setting has created opportunities to solve specific issues, just like the gathering in Moldova was used by Ukraine President Volodymir Zelensky to discuss the question of F-16 aircrafts.

Sceptics would say that organising a 'political Davos' is not enough for the long-term survival of the EPC. And if we only create one more intergovernmental roundtable in Brussels or Strasbourg, we have not solved much. Organising a non-event every six months in a beautiful place would be compatible with the 'end of history' paradigm, which is everything but timely. And if the EPC is created when the power centre of Europe is apparently shifting towards the East, the EPC could also match the new content with new symbols. It could indeed choose a seat, and for that purpose, one would need to consider a city with historical symbolism in one of the newer EU member states, such as Kraków, Bratislava or Cluj-Napoca.

This wider organisation could be helpful for those who would one day join the quasi-federal core itself, or the UK, which left the EU in 2020, and is finding it hard to cope with the consequences. It allows Turkey, Serbia, Switzerland and Iceland to be engaged without knowing what the next step is in their relations with the EU. Success or failure of the EPC should not be measured in terms of resolving specific conflicts. It should not even endeavour to politicise itself or engage civil society organisations. To consolidate itself for the long term, it simply needs to pass the test of UK and Hungarian presidencies in 2024.

PROGRESS IN EUROPE

ANIA SKRZYPEK

The progressive doctrine for European integration: It is not only the EU that needs a convention…

These are unprecedented times, in which there is a need to find new ways to organise political parties and enable a space for both critical analyses and political creativity. This is also true for the European level. These past years have seen many crises, which triggered further integration, but also revived some of the grander ambitions for the parallel processes of enlargement and deepening. To be able to guide them alongside progressive ideas, there is a need for a doctrine that would be developed in a deliberative, participatory process and would unite progressive governments, parties, activists and electorates across the continent in a common understanding of the future. This is an important momentum with profound challenges – which call for an equally grand response.

The return of the pre-electoral season inside the European Union means the revival of the claims that these upcoming elections will be the *most important* in the history of the continent's integration. Without wishing to sound cynical, this and similar statements have become part of the *bon ton*, and they hardly result in an implicit mobilisation to think more profoundly about the upcoming struggle. They are repeated, and there is always sound evidence that they are true; nevertheless, they have also turned into certain platitudes. And this may be perilous. Even now, anticipating the political conversation that will be taking place within the next six months, it is evident that there is no reason to be complacent about anything. Neither is it a context in which repeating cliches would make up for the feeling that it's getting too close to the date itself to stand a chance to profoundly amend any course of developments. But the opposite is true – these are the dire circumstances in which bold ideas are needed.

A complicated legacy

The legislative period 2019-2024 has been vastly turbulent. If one believes in omens, it began with rather mixed tides. On one hand, there was a rise in turnout in European elections. This was enthusiastically noted at the time, as the first increase since the first direct voting took place in 1979. Certainly, there were still member states with alarmingly low levels of participation. Moreover, the new European Parliament (EP) had a tricky composition, reflecting growing fragmentation and polarisation within the European electorates. But as an institution, the EP seemed to have enjoyed a stronger democratic mandate. On the other hand, it felt like that result was getting overlooked. None of the so-called *Spitzenkandidaten* succeeded in becoming the president-designate of the European Commission. The European People's Party conveniently replaced the unpopular Manfred Weber with Ursula von der Leyen. In parallel, the centre-right politicians silently consented to the Party of European Socialists (PES) candidate, Frans Timmermans, being kept hostage by the resentment of countries known for failings when it comes to the rule of law. Although Timmermans ensured the first vice-presidency and a key portfolio (which allowed him to make a significant difference in the field of the European Green Deal) for himself, the process was disenchanting. It was as if there was neither interest nor patience from the side of the Council to continue entertaining the expanded understanding of Article 17 of the Lisbon Treaty. It appeared as if there was a drive towards stronger intergovernmentalism, which would be happening at the cost of the communitarian method.

But, as also seen on countless occasions in the past, the European Parliament was not inclined to go down without a fight. It followed the noble tradition started by the Assembly (the EP's predecessor), whose determination was the reason that it transformed from the consultative gathering of national delegations into the current institution. And since need is the mother of invention, in 2019, the political groups – S&D included – sent a set of letters to the European Commission president-designate. Within these documents, they spelt out the priorities that would need to be included in the new Commission work plan – should Ursula von der Leyen wish to secure their support. This strategy was a little bit hazardous, as the division of seats in the EP meant that a majority to support the new Commission could also have been found in a centre-right and right alliance. Social democrats took that risk, and rightfully so. This increased their leverage, whilst also becoming one of the overlooked, but great constituting moments. With its four chapters (namely, sustainable development; justice and equality; a value-based foreign policy; and enhanced EU democracy and transparency), the letter was an abstract of the governing agenda, tangibly establishing the missing link between the electoral narrative (encapsulated in the manifesto) and the drafting of the Commission's work plan. In 2019, it was an implicit connection, but, ahead of 2024, it could be considered as a fundamental step of the post-electoral strategy – imposing a different approach from the side of the PES as the socialist transnational party.

The lessons hopefully learnt

Contemporaries see the existence of the PES manifesto as an indisputable feature of the European campaign. Truth to be told, arriving at this tradition was a turbulent adventure. With the acceptance of European integration as a process that should lead towards the creation of a Social Europe (Congress in Bonn in 1973) and with the transformation of the Liaison Bureau into the Confederation of the Socialist Parties of the European Community (CSPEC, established by nine parties in 1974, it is the predecessor of the PES), there was a sense that the new organisation required a consolidated guiding document. And that it should not simply be the expression of the lowest common denominator. Consequently, a steering committee was established with a composition that was a mix between the CSPEC leadership and member parties' representatives, each of whom was entrusted to lead on an assigned dossier. They drafted four reports, gathered in a 30-page document, which, however, was severely contested. Aside from the content, even the proposal to have something called a *manifesto* was disputed, since every party had a very different understanding of what a *manifesto* was and how it was meant to be adopted.

This created a political impasse, following which an electoral committee was founded under the leadership of Sicco Mansholt and with the direct involvement of personalities such as Joop den Uyl. They got a mandate to come up with a 'political declaration'. The themes they looked at were labour, human rights, women's rights and enlargement. The deliberation resulted in a 31-point declaration, which spelt out the mechanisms of cooperation and highlighted the CSPEC's guiding principles of "freedom, social justice, equality, and harmonious economic development". The paper was adopted in Brussels in 1978 but did not escape criticism either. It was resented for its ambiguous character. So, this one was also dropped and, for the sake of the campaign, an "Appeal of the electorate of the countries of the European Community for the first elections in the European Parliament (7-9 June 1979)" was adopted to serve as the first electoral platform. It included three priorities: peace; a democratic economy that supports workers; and care of the government for its citizens. These priorities guided the campaign, which, under the slogan "Spring of European Socialism", saw a 200-candidate event in Luxembourg and 20,000 activists at a rally in Champs de Mars in Paris (under the leadership of Willy Brandt, François Mitterrand and James Callaghan).

Indeed, these beginnings were rough. They are now almost ancient history. Nevertheless, recalling the experiences of the manifesto processes that span a period of almost half a century is very instructive. And summarising these events leaves the impression that there are still several unanswered issues. First of all, creating a visionary and representative text, which does not fall into a trap of ambiguity, remains a challenge. This is a predicament with which the social democrats have been struggling ever since. Perpetual footnotes were one of the legacies of the 1980s, especially due to the British and Danish parties, who insisted on disclaimers regarding the sections of the text they would opt out from. To avoid them and appear more united, the PES preferred more general and, hence, consensual documents, although this led to another pitfall. The PES adopted a footnote-free manifesto

"221 Commitments for the 21st century" ahead of the 1999 elections, but in parallel (after the Malmö Congress), the so-called Blair-Schröder paper was delivered. This exposed the depth of the ideological conflict inside the progressive family and how much national perspectives ruled the views that sister parties had on Europe.

Secondly, there is a valid question about the function a europarty's manifesto should have. The insufficiently defined purpose of manifestoes was perhaps what led to the above-described detours in 1978-1979. Later, this unresolved struggle meant that, from election to election, there was a different format – in some years resembling a programme and in others just a longer leaflet. These tensions still remain unresolved, revealing that perhaps further creativity is needed. The manifesto is currently the most important periodically adopted document at the level of the PES. Perhaps with the emergence of the 'Group letters' (mentioned above), one could think about the differentiation that would allow the party to have a complex and coherent programme (building on the revised fundamental programme), which then would free the manifesto from the necessity to address all issues and would enable it to focus on the strategic questions to be addressed in the campaign.

Thirdly, and as a consequence of what has been discussed above, there is a valid point to be made on how a manifesto can connect national campaigns. The EU elections have frequently been classified as second-order ones, which means that they were still a sum of 28 (now 27) national mobilisations, with a focus on national rather than European issues. Additionally, as the manifestos are drafted in English and in the context of 'Brussels bubble politics', they frequently prove simply untranslatable. There is also a concern regarding the use of manifestos by the *Spitzenkandidaten*. For example, Martin Schulz, who ran in 2014, presented a platform that was not in contradiction to the manifesto, but simply functioned in parallel. This meant that the PES document was overshadowed by default, and its promotion was not an evaluation criterion of the campaign itself.

The new mechanics

One could argue that there is no reason to articulate these reflections now when the process toward 2024 is well underway. The PES Congress in Berlin (October 2022) adopted the resolution "With Courage. Leading Europe through change" – which revealed the guiding principles in four chapters that were then used to frame the PES Congress in Málaga Resolution "Europe in the lead. Progressive solutions for global challenges" (November 2023). The latter was drafted in a lengthy cycle involving debates on hundreds of amendments by the PES coordination team and PES presidency, in consultation with civil society and trade unions. The two papers together present a coherent whole, and they were written with a very traditional process, in which the PES secretariat played a central role. The aim was to consolidate ranks. It also aspires to reassure with its predictability and to offer a guarantee of a safe *home run*, when the new manifesto is disclosed at the election congress in spring 2024.

Indeed, it is possible to feel more comfortable with this clean agenda, in which all is in place to resolve any potential disparities and broadcast the message of the centre-left family's unity. As it is now, the process clearly indicates the path towards a manifesto. Without much need for political manoeuvring, this could then be supplemented by a progressive version of the Commission's working plan (building on the two above-mentioned resolutions) and offer an anchor for the European parliamentary group's letters (should the 2019 tradition be continued). This could also help identify the key priorities (dictating strategic moves for social democrats, when it comes to striving for portfolios and positions), be the background file during hearings of potential Commission candidates (adding to the existing EP ones and the inner-party ones), and contribute to making the European political negotiations more transparent. While this is undoubtedly correct, the question is whether, in future, there should be space for even more inventiveness. There is a solid reason to believe that the answer is yes, both because of the situation of social democracy and traditional parties in Europe, and because of the altered EU-level context.

There has been a profound change. The Conference on the Future of Europe (CoFoE, April 2021-May 2022) finally took place and, though it may be criticised for many reasons, it was an impressive endeavour, which brought together so many European citizens. So much so that, even though it has been several months, the European Parliament keeps insisting that a new convention is needed and that there is a need to pave the way to crucial Treaty changes. Without these, the EU will not be able to either rise to the challenges it is facing or to expand – which is a moral commitment that the Union has made and at the core of its geostrategic interests.

A similar stand has been echoed in the famous report by the Franco-German working group on EU institutional reform ("Sailing on high seas: Reforming and enlarging the EU for the 21st Century", September 2023) and has been supported by other actors (such as FEPS' "EU Treaties – and why they need targeted changes", November 2023). The social democrats as a political family have been outspoken in promoting 'deepening and enlarging' as parallel and inseparable. They have argued in favour of reforms of the decision-making processes (especially qualified majority voting replacing unanimity), and they have been proponents of diverse mechanisms that could help defend European values (such as the recently incorporated 'conditionality mechanism'). Hence, though there is much resistance, and analysts say that the chance to make progress at the upcoming summit is less than meagre, social democrats should not only argue in favour of a convention, but also anticipate it and/or a possible intergovernmental conference. If they take place, a ratification process will follow, which will gear up a broader debate and should reach beyond the party-elected top stakeholders and functionaries involved in international affairs. Having learned from the experience of the Constitutional Treaty and having grasped that there is now a public European sphere (both at the EU level and within national contexts), one should try to conquer and assure the primacy of progressive ideas. The CoFoE may already be a thing of the past, but it also showed that there are new ways of involving citizens in a dialogue that aims to raise the quality of democratic debate. The answer cannot be to resort to old mechanics and the simply explaining Europe. The response must be empowering, broadly

engaging and enable a real discussion – while moulding it around progressive vision, themes and standards. To that end, if one does not try to conquer that sphere, the real danger is that right-wing radicals, nationalists and fascists will try to invade it instead.

Though there may be those who would argue that this is still a very Brussels-based debate, there are reasons to believe that European integration as a topic has transcended into national debates. Due to all the incomparable challenges that the world is facing currently, there has been an incentive to act more jointly within the Union, and European topics have transcended into national politics. Topics such as the Health Union, NextGenerationEU or the Defence Union have become internalised, because they relate to the fight against the pandemic, the recovery and modernisation plans, and the common reaction in the face of the brutal Russian aggression against Ukraine. To that end, the old patterns that the European heads of state frequently resorted to blaming the EU for unpleasant measures have been abandoned. Instead, many prime ministers (such as Pedro Sánchez and Sanna Marin) spend a great deal of time on multilateral and bilateral relations and in making clarification statements at press conferences. Though there is no empirical data that would allow a straightforward correlation, surveys by Eurobarometer suggest a significant increase in the trust that citizens have in European institutions. For progressives, this implies that they would need to think about the outreach that allows them to be a transmission belt for diverse ideas. European citizens do not require much of an explanation of what the EU is and what it does (which the centre-left usually sees as the first task in the campaign), but more about why there are different political visions and what makes the progressive one stand out.

These two observations – regarding the legacy of the CoFoE and the 'domicialisation' of European politics – seem to suggest that there is a need for another format that would allow both debating a progressive vision for Europe and connecting better with citizens across the Union. Within the PES, there have already been many different strategies that have tried to cater to that goal, such as the Berlin Reform (based on the paper "Strengthening awareness and internal cohesion of PES" drafted by Ruari Quinn and Ton Beumer, and adopted in 2001), the project of the Global Progressive Forum (with the report by Paul Nyrup Rasmussen from 2003) and the Vienna Reform (declaration "For Stronger PES" adopted in 2005). Since then, there have been statutory changes connected with the change of European political parties' regulations for political parties at the EU level and additional adjustments to accommodate the procedure of selecting *Spitzenkandidaten*. But there has not been a grander project to discuss the role that the europarties could play, externally and internally, in the context of such profound EU reform debates. Internal reform (also in the context of the crisis of traditional parties and of the classical form of political participation), procedures (and meaning of gatherings, such as congresses), roles of documents (manifesto, resolutions etc.) and ways of engaging with external actors (members, individuals etc.) deserve to be tackled in a more coherent and comprehensive manner. Perhaps in that sense, openness to discuss new formats could be part of it, including such a dare-to-imagine, hopeful, encompassing, grand and mobilising project as the progressive convention for Europe.

The new doctrine

The political momentum for such a progressive convention has been explained in the institutional context so far; however, earlier in this chapter, references have been made to the circumstances that have altered the trajectory of European integration in the legislative period 2019-2024. The global pandemic, the brutal Russian invasion of Ukraine and subsequent energy crisis, the cost-of-living crisis, the climate emergency, the Hamas terrorist attack and eruption of the conflict in the Middle East – these and more have been the challenges that the EU has been confronted with. In the opinion of the vast majority of European citizens, the EU stood tall and, working in sync with member states, gradually managed to ensure a handful of viable solutions. Some of them have proven that the old sayings, such as 'when there is a will, there is a way' have not lost their validity.

Social democrats at the European level have ensured that the agenda they came up with and kept working on since 2019 did not bend to the terms of simple crisis management. Notably, the progress achieved and the proud legacy that they are bringing ahead of the next European elections is not a mere consequence of momentum. Yes, the context has been conducive to the idea of acting together at the EU level – but the actual results were possible because of the determination to pursue a political direction. The record is robust, but perhaps among the most emblematic are leading in the strive for a just transition (seen against the climate, digital and demographic evolution), advancing on essential aspects of Social Europe (within policies that helped cushion against the impact of the Covid crisis, such as SURE; the adequate minimum wage directive; efforts to ensure equal pay and representation; and the right to disconnect), promoting gender equality and egalitarian rights (with the proposal of a new directive to combat domestic violence and the fight against discrimination, such as LGBTQI+ zones), trying to revive thinking about global solidarity and justice (with a pro-active approach to new trade agreements and legislative proposals on due diligence), arguing strongly for further enlargement, and being the ones at the forefront of the defence of democracy and the rule of law.

These are just a few proud examples from a long list that S&D family could present to voters as a record of achievement, many of which correspond with the chapters of the 2019 manifesto "A new social contract for Europe". The notion was built on the reflection that the EU should serve its people better (the opening sentence of the document), for which purpose it would need to abandon the "neo-liberal and conservative models of the past". The following six chapters of the manifesto are filled with lists of proposals (in the format of bullet points): "A Europe of solidarity for the many, not the few"; "A progressive Europe with a youth plan"; "A feminist Europe with equal rights for all"; "A sustainable Europe that protects our Planet"; "A Europe of equality and fairness"; and "A strong and united Europe that promotes a better world". The rationale was that the EU needed a change of direction and that progressives would be the ones to provide an alternative. This logic was a consequence of the understanding from 2014, in which the manifesto "Towards a new Europe" was a statement against "The right-wing (that) has created a Europe of fear and austerity"; this was also echoed, to a certain extent, in the Málaga Congress resolution –

which stated that "we need a strong parliamentary group of our family in the next European Parliament to push forward a progressive agenda and to counter worrying alliances between conservatives, liberals and far-right parties in the different member states". The text of the resolution is divided into three chapters, again typical of social democracy "Protecting citizens through transitions", "Promoting democracy and gender equality" and "Securing Europe's position in the world" which are then broken up into 25 objectives.

Reading these documents brings a sense of comfort – social democrats certainly appear coherent in their narrative with the motto 'People first', competent and fluent in the language of European terms and reforms, and rather confident too. The programmatic stand is distinctively traditional, and it offers a response on the premise of a structured partisan system at the EU level. But the question whether this is a time to see these kinds of documents as a good directory of the policies that should further be developed into a format that would enable them to form the content of a solid progressive work plan for the next legislative period. As such, they would also enjoy greater visibility and support, having been discussed minimally by the respective sister parties' international circles. That said, there could still be a space and need for a more in-depth conversation about the actual vision for (progressive) Europe. The documents at hand show the issues that have already been agreed on for now, but the challenge is to think ahead. What is the pivotal mission that social democrats want the Union to be both a response and a proponent of?

To answer, progressives need to develop a concept that would be of an equal intellectual gravity as that of Social Europe back in 1973. There are three reasons for it to be relevant. Firstly, when that original notion was put in place, it was to offer a path on which both the parties in favour and sceptical of integration (describing it as liberal, market-driven integration) could converge. In the 1990s, the main project deriving from this was the agenda of full employment, quality jobs and growth (see the 1999 and 2004 manifestos). In the wake of the financial crisis, Poul Nyrup Rasmussen and Jacques Delors tried to revive the notion by adding 'new' to it – procuring an important report, engaging sister parties' leaders as chairs of three working groups, organising a set of expert seminars across European regions, publishing two pamphlets and three off-shoot campaigns. This legacy remains most relevant, despite the fact the subsequent crises made it very hard to uphold and implement. Even more so, today while (the New) Social Europe remains an essential anchoring point, there is a need for a new narrative, which would recognise the challenges ahead and offer directions to answer the pressing questions of contemporary times.

Secondly, while the EU seemed capable of gearing up a consensus in critical moments – for many member states these have been extraordinary measures, which should not be considered permanent and should be revisited, sooner rather than later. These positions are not only in the intra-governmental sphere but also in the intra-partisan ones. There, it is repeated timidly by some and openly by others that, paradoxically, the more globalised and Europeanised the debate, the more compelled social democrats have felt to stay within the realm of national politics. For instance, the rise of the radical right is considered by

many as a general trend, which, however, must be fought within the domestic context first. In other words, when the extremists and nationalists make European integration their target, the centre-left parties are likely to respond with a set of answers that are particular to their national circumstances. This partially excused several important ideological shifts (for example in Scandinavia) exempting them from the broader debate amongst sister parties, which they would deserve and demand. This strategy may be effective now, but it is bound to create further friction on functional questions – such as the EU budget and own resources, the New Pact on Migration and Asylum, specific aspects of the new industrial strategy and cohesion policies. Recently, the PES has been trying to provide a connection between the national and EU levels, by elevating some of the successful slogans – it was "Respect" in 2022 and "*Adelante (Europa)*" in 2023. But perhaps a discussion on a new doctrine would enable the trend to be reviewed and a compelling, unifying and jointly elaborated notion be offered from the EU level instead.

Thirdly, the new doctrine should be bold in defining the premises for enlarging and deepening Europe. It is not only a historical necessity, but, as one could argue, a moral obligation. In the 1999 manifesto, the PES stated that "we say 'yes' to market economy, but 'no' to a market society". It was a simple claim that referred to the alternatives and their implications. Ever since, there has been a growing impression that the pro-European parties (and hence, the europarties) have to project positive messages, with as many 'concrete deliverables' as possible, to defend the EU. But the era of 'catch-all-parties' seems to have come to an end. Programmes framed alongside a transactional approach toward voters are neither responsible nor persuasive. And neglecting people's fears and objections, by not naming and addressing them directly, makes traditional parties appear out of touch. What citizens want is understanding and a connection. This is not built through a managerial approach, but by vision, an articulation of a common aspiration and by offering hope that Europe of the future can be a better place for many more countries, for their societies and for the benefit of the world.

To summarise, in the same (as quoted above) 1999 manifesto, the PES included "A well prepared, comprehensive and inclusive enlargement process is in the best interest of current European Union member states and applicants. Enlargement will enhance the democracy and stability of our continent and strengthen Europe's voice in the world". At that moment in time, social democrats were in the majority of EU governments, embraced the unification and integration agenda, and were ready to stand tall and look confidently to the future. Without discussing what happened afterwards and how the situation has proven to differ from PES expectations, it is evident that the Union and the social democratic family are in rather dissimilar positions. Many existential questions have been asked about the future of the EU, for example, in the context of the Constitutional Treaty's failure or Brexit. Still, equally, many words have been used to ponder which way to go, which shape to set and what priorities to establish. Examples of this include Olaf Scholz's bold speech at Charles University in Prague or Pedro Sanchez's at the last PES Congress. Hence, assuming historical responsibility means two things for the centre-left in Europe: opening up to consolidate (a progressive convention); and addressing contradictions to truly unite (a new European

progressive doctrine). It is also necessary to offer space for the current and new generation of leaders to become the same icons as the movement's giants (Willy Brandt, Olaf Palme, Felipe Gonzalez and others) to whom so many still refer to today. Succeeding would mean breaking a pattern, emancipation from cynicism and/or comfort, and thriving (yet again) – by ensuring the primacy of progressive ideas for Europe for many decades to come.

MATHIEU BLONDEEL

The European Green Deal in the age of volatility

This chapter serves as a moment to take stock after five years of the European Green Deal (EGD). What has the EGD achieved and has it held up in our 'age of volatility'? By discussing three major shocks to the international system – the Covid-19 pandemic, Russia's war in Ukraine and the growing discord between the United States and China – this chapter argues that the EGD has fundamentally shaped the EU's response to crises and challenges associated with an emerging new geopolitical reality. Moreover, the EGD is now increasingly becoming the raison d'être of the Union and shaping its longer-term political and economic project. Despite its remaining flaws, the EGD should be nurtured, as it holds the key to the Union maintaining geopolitical and economic relevance in the decades to come.

A change of climate

When the European Green Deal (EGD) was first presented to the public in December 2019, it had been a year of global climate extremes. January saw floods in Argentina and Uruguay; in March, Storm Eberhard swept across Europe; Cyclone Idai caused death and devastation in South-East Africa; wildfires in California throughout October and November caused billions in damages. Frans Timmermans, the then executive vice-president for the EGD, was right when he asserted that it was a time of "climate and environmental emergency".[1]

Although primarily framed in climate terms – the most eye-catching objective was to become the first climate-neutral continent by 2050 – the EGD was always envisioned to be more than 'just' that. The EGD was conceived as a broad roadmap that includes chapters on biodiversity and forestry, agriculture and food, but also 'green cities' or the circular economy. In other words, it entailed a comprehensive view of what the EU could do and

1 European Commission (2019) "The European Green Deal sets out how to make Europe the first climate-neutral continent by 2050, boosting the economy, improving people's health and quality of life, caring for nature, and leaving no on behind". 11 December.

should become in the decades to come. Commission President Von der Leyen even dubbed it the EU's 'man on the moon' moment.[2] Thus, the stakes were high.

Fast forward to 2024 and the world has become a vastly different place. The climate crisis has only been exacerbated as time goes by. Last year shattered thousands of climate records across the globe. Indeed, we have now entered 'uncharted territory'.[3] But we have also lived through the worst pandemic in over a century, claiming millions of lives worldwide; the European continent is witnessing the largest war on its soil since World War II, due to the brutal and large-scale invasion of Ukraine by Russia. Meanwhile, the growing geopolitical and economic tension between the United States and China is all but spiralling out of control, not to mention the rise of far-right populism in the EU, successive economic crises and the strained transatlantic relations during the Trump presidency. In this context, a quote attributed to Antonio Gramsci springs to mind: "an old world is dying, and a new world struggles to be born: now is the time of monsters".

This chapter serves as a moment to take stock. What has the EGD achieved and has it held up in our 'age of volatility'? Not only in terms of making the EU a more sustainable place, but also in serving as a blueprint to guide the EU through this series of successive, and often interwoven, crises and challenges. But this chapter also provides a look forward and discusses some of the most pressing upcoming questions, both internally and externally, and how, despite its shortcomings, the EGD offers the tools to steer us through the coming storms. Note that, given the comprehensive nature of the EGD, it is impossible to cover all its aspects, so the focus here primarily lies on its climate and energy dimensions.

The age of volatility

Three major shocks to the international system – the Covid-19 pandemic, Russia's war in Ukraine and the growing discord between the United States and China – show how the world, and the EU, have entered an age of volatility. Here, I argue that it is the EGD that has fundamentally shaped the EU's response to these three major crises and challenges associated with this emerging new geopolitical reality.

Covid-19 and NextGenerationEU

Only a few months after the EGD was first presented by the Commission, the Covid-19 pandemic brought the world to a crashing halt. On top of the immense human toll, the millions of lives lost, the global economy suffered one of its worst recessions in a century. In 2020, the world and EU economies shrank by 3.1% and 5.7%, respectively. They were hit harder than during the Global Financial Crisis a decade before.

2 European Commission (2019) "Press remarks by President von der Leyen on the occasion of the adoption of the European Green Deal Communication". 11 December.

3 Ripple, W. J., C. Wolf, J. W. Gregg et al. (2023) "The 2023 state of the climate report: Entering uncharted territory". *BioScience*, 24 October. DOI: 10.1093/biosci/biad080

For the EU, the EGD would be the foundation on which to "build back greener". At the heart of the EU's response to the coronavirus crisis was a stimulus package worth around €2 trillion in current prices. It consists of the EU's long-term budget for 2021 to 2027 of €1.2 trillion, but topped up by €800 billion through NextGenerationEU (NGEU), the temporary instrument to power the recovery. Crucial in ensuring that the recovery was indeed 'green' was the built-in condition that 30% of the budget of each of the two financing packages – the long-term budget and the NGEU – should be spent on "fighting climate change".[4]

It was a clear and deliberate decision to put climate action and the energy transformation front and centre of the Commission's five other priorities laid out for the period 2019-2024. None of the other priorities were allocated this much funding. For example, under the NGEU's centrepiece programme – the Recovery and Resilience Facility – member states' national plans must allocate at least 37% of their budget to green measures and 'only' 20% to digital measures, the second-largest expense item.

At the same time, throughout the pandemic, the EU relentlessly passed key legislative elements of the EGD to cement it as the bedrock of future EU policymaking. The European Climate Law, which entered into force in the summer of 2021, for example, not only wrote into law the 2050 climate neutrality objective, but it also set the intermediate target of reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. As such, it also paved the way for the Fit-for-55 package to revise and update EU legislation and implement new initiatives to reach these intermediate targets. Adoption of the Fit-for-55 package's different legislative pillars is proceeding, and the EU now has legally binding climate targets by 2030, covering all key sectors of the economy.

Russia's war of aggression and REPowerEU

Russia's large-scale invasion of Ukraine in February 2022 has been an unspeakable tragedy for Ukraine first and foremost. This brutal escalation of a war Russia had already started in 2014 has also shaken the EU to the core. Among many other things, it has brought a seismic shift in the EU's energy system.[5] On top of that, the war has also altered how the energy transformation and climate action are understood. It is no longer just a matter of relying on cleaner, more sustainable and cheaper renewable energy; it is now a matter of energy security and even of national security.

In May 2022, the Commission launched its REPowerEU plan. The Commission was explicit as the plan built on the Fit-for-55 proposals, *without* modifying the 2030 and 2050 legal obligations in line with the EGD and the Climate Law. Alongside the objective of diversifying energy supplies away from Russia, the other two major pillars of the plan were to (a) accelerate the energy transition; *and* (b) increase energy savings.

4 With an additional 10% of annual spending in 2026 and 2027 under the long-term budget to be attributed to halting and reversing the decline of biodiversity.

5 Van de Graaf, T. (2023) "The geopolitics of energy after Russia's war in Ukraine", in G. Grevi (ed) *Forging Europe's Leadership: Global Trends, Russian Aggression and the Risk of a Regressive World* (Brussels: Foundation for European Progressive Studies), pp. 25-40.

Importantly, REPowerEU was not solely a short-term emergency package of measures to deal with the immediate fallout of Russia's war of aggression and Russia's weaponisation of energy supplies. It was also a medium- to long-term plan to accelerate the phase-out of dependence on Russian energy altogether by ramping up the energy transformation. It included, among other things, proposals around increasing the Energy Efficiency Directive and Renewable Energy Directive targets.[6] In other words, it builds on and expands the EGD, and introduces new initiatives within its confines.

It is often said that the energy transformation, and the shift towards renewable energy specifically, will help free the EU from foreign energy dependencies.[7] Consider, for example, the April 2023 Ostend Declaration, signed by nine North Sea countries, which emphasised that turning the North Sea into Europe's 'green power plant' would help accelerate both the transformation and reduce Russia's stranglehold over Europe's energy system.[8]

This emerging 'security' frame is a testament to an important shift that has taken place in the EU when it comes to understanding (the necessity of) the EGD, climate action and the energy transformation. A shift that has taken place in three phases. The first phase, which can be situated in the 2000s and early 2010s, predominantly framed the transition in climate and sustainability terms. The fossil energy system needed to go because of its detrimental climate and broader environmental impacts. The second phase, starting in the mid-2010s, saw prices for renewables dropping due to technological developments and economies of scale. A financial/affordability frame could now be added to the argumentation for the transformation. The third phase, setting off spectacularly with the war in Ukraine, further highlighted the security or (in)dependence frame to transition politics. In the original EGD Communication of December 2019, Russia is not mentioned once, while 'security' is mentioned a handful of times. In all the relevant EU documents since REPowerEU, Russia and the EU's (energy) security figure prominently.

Clean tech race and the Green Deal Industrial Plan

It is perhaps a truism that the current relations between the US and China are, to say the least, very much frayed. Compare the current situation with President Bill Clinton's comments in 2000 on the topic of China joining the World Trade Organization (WTO): "Supporting China's entry into the WTO is about more than our economic interests; it is clearly in our larger national interest. It represents the most significant opportunity that we have had to create positive change in China since the 1970s".[9]

The growing geopolitical and economic competition between the two is increasingly played out in the energy field. China has rapidly become the largest producer of renewable energy and has come to dominate some of the most strategically important low-carbon supply chains in the world, including those of critical minerals and green technologies –

6 European Commission (2022) "REPowerEU plan". COM/2022/230 final.
7 Milder, S. (2022) "Making 'freedom energies'? How 1980s struggles over market access shaped the rise of renewables in Germany". Cambridge Core Blog, 29 July.
8 "Ostend declaration on the North Seas as Europe's green power plant". Prime Minister Alexander De Croo website.
9 "Full text of Clinton's speech on China trade bill". *New York Times*, 9 March 2000.

not least thanks to large-scale public funding programmes and measures, such as *Made in China 2025*.[10]

The US, under President Trump, unleashed a trade war to counter its prime competitor. This policy of confrontation has simply been continued throughout the Biden presidency. Importantly, the energy and climate dimension of this competition has become ever more visible.[11] After all, as much as the Inflation Reduction Act (IRA) has been touted as the US' attempt to tackle, in the words of President Biden, "the existential threat" of climate change, it is just as much – if not more – an attempt to reign in China's growing economic and geopolitical clout. The IRA, in essence, is a form of green protectionism that originates in perceived threat by China to the US' geopolitical primacy, complemented by concerns over the failed trickle-down economics and unbridled globalisation of the post-Cold War capitalist triumphalism.

The EU's most recent large legislative package – the Green Deal Industrial Plan – should be understood in this context of competition and conflict. Indeed, French President Emmanuel Macron referred to the IRA as "super aggressive" towards European industry,[12] while Belgian Prime Minister Alexander De Croo warned that the IRA could lead to large-scale "de-industrialisation" in the EU.[13]

In essence, it is an industrial strategy that has been designed to shape the economic and industrial future of Europe in the decades to come. Yet again – just as with the EU's responses to those two other major external challenges discussed above – it is a solution entirely framed and developed within the confines of the EGD. Hence, the name of the plan. Its three constitutive components: the Net-Zero Industry Act, the Critical Raw Materials Act and the reform of the electricity market design are all deeply and explicitly connected to the EU's climate action and energy transformation under the EGD. Once more, a major challenge to the EU is interpreted and addressed squarely through the lens of the EGD.

Tackling future challenges through the EGD

Importantly, the EGD has not only served to deal with some of the previous and existing challenges, but it can also help address some of the challenges that we are currently facing and will likely only exacerbate in the future. Challenges that are both internal and external.

The first internal one refers to the fact that climate change is fast emerging as one of the few existential political cleavages in the EU. Concerns about the costs of climate action and the energy transformation are often instrumentalised by the populist (far-)right to call for a 'pause' in climate action or simply to bring back fossil fuels. In Germany, the far-right

10 Kawase, K. (2022) "Made in China 2025 plan thrives with subsidies for tech and EV makers". *Financial Times*.
11 Blondeel, M. (2023) "A place of greater safety? The EU's clean energy security during the clean tech race". *Gies Occasional Paper*, January.
12 "Inflation Reduction Act 'super aggressive', Macron tells his US hosts". *Euractiv*, 1 December 2022.
13 "Premier De Croo waarschuwt op EU-top voor 'de-industrialisering van Europa'". *Het Nieuwsblad*, 15 December 2022.

AfD – currently polling second behind the CDU and ahead of the SPD and *die Grünen* – has used the federal coalition's introduction of a law phasing out fossil fuel heating systems as an extremely successful political weapon.[14] While in Belgium, the far-right *Vlaams Belang* – currently polling as the biggest party ahead of the 2024 national elections – refers to action on the climate crisis as "climate bullshit".[15]

To counter these increasingly successful far-right narratives, the focus should be very much on the 'just transition' at EU and member state levels. Here again, the EGD offers the way forward. After all, it has laid the groundwork for establishing the Just Transition Mechanism and the Social Climate Fund. Both are aimed at alleviating the costs of the transition for the most vulnerable actors. The former is focused on regions that are the most carbon intensive or with the most people working in fossil fuel industries. The latter will provide support to vulnerable groups (households) most affected by higher fossil fuel prices resulting from the introduction of a new emissions trading system for buildings and road transport. It is only by introducing these types of measures that citizens can be convinced of support for the transition and climate action.

A second external threat is that of an ever-deteriorating economic and trade relationship with China (and the US). Already, the United States and the EU on the one hand, and China on the other have sought to weaponise trade in critical minerals and strategic materials. The US, together with, for example, the Netherlands, are limiting exports of microchip technologies to China. In response, China slapped controls on the exports of critical minerals, such as germanium and gallium and, more recently, graphite. In this ever-escalating series of actions and retaliations, the EU must be prepared. This not only means being prepared for escalation with China, but also for a future in which Donald Trump – or a Trump-like figure – wins the presidency in the United States in 2024. The British statesman Lord Palmerston's adage still rings true: "we have no eternal allies, and we have no perpetual enemies. Our interests are eternal and perpetual".

Again, the EGD and its associate programmes could come to the rescue. The Critical Raw Materials Act under the Green Deal Industrial Plan allows us to diversify imports, while the Circular Economy Action Plan can support the recycling and reuse of materials. As such, the EU becomes less import-dependent (and thus, more self-sufficient) and production or extraction levels of critical minerals can be reduced.

A flawless deal?

Of course, none of this means that the EGD is without shortcomings. It is, and will long remain, a work in progress. One fundamental flaw is its highly Eurocentric nature, in the most literal terms. It lacks a global perspective. Of course, the Carbon Border Adjustment

14 Mathiesen, K. (2023) "How the far right turned heat pumps into electoral rocket fuel". Politico, 4 October.

15 De Lobel, P. (2023) "Vlaams Belang zet zich af tegen 'klimaatonzin' en 'politiek elite'". *De Standaard*, 29 May.

Mechanism (CBAM), for example, is all about avoiding international 'carbon leakage' and creating a global level playing field, while REPowerEU was an important chapter on "EU external energy engagement in a changing world". Yet, in essence, the EGD is very 'inward-looking', if not downright protectionist. Protectionism is not inherently problematic, but it becomes so, once the 'victims' of such policies are the most vulnerable countries and people.

For example, the actual CBAM regulation merely provides lip service to the idea of the internationally engaged, 'geopolitical' Commission that supports a global just transition through its EGD. The regulation simply notes that "The EU should provide technical assistance […] to developing countries and to least developed countries"[16] to develop carbon pricing mechanisms that could exempt them from the levy. But what does such "technical assistance" look like? Is it fair to ask the same institutional and technocratic efforts from a country like Mozambique – a major aluminium exporter to the EU – a country with a per capita GDP of $541 (compared to that of the EU at $37,149 per capita)? The 'external' dimension of the REPowerEU plan also did not at all engage with, let alone resolve, issues associated with how the EU's 'global scramble for gas helped export its own energy *in*security to developing countries, depriving them of essential liquified natural gas.[17]

A second important shortcoming is that the EGD, in its original formulation in 2019, firmly puts markets in the driver's seat of the transformation, rather than governments. This changed somewhat over time as the Covid-19 pandemic, the energy crisis and geo-economic competition with US and China ramped up. The Green Deal Industrial Plan sees 'industrial policy' that steers the scaling of green industrial capacity as the foundation of the climate and energy transformation. However, as Daniela Gabor argues, "beyond this transformational rhetoric, the EU conceptualises industrial policy through the language of *derisking*".[18] A certain primacy is still attributed to markets, as state intervention is only necessitated because of a 'distortion' or 'failure' of the former. The Commission indeed supports the relaxation of state aid, but it is quite conditional. Moreover, firm or state behaviour that goes against the plan, that is, the financing of large-scale hydrocarbon projects, are not penalised.[19] In other words, it entails a strategy of 'carrots without sticks'. The fate of the 'black list' of the sustainable finance taxonomy, a dirty taxonomy of carbon activities that needed to be curtailed via monetary and direct regulatory measures, is a case in point.

Gabor sees two major lacunas in this *derisking* approach. Firstly, it outsources the transformation process to private capital, running the risk of amplifying an increasingly messy process guided by shifting profit opportunities. Secondly, by politically embracing such a strategy, it weakens support for alternative political pathways that put the state

16 Official Journal of the European Union (2023) "Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism". OJ L 130, 16.5.2023.
17 Blondeel, M. and Bradshaw, M. (2022). "The EU's global scramble for gas". UK Energy Research Centre, 12 May.
18 Gabor, D. (2023) "The (European) derisking state". SocArXiv Papers, 18 May.
19 European Commission (2023) "A Green Deal Industrial Plan for the net-zero age". COM(2023) 62 final.

much more firmly in the driver's seat of the transformation. This is what she calls the *Big Green State*. Unfortunately, the ongoing negotiations regarding the EU's strict fiscal and debt rules (the Stability and Growth Pact or Maastricht Treaty) do not spell the turn toward a veritable 'green whatever-it-takes moment'[20] and the emergence of a European Big Green State.

The EU's new raison d'être

To conclude, it is abundantly clear that the EGD is no longer just one of the six political priorities set out by the Commission at the start of its mandate in 2019. In the five years since it was first presented by Von der Leyen and Timmermans, it has become the EU's go-to framework to address the crises it has faced. The EGD is its alpha and omega, its very raison d'être, that ties together short- and medium-term responses to ongoing crisis and challenges with a long-term vision of a more resilient, integrated and open Union.

More than 70 years ago, the predecessor of the Union as we know it today, the European Coal and Steel Community, was founded. An energy treaty was to forge lasting peace on a continent wrecked by two devastating world wars. Today, it is yet again cooperation on energy (and climate) that guides the way. Organising, coordinating and managing the energy transformation and climate action is a massive challenge in itself. Having to accomplish that in the age of volatility only complicates matters further. Nonetheless, it is the European Green Deal that is the compass that guides us through the storms.

20 Blondeel, M. (2022) "A green 'whatever it takes' moment", in L. Andor, A. Skrzypek and H. Giusto (eds) *Progressive Yearbook 2022* (Brussels: Foundation for European Progressive Studies), pp. 195-198.

Progressive Person of the Year

Overcoming crises is part of the parcel of progressive politics in Europe. But the best standard of socialist politics is when short-term challenges are tackled while keeping our eyes on the long-term development goals.

Spain is not the only country where the rise of the far right was observed in the past decade, but here it was truly dramatic and alarming, pushing the country to the brink of moral and political crisis. However, the extraordinary elections held in July 2023 saw the Socialist strategy succeeding in pushing back the far right, giving hope to the rest of Europe that the tide can be turned around elsewhere too.

The Socialist government consolidated its positions which was greatly needed during the Spanish presidency of the Council of the European Union. This took place at a time when the centre-right, sometimes in cooperation with the far right, was trying to mastermind a backsliding from ambitious policies like the Green Deal, despite civil society organisations widely endorsing the concept of a Just Transition. What needs to be highlighted here is the collective success of PSOE but also the individual achievements that should inspire others in our movement.

Teresa Ribera Rodríguez is an outstanding socialist leader in Spain. She has been a member of the government since 2018 and has also become a renowned international policymaker in the fight against climate change. She has helped European socialists to

develop a robust climate agenda during the past decade. As a deputy prime minister, she has also been responsible for overseeing questions of demography which is another policy area that the EU would need to consider more seriously in the future.

If we need to name a wise and charismatic leader on climate policy, with deep and thorough knowledge of the field, Teresa Ribera certainly is among them. She has resolutely worked on questions of the environment and sustainability in government, in opposition and in government again. In the judgment of FEPS, she is FEPS Progressive Person of the Year in 2023.

LÁSZLÓ ANDOR
interviews TERESA RIBERA RODRÍGUEZ

Climate justice and social justice are connected

László Andor: *We speak about climate emergency with increasing urgency. We are in the 24th hour, regarding climate change, and so much needs to be done and quickly. Why, in your view, do many people not accept or understand this?*

Teresa Ribera Rodríguez: I think that everybody understands that climate is changing and that scientists have provided an explanation that makes sense. This is no longer something being challenged by a large majority. But what is true is that too often we have the impression that there's not a clear understanding of the importance of what is happening and of the need to react in a very quick and profound manner, with a very cross-cutting approach to climate policies. To a certain extent, it is like a kind of self-protection. It is difficult to accept that we need to change so many things in such a short period of time. So, unless it is reasonably easy to make the necessary changes in our behaviours, we try to stay in our comfort zone and not accelerate these changes. With the personal conviction that politics need to serve citizens, we are obliged to find a way to make the decisions easier, not to hide the reality, not to act as if nothing is happening, which could be very dangerous and could be backtracking, but to facilitate the transformation in a socially fair and just manner and to allow people to experience the benefits of doing things in a different way.

LA: *Could you give us a few examples, from recent years, of what measures and what main steps the socialist government of Spain has been taking under your leadership in the field of climate policy?*

TRR: There have been many positive experiences. Some of them were not easy. When we entered into power in government in June 2018, we knew that we had to phase out coal in Spain. There was not much mining activity already, but there was some, and there were a significant number of coal-fired power plants. And of course, for the people working in these coal areas and for union people this was an important thing.

For generations, it was the most relevant way of making their livings, and, apparently, there were not so many alternatives around. We decided to go ahead trying to promote a fair transformation, a just transition, in this area – ensuring that the social policies brought the creation of new opportunities for work. And it has happened!

The other thing that was very important was the discussion on energy transition to experience a new approach to how we could produce and consume energy differently, how this could be a good reason to feel – again – proud of what we do, because there was the innovation approach, the skilling and reskilling approach, new jobs creation, the lower share of the big utilities in the electricity market, and the capacity to reduce bills thanks to self-consumption and renewable energy solutions. And this was also very important. But these are not the only cases. Energy is a very important piece of the climate and environmental policies that create positive or negative effects. But on the side of the environment, connected or not connected to climate, there are very relevant things that have an impact on people. I'm thinking about water planning and identifying what types of infrastructure and what type of water management we need.

Because climate change does already exist and creates a different distribution of water, it may mean lots of water flooding, so the flood risk changes, or it can mean severe and longer droughts, and it creates tensions around the availability of freshwater for households or for agriculture or other consumptions. We need to think in a different manner about how to be very effective and very efficient, how we can reduce water, how we can introduce additional infrastructure and how we can create a different culture dealing with water. The same for the relationship with biodiversity, ecosystems, and the social and territorial development in those areas that are directly connected to Natura 2000 sites. So, how can we ensure that having an environmental protection label for any particular site does not prevent activities and economic prosperity in the surrounding areas? And again, this requires much investment at the local level. How can we ensure that the local population and the local authorities embrace the alternatives and do feel part of the final decisions? How can we ensure that they take ownership of their own future? This is what should be tackled at the national level, but what has been very impressive in these last years is that we have experienced that the world is very small, and that a very small virus can stop whole activities all over the world and create very serious problems not only in terms of health but also in economic terms and in terms of social impact. We should take notice of the importance of counting on resilient public services to be in a position to provide care, protection and alternatives in these difficult moments. The pandemic has been quite an experience for all of us, and we know that all the different side effects that it triggered in Europe and its member states could have been solved in different ways. The pandemic and its management could have provoked the implosion of the European project, the implosion of the internal market; they could have triggered selfishness instead of solidarity. I think that thanks to the progressive thinking that was at the very beginning of this European cycle – how we can build a new social green contract with the citizens, how we could bet on the new Green Deal, how together we could make a much better response to the current challenges – we were in a better position to face these problems.

LA: *I wanted to ask you about the EU dimension. You emphasise local action in different regions of Spain, but the EU Green Deal is probably something that opened a new chapter. How do you assess, because it's about four years behind us, the aim of the Green Deal, but also its implementation, so far?*

TRR: We Europeans are pretty demanding. We always ask ourselves to do everything very well. And from that perspective, there may be people thinking that what we have done is not enough. But I think that what we have done collectively is very impressive. I think that we have rapidly made it clear that green is a European value, and that the social dimension of the green transformation is a European value. This was also a very good opportunity to support our values and how we think we can relate to other partners elsewhere in the world through multilateralism while enhancing these green social values.

The Green Deal has been quite a good representation of what all of this means. It is through regulation, but it is also through a different perspective on how to build European policies, and I think it has also been very important, and again when we had a particular crisis – and now I'm not referring to the Covid crisis, which had a very different response when compared to the previous economic financial crisis – the energy crisis. With the energy crisis, which impacted the member states differently, we all knew that we had to react in a consensual manner, acting together but with the flexibility and solidarity that the situation required. And I think that this was part of what we had been learning by doing through the previous crisis experience, but also through the anticipation and the developments that we had already promoted around the Green Deal. We knew what we had to do; we knew that it probably required additional flexibility, but we had a response on how to address these questions, avoiding energy poverty and providing what could be needed in certain countries more than in other countries.

LA: *Beyond the EU level, there is also the global one. How do you see the development of the global diplomacy of climate change in which you also have participated?*

TRR: This is something we need to invest much more in. I think that this is very important, and that Europe has the capacity to play hard in this agenda because climate diplomacy is very close to our own values. There have been very relevant moves: now everybody understands that building adaptation is not just a local issue and that there are transboundary effects connected to climate change impacts. If there are huge droughts in Africa, there could be problems with access to water by foot and these could create tensions, which, in turn, could cause migration and additional local problems, violence, for example. There are issues at play here that can easily transcend borders. So, yes, we need to work at the global scale!

And in these turbulent times, we miss governance platforms that allow us to discuss how to solve certain problems, violence and wars for instance. I think that we have the chance to count on a platform, the COP, to facilitate governance on climate as a global problem. And we need to pay attention to that, and to take care, and to build around this platform. And yes, adaptation, resilience, losses and damages being suffered in the most vulnerable countries do knock on our door, and we Europeans need to craft how we

can respond to this carefully; how we can facilitate a broader investment in a much more climate-safe future.

We need to think about how private investments could be used differently; how we could move the development banks towards something that is much more consistent in development terms, so as to be resilient, sustainable in the long run; how we can ensure that this is something that is taken increasingly into account in other capitals. I think that this perspective is much more evident right now, so the concept, the mere concept of climate justice, as something that does relate to the countries among themselves but also citizens within the same country or generations in any country, is providing a new type of approach to climate policies at the international level.

LA: *When you say there is a generational dimension, do you mean that young people are more sensitive to the question of climate change, and, if this is true, should they not have a greater say in the consultations and the development of the policy?*

TRR: I think that many young people experience, understand and have a much more real intelligence about climate change. It is something that is not new in their concerns; it is something that they have grown up with. So, yes, I believe that the way they think of this problem and the solutions they could formulate to face it are different. This is why we see the anger of some of the young activists. Once they understand the depth of the problem that we are already facing, and that will be increasingly bigger, they react with anger. They say, "Why the hell don't you react as you should?" So, yes, I think that there is a much clearer understanding.

The second point is that we need to ensure that the way young people may shape the problem or provide answers to it is taken into consideration. We are talking about something that will be part of their day-to-day lives. So, the way they think today and the way they own the problem and the solution are very important. Sometimes, we are tempted to say, "Yes, I listen to you, but then I forget about what you say". No, I think that it is very important to keep this dialogue between generations in a very committed manner. Because, in fact, we need them in the decision-making process and we need them to feel ownership of the solution.

The first element I still miss is a much clearer conversation. I mean, the general public conversation is still either quite vague or defensive; it's not so assertive in terms of proposals on how to solve the problem. I think it is important to be honest when dealing with the information and with the assessment being made by researchers and scientists. But that is only the first stage. Then we need to say, "Then what? How can we solve this?" And here young people have a very important role to play. We must not overcharge young people who need to be studying, working and making their vital decisions, and not just solving problems that have been created by others, but I think that there is great room for improvement.

LA: *Very often we highlight the importance of making the transition to a sustainable economy and society just and fair, but what do you think would need to be brought forward*

in addition to the existing ideas? Some measures to ensure that people are compensated or reskilled have already been introduced, but what could be done in addition to ensure that the transition is fair and just?

TRR: This is a concept that was used for a very long time related to coal. It was generated not in the context of climate affairs in general, but in that of the coal industry, because that sector was the first to be phased out. Then we understood that, as the transition is going to be very intense and very quick, we need to prepare workers for the new skills required by the market, and reskill and retrain those who today are working in sectors that will not last for a long time. This is when we introduce the second dimension. The transition may have a distributional impact that is unfair, and transitional costs that may be unfair. For instance, market instruments and price signals may be very effective in terms of the cost signal to make decisions on investments. However, they may not be fair for consumers because this cost could be finally paid by consumers, and those who have more difficulties when it comes to an investment in change would be paying for a longer time and a larger share of their family income, and could have a hard time thinking in the long run when facing difficulties in their own households.

There are other dimensions that relate to the physical aspects of the climate impact. The cost of the physical impacts of climate may differ for different groups, depending on their own vulnerability – physical vulnerability or social vulnerability. Hence, it may be worth opening up the conversation about how we can organise the urban agenda for the future, or how we can retrofit homes or how we can reshape infrastructure. Anyway, in the very short term, there may be transitional costs that cannot be covered by people with fewer resources.

These are some of the dimensions that need to be taken into consideration when designing future policies and updating the fiscal and tax policies, and when approaching social policies in general. I do think this is a beautiful opportunity for progressive thinkers, inspired by activist, scientist and even ethical experts, but based on a pragmatic approach.

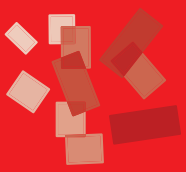
This should be part of our agenda: How are we going to live in a hotter world? What type of social impact might that have? How can we ensure justice and fair access to essential resources and services for everyone? I think that there are dimensions that are related to justice and to this climate challenge. The reason why they concentrate on climate challenges and not on other big changes is that we cannot manage more in this short period of time. There is so much to be done in such a short time span and the transformation and the will are inevitably intense. We could cause a massive injustice if we do not consider the uneven impact that it may have on the different groups of society, depending on their own capacities to face this challenge. It is our goal for environmental justice to go hand in hand with social justice.

LA: *So, are we in a defensive struggle? I'm asking this question because 2024 is going to be a European election year, and we are witnessing some stakeholders and organisations stepping back from the commitments to climate policy, and we are observing various political tendencies that may lead to a reduction of the determination needed to carry out*

the Green Deal. So, are we now in a phase when we simply defend the policies, or is it also possible to bring forward new ambitions and further necessary measures?

TRR: To me, it would be a great mistake to stay defensive and cowardly. The ones asking to do nothing are the ones that could be accused of being responsible for the injustice that will be created by not tackling climate as it must be tackled. And I think that what is very important is for us to sound and to act in a convincing manner. We know what we have to do. We need to stress the social dimension: we could not act without a very committed social policy and social values behind us, so people are at the centre, but taking into consideration what climate means. We need to ensure that people have early access to the benefits of the change, so if we are investing in the energy transition, we need to ensure that people have early access to lower energy prices because the operational cost of renewable energy is lower than the traditional way to produce electricity. If we are talking about water security, we must make sure that water is accessible and ensured everywhere. When we are talking about the urban agenda and healthy cities, we must start in popular neighbourhoods to ensure that those who have poorer houses and higher bills in relative terms because their houses are badly insulated or live long distances from the centre of the city, can count on green neighbourhoods and well-insulated houses.

We need to build something that not only inspires hope and a willingness to do more, but recognises that this solidarity and social justice are very much connected to the green agenda.



BIG ISSUES

FABIAN FERRARI

The age of digital democracy: A progressive vision for generative AI

A spectre is haunting Europe – the spectre of generative AI. This transformative technology, exemplified by ChatGPT, permeates our societies. It brings not only the convenience of use and innovation but also challenges for progressive politics. We must approach this spectre with a nuanced perspective, acknowledging the benefits of technological progress, while also ensuring it serves the public good. However, warnings of AI-powered misinformation are not only overblown, but they also distract from addressing underlying structural problems in the AI industry, including the formation of digital monopolies. This chapter outlines a new vision for AI governance that expands the political horizon beyond a narrow focus on regulation towards a more ambitious project of producing AI infrastructure as a public utility.

The spectre of generative AI

The fear that generative AI systems could manipulate elections and distort the fabric of our democratic processes haunts the EU. For example, in October 2023, the European Union Agency for Cybersecurity issued an alarming warning that the upcoming EU elections are at risk due to AI.[1] As the agency put it,[2] "we need to be alerted to the potential misuse of AI-powered chatbots in phishing attempts, information manipulation and cybercrime". This warning exemplifies a widespread perception of generative AI within the public debates: its role in eroding trust in democratic elections by facilitating the generation of misinformation at scale. It has never been easier to produce compelling pictures and text using apps like OpenAI's DALL-E and ChatGPT. Although deep fakes – using face-swapping techniques to modify videos – have been around for a while, the manipulative power of today's generative AI systems is unprecedented. Thus, as proponents of the misinformation hypothesis argue, we need to regulate the use of generative AI systems to mitigate those risks.

1 Bertuzzi, L. (2023) "EU cybersecurity body sounds alarm bell over AI-driven disruptions of European elections". Euractiv, 19 October.
2 "EU elections at risk with rise of AI-enabled information manipulation". ENISA, 19 October 2023.

However, this surface-level spotlight on the publicly visible expressions of AI-powered misinformation distracts from addressing structural problems in the AI industry. This chapter argues that progressives need to move beyond an exclusive focus on the most visible symptoms of current generative AI developments (e.g. fake news and information manipulation) to consider the underlying infrastructural causes for those symptoms. The key problem of the AI industry is not that it equips 'bad actors' (a term that often remains undefined) with new tools to produce misinformation. Its key problem is rather that a handful of Big Tech companies dominate this industry, evading and undercutting democratic control and accountability. As long as this situation persists, regulatory efforts to merely tamper with publicly identifiable symptoms will fall short of ensuring long-term democratic governance in the digital world.

This chapter proposes a new progressive perspective on AI governance, broadening the scope of policy interventions beyond a limited focus on regulating misinformation. I advocate for a more ambitious endeavour: producing AI infrastructure that underpins consumer-facing applications as a public utility. In other words, democratising the means of AI production. The age of digital democracy does not mean that democratic values and procedures need to be aligned with AI. Rather, it means that those values and procedures need to be imposed upon AI systems and their providers. The future trajectories of AI need to be aligned with democratic values – not the other way around.

Generative AI and Big Tech companies

Why is there a need to expand the EU's policy horizon beyond a narrow focus on regulating the most visible symptoms of generative AI systems? To answer this question, it is worth taking a step back to consider the fact that generative AI systems are constituted by three key components: consumer-facing applications; underlying foundation models; and computational infrastructure. Generative AI systems are powered by machine-learning techniques that can detect statistical patterns in training datasets (e.g. words, pixels) to produce outputs with some variations based on those patterns. Regardless of the type of training data (be it Hemingway novels or Shakespeare plays), the same basic logic applies. Those machine-learning techniques are commonly referred to as 'foundation models'[3] because they can be applied to a range of tasks, from churning out AI-generated scripts for new plays in the style of Shakespeare to producing grocery shopping lists in the style of Hemingway. Foundation models underpin consumer-facing generative AI applications, such as ChatGPT. Importantly, ChatGPT is not a foundation model; it is an application built on top of a foundation model – in this case, OpenAI's proprietary GPT-4 model.

This distinction between consumer-facing applications and foundation models is at the core of understanding uneven power relationships in the AI industry. For example, in the case of OpenAI, the same company owns the consumer applications and foundation

3 Ferrari, F., J. van Dijck and A. van den Bosch (2023) "Foundation models and the privatization of public knowledge". *Nature Machine Intelligence*, 5: 818-820.

models. However, in other cases, smaller companies pay a fee to use OpenAI's GPT-4 model when building their own services and applications on the basis of the foundation model. OpenAI can act as a gatekeeper in controlling the downstream use of their models by other companies. Exempting the providers of such foundation models from the EU AI Act,[4] as representatives from Germany and France recently suggested, would put a high burden for compliance on smaller companies that use the foundation models, while their owners could evade responsibility. Crucially, there are only a handful of high-profile foundation models that underpin a range of generative AI start-ups in the EU, including Google's PaLM, Anthropic's Claude, OpenAI's GPT-4 and Meta's LLaMA models. Those foundation model providers either have exclusive partnerships with Big Tech companies (OpenAI/Microsoft, Anthropic/Amazon) or they represent direct subsidiaries of Big Tech companies (Google DeepMind, for example). Although their providers often tout the 'democratising' potential of AI, the political-economic reality is that a handful of platform monopolies[5] dominate this industry. As infrastructure providers like Microsoft and Amazon benefit from the widespread adoption of generative AI systems, they have no intrinsic economic interest in preventing the misuse of those applications by 'bad actors'. Therefore, any regulatory attempt to tamper with symptoms like fake news while neglecting to address uneven power relationships in the industry may only offer a superficial solution.

Beyond consumer-facing AI applications and foundation models, the third component of generative AI systems is computational infrastructure. This component refers to data centres, specialised chips to train large-scale machine-learning systems and the provision of processing power to ensure the day-to-day operations of systems such as ChatGPT. It requires a staggering amount of computing power to develop state-of-the-art generative AI systems in the first place. But their everyday operations also require infrastructural processes. Whenever we generate a text output using ChatGPT, a computing process is triggered in Microsoft's data centres worldwide. Although it is difficult to quantify the environmental impacts[6] of training generative AI and using them on an everyday basis, estimates suggest that a normal ChatGPT conversation of 20-50 question-and-answer pairs consumes approximately 500 ml clean freshwater to cool Microsoft's data centres. In other words, while the outputs of generative AI systems may feel artificial, the actual computing processes that underlie them are far from artificial, necessitating the extraction of material resources that are limited by planetary boundaries.[7]

This third component, computational infrastructure, is crucial for democratising the means of AI production. A progressive policy perspective on generative AI requires moving beyond the publicly visible and commonly discussed ramifications of this technology (misinformation, for example) to dig deeper and ask more fundamental and

4 Bertuzzi, L. (2023) "EU AI Act 'cannot turn away from foundation models', Spain's state secretary says". Euractiv, 17 November.
5 Srnicek (2020) "Data, compute, labour". Ada Lovelace Institute, 30 June.
6 Mann, T. (2023) "To quench AI's thirst, the way we build, operate datacenters needs to change". The Register, 15 May.
7 Agar, N., D. Blaustein-Rejto, M. Gomera et al. (2023) «Is AI a climate game-changer?" Project Syndicate, 11 September.

structural questions about the infrastructural underpinnings of this technology. Should computational resources be in the hands of a few powerful companies based in the US, allowing them to define what 'AI' should mean for the rest of us? Can there ever be a democratic governance of generative AI applications without democratising the infrastructure that makes them possible in the first place? And, perhaps most importantly, what can be done to stop a further concentration of economic and cultural power in the AI industry?

Public utility thinking in the age of generative AI

A promising answer to all those questions lies in the idea of transforming AI infrastructure into a 'public utility'. As Viktor Pickard explains, "public utilities are institutions that provide essential services and goods to the public. Different varieties are possible: they may be publicly or privately owned, cooperatively governed, locally controlled at the municipal level or maintained as a state monopoly".[8] For example, electricity, water and sewage systems, transportation and telecommunications are considered public utilities, as they provide essential services that are crucial to the well-being and functioning of society, and their accessibility and reliability are critical for public welfare and economic activities. While we cannot apply those sectors and examples one-to-one to AI infrastructure as a public utility, three important aspects of public utility governance can serve as reference points for progressive thinking and democratic debates about this pivotal topic.

Firstly, it is crucial to consider the dimension of high fixed costs and network effects. In simple terms, this means that it costs a staggering amount of money to assemble a worldwide network of data centres and computational resources. Amazon, Google and Microsoft – three Big Tech companies that are dominant infrastructure providers for generative AI systems – all benefit from a first-mover advantage: because they were very early in recognising the potential of renting out access to computational resources (a business model that is called infrastructure-as-a-service), they were able to optimise their services over the years. Additionally, they can use network effects: the more people use a service, the more data they generate that can be used to improve Big Tech's offerings. Because of a combination of high fixed costs and network effects, it is enormously difficult for EU-based companies to compete with Big Tech firms as infrastructure providers. As ambitious projects such as Gaia-X (an EU alternative to Big Tech's services) illustrate, Big Tech's dominance in the cloud computing industry is deeply entrenched.[9] In short, one key reason for public utility regulation is the impossibility of a level playing field for fair competition in digital markets. The only way to retain a level of European digital sovereignty is to gain sovereignty over the means of AI production.[10]

8 Pickard, V. (2022) "Democratizing the platforms: Promises and perils of public utility regulation". WACC, 19 August, p. 2.
9 Ambasna-Jones, M. (2023) "Is Gaia-X on course to challenge the big tech platforms?". Raconteur, 20 March.
10 Larsen, B. C. (2022) "The geopolitics of AI and the rise of digital sovereignty". Brookings, 8 December.

Secondly, an infrastructural view of the utility providers that underpin the expansion of other services that are built on top of their offerings can have sweeping cultural implications. As legal scholar K. Sabeel Rahman argues, applying public utility governance to Big Tech companies may "alter the very business model and market dynamics of the firms in question to head off potential downstream conflicts, power disparities, and likelihood of exploitation".[11] This reasoning assumes the root cause of all concerns surrounding the role of generative AI in undermining democratic values "lies in the way these platforms operate as modern economic and social infrastructure". The fact that a tiny handful of Big Tech companies control the provision of computational infrastructure for generative AI systems derives from the substantial fixed costs associated with constructing such infrastructural arrangements.

As a result of their business models, their dominance creates distinct power disparities, including the exploitation of low-paid, outsourced workers that annotate training datasets for AI,[12] as well as the disregard for the accumulated cognitive work of copyright holders.[13] By contrast, turning AI infrastructure into a public utility could go hand in hand with requirements for downstream users to ensure fundamental human rights and fair labour standards.

Thirdly, contrary to the perception that state intervention is the enemy of innovation, the production of AI infrastructure as a public utility may ensure the development of technological innovations in line with the public interest of EU citizens – rather than the private interests of American Big Tech firms. As the economist Mariana Mazzucato argues in her influential book, *The Entrepreneurial State*, corporately claimed innovations are often the result of state-funded investments in research and education. From early public investments in internet infrastructure and fundamental research and open datasets, the state is an enabler of innovation. However, a typical pattern in the AI industry is that the fruits of publicly funded work get turned into closed and commercial systems like ChatGPT. State investments made ChatGPT possible, be it in the sense of training datasets or processing power, but states do not benefit from this privatisation, especially in the EU. In the context of AI governance, Mazzucato and her colleagues therefore argue that a focus on governing the symptoms of AI "without improving the kind of institutional and infrastructural environments which avoid lock-in and path dependencies can lead to under-performing innovation systems".[14] The unfettered power of Big Tech companies also poses more structural concerns for democracies. The Open Markets Institute argues there is a "major threat to economic and societal resilience posed by the reliance of our governments and key industries on a handful of geographically concentrated cloud providers".[15] This

11 Rahman, K. S. (2018) "Regulating informational infrastructure: Internet platforms as the new public utilities". *Georgetown Law Technology Review*, 2(2): 234-251.

12 Perrigo, B. (2023) "Exclusive: OpenAI used Kenyan workers on less than $2 per hour to make ChatGPT less toxic". *Time*, 18 January.

13 Appel, G., J. Neelbauer and D. A. Schweidel (2023) "Generative AI has an intellectual property problem". *Harvard Business Review*, 7 April.

14 Mazzucato, M., M. Schaake, S. Krier et al. (2022) "Governing artificial intelligence in the public interest". Working paper, WP 2022/12, p. 16. UCL Institute for Innovation and Public Purpose.

15 Lynn, B., M. von Thun and K. Montoya (2023) "AI in the public interest: Confronting the monopoly threat". Open Markets Institute, November.

means that, if Big Tech's services are disrupted, so will public and private sector data flows that rely on those infrastructural offerings for their day-to-day operations.

These three drivers of public utility thinking in the context of AI infrastructure – stifled competition, downstream effects and state-funded innovation – require further elaboration and democratic debate. All three aspects also need to be systematically juxtaposed with the EU's regulatory action in shaping the digital single market in the form of the Digital Markets Act, the Digital Services Act and the AI Act.

Democratising the means of AI production

Fake news, misinformation, deep fakes – those buzzwords distract our attention from the more pressing political project of democratising the means of AI production. It is not enough to look at the symptoms of the AI industry's structural problem. Instead, progressive thinking needs to tackle their underlying driving force: a concentration of infrastructural power in the hands of a few companies. Historically, such tendencies of industry concentration have reliably triggered social, economic and regulatory transformations. The rise of the robber barons during the late 19th century in the US, characterised by the consolidation of power by a handful of industrial magnates, prompted comprehensive reforms in antitrust laws and sweeping regulations to curb monopolistic practices. Similarly, the formation of oil and gas monopolies led to widespread concerns about the social and environmental implications of market power abuse.

What will future historians say about the dominant providers of AI infrastructure? The answer to this critical question will hinge on the dialectical interplay between the control over the means of AI production and the socio-economic structures it perpetuates. Just as industrial monopolies spurred a re-evaluation of capitalist structures in the past, the current state of AI is a historical opportunity. The choices we make now will determine whether the age of digital democracy will amplify concentrated power or empower us collectively.

PAUL MAGNETTE
and the team of the INSTITUT
EMILE VANDERVELDE (IEV)
with the contribution of LOUISE FROMONT

Tax the rich!

Today, the richest 1% of the planet alone emits more CO_2 than the poorest 66%. But it is the poorest who mostly suffer the consequences of climate change. In this chapter, the authors illustrate in detail their initiative for the introduction of a wealth tax at the European level to reorient the European Union towards a just and democratic climate transition and to restore a general balance, as there cannot be climate justice without social justice.

The EU faces major challenges, including climate change, social inequality and poverty. All these are weakening our healthcare systems and public services. The real impacts of climate change, as reflected in the increase, intensification and worsening of environmental disasters, are accelerating and being felt globally. Extreme weather events, such as floods, hurricanes and fires, are on the increase, hitting the most vulnerable populations even harder. Experts say that the situation is set to get even worse over the coming decades. Although Europe is not the most exposed continent, it is not immune. Floods, storms, droughts and other once-exceptional events are becoming increasingly frequent.

As part of the Green Deal, the EU is committed to achieving carbon neutrality by 2050. To achieve this goal, on 14 July 2021, the European Commission presented its climate package ("Fit for 55"), which included measures on an unprecedented scale, such as the introduction of a carbon tax at the EU's borders, the extension and strengthening of the European carbon market, and a ban on the sale of internal combustion engine cars after 2035. The difficult negotiations concluded in December 2023 at COP28, and the presence at the conference of numerous lobbies, demonstrate how far we still have to go to achieve carbon neutrality, and that we must do everything we can to speed up the phasing out of fossil fuels in Europe and worldwide.

While 20% of the EU budget was allocated to climate-related projects for 2014-2020, this target has been raised to 30% for 2021-2027. However, to finance the ecological

transition, the EU needs its own substantial resources. Despite the efforts made and being a leading global economic power, the EU does not have a sufficient budget to implement support policies. We must be even more ambitious to meet our commitments and treat the climate emergency as a crisis, just as we treated the Covid crisis. If we succeeded in generating our own resources to ensure a post-Covid recovery, we can do the same to ensure the social and climate transition.

No climate justice without social justice

Today, the richest 1% of the planet alone emits more CO_2 than the poorest 66%. Yet it is the poorest who suffer most from the consequences of climate change. This kind of inequality calls for rebalancing and acceptance of greater responsibility.

Most tax systems in the EU deliberately favour the wealthiest, to the extent that this favouritism seems to have become a norm that goes unquestioned. In nearly all European countries, the wealthiest have seen a steady decline in taxation over time. In the space of 30 years, wealth tax, for example, has been abolished in all EU countries, with the notable exception of Spain. It is high time to reverse this trend: for reasons of democracy, of course, but also for economic efficiency.

A fundamental reorientation of the EU towards a just and democratic climate transition is feasible, desirable and urgent. We recommend taxing large fortunes to restore a general balance, as there can be no climate justice without social justice. A tax on the wealthiest would generate revenue within the EU to co-finance policies for the social and ecological transition and development cooperation. Policies that must, of course, consider the objective situation of each member state.

How we can get there

We have drawn up a methodical plan to get there. We registered a citizens' initiative with the European Commission, a powerful tool that allows one million European citizens to ask the European Commission to propose new legislation on a particular issue. We put together a group of organisers from seven member states, from different political and trade union backgrounds, civil society and even from millionaires' associations.[1]

The first challenge was to persuade the Commission to accept this initiative, as the Commission has no powers to collect taxes as such. We worked with various experts[2] and developed a solid, detailed legal argument. After a month's wait, the Commission agreed

1 Besides the author of this chapter, Paul Magnette, the main signatories of this citizens' initiative are: Aurore Lalucq (MEP, France); Thomas Piketty (economist, France), Marlene Engelhorn (multimillionaire, Tax Me Now, Austria); Lars Koch (secretary general, Oxfam, Denmark); László Andor (FEPS secretary general, Hungary); Conny Reuter (global coordinator, Progressive Alliance, Germany); and Lainà Patrizio (chief economist, Finnish Confederation of Professionals STTK, Finland).

2 Among them, Louise Fromont, post-doctoral researcher and lecturer at the Université Libre de Bruxelles.

to take our project into consideration. This was a major step forward, and a sign that we can make it a reality if we mobilise on a grand scale. Just as we created the minimum tax on multinationals and windfall profits on a European level, let's introduce a tax on the wealthy!

The next logical step

In the past, wealth has been taxed under exceptional circumstances. This was the case, for example, during the two world wars: in France in 1916 and 1945; and in the US in 1942, when President Franklin D. Roosevelt introduced a tax on the highest incomes.

While past crises have called into question prevailing economic thought, more recent crises – the 2008 financial crisis, the coronavirus pandemic – have barely disturbed the economic model currently in place. The great speeches made at the time had no effect on the seemingly unshakeable, even unsinkable, neoliberal doxa. Yet the times in which we live, with their growing social injustices, widening inequalities and all kinds of imbalances, demand that leaders have the courage to bring about a paradigm shift. The climate, as well as the social emergency, must take precedence!

This paradigm shift must occur at least at the European level. Individually, member states will not be able to counteract the mechanisms of tax competition and dumping that discourage any effort to achieve justice, even if they act concertedly. The EU was created precisely to provide global solutions to help us avoid such traps.

Capitalising on momentum

The tax we are advocating for answers numerous calls from citizens, civil society, economists, scientists and elected representatives. 67% of Europeans believe that wealth should be taxed.[3] They are right because the tax rate for the wealthiest is currently lower than that for the middle class, which poses various social, economic and democratic problems.

Several studies, including one conducted by the World Inequality Lab,[4] have shown that such a tax would help in the fight against climate change.

The main aims of the EU are to promote its people's well-being, combat social exclusion, and guarantee justice and social protection for all its citizens. Its institutions are therefore committed to ensuring greater fairness, particularly in taxation. On the one hand, the Conference on the Future of Europe insisted on harmonising tax policy and using this lever to combat the environmental crisis. On the other, the future directive on establishing a global minimum rate of taxation for multinational groups demonstrates that the EU can agree on greater tax fairness.

3 Welsch, G. (2023) "'Tax the rich': La Commission européenne valide la pétition sur la taxation des grandes fortunes". La Relève et La Peste, 2 October.

4 Chancel, L., P. Bothe and T. Voituriez (2023) "Climate inequality report 2023: Fair taxes for a sustainable future in the Global South". World Inequality Lab Study 2023.

Just before we filed our initiative, around 30 members of the European Parliament, supported by economists, called on the EU to introduce a progressive tax on extreme wealth, using a different petition system. Finally, our initiative is gaining support worldwide. In September 2023, the G20 in New Delhi saw a major mobilisation, with Oxfam, Patriotic Millionaires, heads of state and 65 economists determined to move forward on this issue. Remember that the G20 had already agreed, in 2021, that multinationals should be subject to a minimum level of taxation. For 2024, it has also committed to making progress on taxing the wealthiest individuals.

From theory to practise

A European wealth tax would be a progressive tax on the wealth of the richest people in the EU. Revenues from this tax would be used to finance social and ecological policies, such as the energy transition, social protection and solidarity within the EU via the Recovery and Resilience Fund, Green Deal funds and the cohesion policy.

This tax would contribute to the EU's own resources, and the revenue would mean that European policies on environmental and social transition and development cooperation could be expanded and perpetuated, in co-financing with member states. This contribution would be allocated to the fight against climate change and inequality, enabling European citizens to contribute more equitably to these objectives.

A report by the EU Tax Observatory published on 23 October 2023[5] proposed the creation of a global tax of 2% on the wealth of billionaires. According to the report, this measure would generate revenue of €40 billion in Europe! Tax revenue would be increased sevenfold. This levy would complement the 15% global minimum tax on corporate profits, launched in 2021 and set to be introduced on 1 January 2024. Other studies, such as that by the Fight Inequality Alliance, estimate that a 2% levy on millionaires and a 5% levy on billionaires could generate €2,520 billion a year worldwide.

The criteria for defining the 'ultra-rich' would vary from one member country to another, due to the economic, fiscal and social differences between member states. In Belgium, for example, we propose that anyone with assets of €1.25 million in addition to their main residence and assets allocated to their business should be liable for the tax referred to here.

Three legislative stages

The citizens' initiative we are tabling, with a view to establishing a European wealth tax to finance the social and environmental transition, is consistent with the recent development of EU tax policy. It also aligns with the interinstitutional agreement of 13 April 2016 on better law making, as it aims to focus European action on achieving its environmental and social objectives.

5 Alstadsæter, A., S. Godar, P. et al. (2023) "Global tax evasion report 2024". EU Tax Observatory.

Individuals' wealth is currently taxed nationally. However, several member states have abolished or cut national wealth taxes over the last 30 years, while the economic environment has become more globalised and mobile, and individuals' wealth has often been spread across the territories of different member states.

The divergence of national tax systems leads to de facto distortions between the tax policies pursued by member states. This directly impacts financing strategies, cooperation between the EU and its member states, and hampering the pursuit of EU objectives with respect to the environmental and social transition and development cooperation.

The citizens' initiative we are submitting is in line with the principles of subsidiarity[6] and proportionality.[7] From a legislative viewpoint, the proposed tax on excess wealth will require three steps: (1) the creation of the tax as such at the EU level; (2) the allocation of the tax revenues, in whole or in part, to the EU budget; and (3) the creation of a fund or the modification of legislation on existing funds.

Step 1: The EU has the power to harmonise direct and indirect taxation. The basis of its competence is to be mainly found in Articles 113[8] and 115[9] of the Treaty on the Functioning of the EU (TFEU).[10] As the wealth tax is direct, Article 115 TFEU could provide a basis for jurisdiction. In particular, this provision was used by the European Commission for the directive on the establishment of a global minimum level of taxation for multinational groups in the EU.[11] The introduction of a wealth tax is necessary to ensure the proper functioning of the internal market, given the differences in legislation between member states and the disparities in wealth within the Union.[12] The introduction of a European wealth tax would help prevent tax competition within the EU. In other words, within the internal market, common strategic approaches and coordinated action are required to optimise the positive impact of taxation on excess wealth. Given that the ultra-rich can make use of tax schemes

6 Insofar as the EU does not have exclusive competence.

7 The principle of subsidiarity implies that "the Union shall act only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the member states, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level" (Article 5(3)(1) TEU). The principle of proportionality implies that "the content and form of Union action shall not exceed what is necessary to achieve the objectives of the Treaties" (Article 5(4)(1) TEU).

8 "The Council shall, acting unanimously in accordance with a special legislative procedure and after consulting the European Parliament and the Economic and Social Committee, adopt provisions for the harmonisation of legislation concerning turnover taxes, excise duties and other forms of indirect taxation to the extent that such harmonisation is necessary to ensure the establishment and the functioning of the internal market and to avoid distortion of competition".

9 "Without prejudice to Article 114, the Council shall, acting unanimously in accordance with a special legislative procedure and after consulting the European Parliament and the Economic and Social Committee, issue directives for the approximation of such laws, regulations or administrative provisions of the member states as directly affect the establishment or functioning of the internal market".

10 There is also a legal basis in Article 192(2) TFEU, with regards to environmental matters.

11 Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU. OJ L 328, 22.12.2022, p. 1.

12 For a study on the subject, see E. Pichet (2007) "The economic consequences of the French wealth tax". *La Revue de Droit Fiscal*, 14: 5.

designed to evade tax and/or expatriate their capital, there must be no disparities in the way the rules are applied.

Step 2: The plan to create a tax on excess wealth will involve using the revenue from the tax as the Union's own resources. Specifically, member states will be responsible for collecting the wealth tax, all or part of which will then be passed onto the EU as its own resources.[13] This step requires an amendment to Council Decision 2020/2053 of 14 December 2020 on the system of own resources of the EU and repealing Decision 2014/335/EU.[14] This amendment should be made on the basis of Article 311(3) TFEU.

The creation of a new own resource for the EU is also necessary to consolidate and strengthen the measures taken by the EU to finance the NextGenerationEU recovery plan, and to ensure fairness in tax matters concerning the new own resources of the EU. Specifically:

1) In its conclusions of July 2020, the European Council asked the Commission to reform the own resources system and introduce new own resources.
2) In July 2020, the European Commission published a set of acts promoting fair, efficient and sustainable taxation. In two communications, it stressed the need to combat tax fraud and evasion, particularly in relation to personal income tax.[15]
3) In a resolution of 10 May 2023, the European Parliament considered that the Union "needs to reassess the Union's system of own resources, by exploiting the full potential of new genuine own resources in order to assure sustainable financing of the Union budget in the long term".[16]
4) Without mentioning the introduction of a wealth tax, the Council of the EU has adopted a stance favouring 'fair' taxation. With regard to direct taxation, while the Council "reiterates that direct taxation is a matter of national competence of member states", it "considers that a well-functioning and competitive EU Single Market could justify coordinated actions where it will be necessary to adjust the taxation framework to fit a modern and increasingly digitalised economy, both at global and at EU level".[17]

13 In particular, this is the pattern that seems to be emerging for the taxation of multinational groups in the EU. See the European Commission press release: "The Commission proposes the next generation of EU own resources". Brussels, 22 December 2021. See also the Commission's proposed amendment: "Proposal for a Council Decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union". COM(2021)570 final, Brussels, 22 December 2021.

14 OJ L 424, 15.12.2020, p. 1.

15 Commission communication, "Action plan for fair and simple taxation supporting the recovery strategy". COM(2020) 312 final, Brussels, 15 July 2020; Commission communication, "Tax good governance in the EU and beyond". COM(2020) 313 final, Brussels, 15 July 2020.

16 European Parliament resolution of 10 May 2023 on own resources: "A new start for EU finances, a new start for Europe". P9_TA(2023)0195, point E.

17 "Council conclusions on fair and effective taxation in times of recovery, tax challenges linked to digitalisation and tax good governance in the EU and beyond". 13350/20, Brussels, 27 November 2020, point 13.

5) The work of the Conference on the Future of Europe includes a section on budgetary and fiscal policies. The final report proposes strengthening tax harmonisation within member states, notably with a view to preventing tax fraud and evasion, and preventing tax havens within Europe.[18]
6) In March 2023, around 100 members of the European Parliament, supported by economists, called for the introduction of a progressive international tax on extreme wealth.[19]

Step 3: Lastly, the new own resources derived from a tax on excess wealth should be allocated to a fair ecological and social transition, via existing funds, notably by amending Regulations 2021/1056 and 2021/241. Such a solution involves amending the acts governing certain existing funds. In line with our proposal's objectives, the instrument of choice is a regulation to be adopted by the European Parliament and the Council in accordance with the ordinary legislative procedure.[20]

One million signatures across Europe!

We must mobilise citizens, civil society, trade unions and our sister parties to get things moving and obtain a million signatures across the EU. We need your help to ensure this initiative is examined by the European Commission. If we garner enough support, the European Commission will have six months in which to act, and will have to provide a clear list of measures to be adopted and a precise timetable for their implementation. Let's seize this opportunity to get things moving and bring social justice across the EU!

18 See "Rapport sur les résultats finaux". Conférence sur l'avenir de l'Europe, May 2022.
19 Zucman, G. (2023) "Global taxation on the ultra-rich: 'What we have managed to do for multinationals, we must do for excess wealth", *Le Monde*, 14 March. Freely accessible at https://gabriel-zucman.eu/taxation-mondiale/.
20 In this respect, several legal bases in the treaties can be used: Article 175 TFEU, in particular subsection 3, for social cohesion; Article 192(1) TFEU, for environmental provisions; Article 149 TFEU, for employment; Article 153 TFEU, for social policy; and Article 209 TFEU, for development cooperation.

MIQUEL ICETA I LLORENS

Culture and its capital role

Culture lies at the heart of the European project because it gives ultimate meaning to the great collective effort to overcome differences whilst, at the same time, affirming and defending them. The richness of the European project is found in the way in which many voices, languages and histories have been able to create a common and shared future. We must ensure that citizens understand the importance of culture in the social, economic, aesthetic and ethical development of society as a whole and of every corner of Europe itself. We want, need and are seeking out critical, demanding citizens. We want citizens who desire, protect and demand culture and who understand that culture is an essential part of our development as individuals and as a society.

The European Capitals of Culture project is based on the very beautiful idea that all cities are important, that there are multiple centres, and that culture encompasses all spaces, all municipalities and all of Europe. The project was launched in 1985 with the title "European City of Culture", but since 2005 has gone by the name "European Capital of Culture". The idea of capitals, which have traditionally been associated with political and economic power, has rightly been expanded to include culture. Each year, two European cities become the centre of European culture, and thus, the symbolic heart of the European Union. During that year, those two 'capitals' strive to highlight their shared values and the ties that bind them to the rest of the continent, while giving citizens a fresh look at their own identity in the shared context.

Going beyond traditional boundaries to include cities that are often peripheral, less well-known or far from the more traditional centres of power helps to spread the idea of Europe as a communion of cultures, as a collectivity of sensibilities, accents and colours, united by a shared history and, above all, by a common horizon. A made up of cultures to be discovered, protected and claimed. The choice of two different capitals of culture every year, changing the outlook and encompassing new destinations, is an excellent illustration of the European identity, reflected in people who claim a common history and a shared, diverse heritage, demonstrating that the European project is essentially a cultural and humanist project, a utopia of civic union. In 2023, we celebrated the centenary of the birth of Jorge Semprún, artist, intellectual, former Spanish minister of Culture and a reference

point for culture in Europe. Semprún was heard to say that the European project was based precisely on achieving "unity in diversity".

It would be a unity upon which regional and local identities would be affirmed, "rather than dislocated or blurred". Reflecting on those words helps us to understand how culture lies at the heart of the European project, because it gives ultimate meaning to this great collective effort to overcome differences whilst, at the same time, affirming and defending them. The richness of the European project is found in the way in which many voices, languages and histories have been able to create a common and shared future. With the cultural capitals project, each city, each capital, establishes a programme with its own particular accents, language, colours and tones. The programme is open to all European citizens, claiming culture as a space for meeting, affirmation, dialogue and collective construction.

Since the cultural capitals initiative was launched in 1985, four Spanish cities have held the title of European Capital (or City) of Culture (Madrid in 1992, Santiago de Compostela in 2000, Salamanca in 2002 and San Sebastián in 2016). Another city, as yet undecided, will do so in 2031. The four Spanish capitals became catalysts for a transformation capable of changing the image of the city, revolutionising the way in which their citizens related to their surroundings and increasing awareness of those cities on a European and international level.

While the echoes of war still resound and hurt in the heart of Europe, it is more relevant than ever to reflect on the – capital – role that culture has and should be playing in both national and European public policies. We should also reflect on how citizens assume and incorporate culture as a shared element, as a common heritage, as an essential public good and as a source of progress, knowledge, enjoyment and happiness. There is no doubt that the European Capitals of Culture initiative has contributed to bringing European culture and values closer to Europe's citizens, underlining the idea of culture as a central pillar of our societies and as a long-term project that demands continual emphasis, renewal and innovation.

Political commitment to culture: Essential public good and global public good

Enhancing society's view of culture has been precisely the ultimate goal of the policies we have developed in the Ministry of Culture and Sport of the progressive government led by Pedro Sánchez. All the public policies we have implemented have been developed under this umbrella. We have stressed aspects such as increasing the budget allocation of the Ministry of Culture, citizens' access to culture and participation in cultural life, as well as improving the working conditions of cultural workers. We have to recognise that culture perfectly combines apparently opposing and incompatible dimensions: the physical, economic, tangible dimension found in studies and financial tables; and the immaterial, emotional, intimate dimension, which, though difficult to assess in quantitative terms, is capable of transforming the lives of those who allow it to embrace them. It is important

to stress that the most tangible dimension, the dimension that makes culture a tool for economic development and social transformation, is driven solely by the value that we as a society place on culture. Without that value, culture becomes mere decoration. And if culture is revolutionary, it is because it is our backbone, defining us, linking us to a common history, to a landscape, to a memory. Culture survives because it projects us towards the future, questions us and teaches us. And, of course, let us not forget, because it continues to be a powerful factor of social inclusion. Education and access to culture are among the most potent weapons we possess to help us achieve fairer, more inclusive, more egalitarian, more aware, critical and democratic societies.

Therefore, we must ensure that citizens understand the importance of culture in the social, economic, aesthetic and ethical development of society as a whole and of every corner of Europe. We want, need and are seeking out critical, demanding citizens. We want citizens who desire, protect and demand culture and understand that culture is essential to our development as individuals and as a society. Life without culture would be mere survival. In this vein, in September 2022, at the UNESCO World Conference on Cultural Policies, held in Mexico 40 years after the previous one, 150 countries from all over the world unanimously set themselves the very ambitious goal of making sure that the UN sees culture as one of the sustainable development goals in the post-2030 Agenda. For the first time, these 150 countries are defining culture as a global public good, because culture belongs to citizens as a right. Recognising culture as a global public good means recognising that culture is a heritage that belongs to all of humanity. That we not only have the right to enjoy it, but also to protect it, to spread it and to benefit from it. Culture belongs to all of us, and we must move towards a culture of universal access and participation.

It is important to point out that we live in times when culture is more necessary than ever. Uncertain times call for courageous cultural policies to face the challenges of the future. At a time of war, inflation, climate crisis and rapidly rising populism, there can be a temptation to see culture as a luxury or an ornament, as something dispensable in times of upheaval. However, culture embodies the values that make our ways of life valuable, and we must fight hard against the temptation to undervalue culture. We must defend its crucial importance in coexistence, in democracy and in the construction of freer, fairer, more egalitarian and more sustainable societies.

Culture is the DNA of our society. If we lose culture, we lose democracy, history, memory and development, ultimately weakening our coexistence because culture and art are crucial in the promotion and consolidation of plural, inclusive, participatory and socially cohesive societies.

This commitment to raising the social status of culture is, therefore, the strategic direction taken by the Ministry of Culture and Sport. As a result, the central theme of the recent Spanish presidency of the EU in the field of culture has been "culture as an essential public good, as a global public good", driving a process capable of bringing together all member countries and their representatives and civil society around culture. A process that recognises the social and economic relevance of culture and promotes a real qualitative leap in considering culture as a state policy, making it a driving force for change for all citizens.

The commitment undertaken at the UNESCO summit has permeated the government's action as a whole and has been very precisely specified in the line of work that Spain has set for itself in the field of culture as it took its turn as president of the Council of the EU. This means enhancing society's view of culture and improving the living and working conditions of the cultural sector.

Accordingly, Spain has promoted the signing of a text to put this European political commitment to culture in black and white. During the informal meeting of Ministers of Culture, held in Cáceres last September, the 27 countries of the EU unanimously approved the Cáceres Declaration, a text in which we celebrate culture and make public our commitment to it, pledging to give it the highest political consideration. Poetic in spirit, inspired by the streets of a city that has been a world heritage site since 1986, the text is a hymn to culture as the driving force of the EU, as the tie that binds and as the heart of one of the greatest projects of coexistence ever attempted in the history of humanity. The Cáceres Declaration embodies the commitment of all European countries to a project rooted in a shared culture and a common history. It ends with the words:

> Culture is, in short, a right of citizens that public authorities and all individuals have an obligation to safeguard. That is why we are making this commitment today, so that culture will henceforth be considered an essential public good, and a global public good, at the highest policy level.[1]

If there is one thing the declaration acknowledges, it is that culture is the beating heart of Europe. This declaration is indeed a milestone, because, for the first time, the 27 countries of the EU have signed and made a strong joint statement in favour of culture as a crucial element of European politics and identity, as a defining element in the meaning and future of democracies.

Commitment to creators and cultural workers

This commitment of the progressive government to culture has been translated, in the first place and from a practical point of view, into reforms aimed at improving the lives and working conditions of all those who have made culture their way of life. There is, after all, no art without artists and no culture without cultural workers. A society is indeed portrayed, in part, by the way it regards and treats its artists and by the way it values its culture. As public authorities, we must work to favour and improve the lives of creators, artists and workers in the cultural sector.

We have set up what we have called the Artist's Statute, a series of measures recognising the cultural exception. Because the working, social security and tax conditions of culture are exceptional, ordinary legislation must adapt to these, rather than the other way around. We have moved forward in this respect during the last parliamentary term in Spain and have sought to drive further progress at the European level.

1 https://spanish-presidency.consilium.europa.eu/en/news/caceres-declaration/.

We believe it is possible to improve the lives of creators across the continent. We clearly cannot talk about culture and sustainability without facing the fact that cultural workers, with some honourable exceptions, rarely make a living from their work. This is why we seek to be ambitious and would like to move towards common legislation for artists within the framework of the EU.

We are promoting legislation to ensure that the common phrase "*por amor al arte*", used when someone does something in good faith without expecting anything in return and for the pure pleasure of doing it, is no longer so intimately linked to cultural work. We are aiming to ensure that the love of art is not synonymous with instability, precariousness and uncertain salaries, but rather with the future, progress and development.

Committing to the future of culture: Guaranteeing and promoting access

Culture is always written in the future tense and public policies of real impact are always those projected forward to ensure that citizens can integrate culture into their daily lives. In this respect, following the example of France and Italy, in 2022, Spain launched the *Bono Cultural Joven* (Young People's Cultural Voucher), aimed at young people as they come of age, helping them to enter adult life accompanied by culture in all its diversity.

In the case of Spain, the programme involves a card preloaded with €400 that young people can use exclusively to pay for cultural goods and services. Between the first and second editions of the card, more than half a million people all over the country have seen the doors of culture open with a project that has mobilised millions of euros, money that goes directly to the cultural sector and creative enterprises. The programme has two objectives. It seeks to universalise and facilitate access to culture, helping young people discover culture and creating new educated, critical, free citizens, while at the same time aiming to strengthen and support cultural enterprises by creating thousands of new spectators, readers and listeners. These young people are coming of age hand in hand with culture. They can buy books and films and go to the cinema, theatre and opera. They can open the doors of culture and enjoy it in all its richness and diversity. And what's more, they can do so independently and freely.

The voucher relates to three categories of expenditure: live culture, material culture and digital culture. The young people themselves are free to decide where to spend it, so they can make their own decisions, form their own opinions and find their own tastes, as they discover the culture around them.

Bringing culture closer to citizens and enabling young people to incorporate it into their lives, demanding more culture, will make for a better, freer, fairer, more egalitarian, more critical and, I have no doubt, happier society. This is the reason for our work and must be the driving force of public policies: to achieve an educated, participatory citizenship and to build an egalitarian, inclusive, open culture. Because culture is part of the landscape of our daily life, of our history and of our heritage, but also part of the future. Culture should always be capital. That, and no other, is the dream and the meaning of a united Europe.

MAREK BELKA AND MICHAŁ KAPA

EU free trade agreements: Outlook and the way forward

The rapidly changing global economy creates new circumstances for EU trade policy. The Covid-19 pandemic and the Russia-Ukraine conflict only accelerated the pace of transformation of global value chains. For several decades, EU free trade agreements (FTAs) have served as an important tool for advancing European economic and geopolitical interests and global trade liberalisation. At the same time, they have also developed as a means of promoting sustainable development and a value-oriented cooperation framework with our partners worldwide. The recent return to a more active pursuit of new trade partnerships by the European Commission is a good moment to evaluate how FTAs fit into the overall trading framework of the EU. This chapter also deliberates how FTAs and EU trade policy could advance the sustainable development agenda and the general prospects for the conclusion of future trade agreements by the EU.

After remaining in suspension due to the Covid-19 pandemic and the ongoing war in Ukraine, the EU trade policy agenda seems to show signals of active revival and a return to the finalisation of free trade agreements (FTAs). This comes after three consecutive years in which EU trade had to tackle severe disruptions to global value chains and geopolitical tensions, which caused the spike in commodity prices and rising protectionist tendencies around the world.

In response, EU member states have turned inward. Trade within the internal market has risen significantly in recent years. At the same time, both external exports and imports fell in 2020 by around 10%. Even with a quick recovery in the following years, the overall trade in goods balance was in deficit by €432 billion in 2022, mainly due to a steep rise in the value of energy imports, which started in 2021 and continued through the next year. The EU still remains one of the three main international traders, faring second to China in exports and to the USA in imports, but the real question remains whether the main global trading trends will allow us to retain this position in the future. The highest imbalance in EU trade ever recorded may serve as a call for an overall evaluation of the state of EU trade policy and its perspectives. As we have observed in 2023, the European Commission's response

was to use geopolitical momentum to advance the free trade agenda and finalise several negotiated FTAs. We are still waiting to see the effectiveness of these efforts; however, this gives us a valuable opportunity to appraise the roles FTAs play in the European economy and speculate on their perspectives.

FTAs in the EU trade policy framework

The role and function of FTAs in the EU trade policy framework rose over time. In the first phase, agreements concerning trade mostly focused on tariff elimination and trade facilitation. The majority of agreements before 2006 were focused on the EU's close neighbours, such as the trade deal with Switzerland (in force since 1973), the customs union with Turkey (1995) or the Euro-Mediterranean Association Agreement. The first FTAs that went beyond this approach were signed with Mexico in 1997 (in force from 2000) and Chile in 2002. However, in general, FTAs were not a main policy tool of the EU, which actively engaged in the multilateral trade liberalisation agenda conducted within the World Trade Organization (WTO). The failure of the Doha negotiating round opened an era of comprehensive FTA agreements, which the EU concluded to advance trade liberalisation, in spite of the halt of multilateral negotiations.

The first agreement of this type was signed with the Republic of Korea in 2010 and was followed by similar documents signed with Canada (2016), Singapore, Japan (2018) and Vietnam (2019). All these agreements are focused not only on tariff elimination for goods, but also on opening service markets, increased access to public procurement, protection of geographical indications and provisions on sustainability. This new approach entailed the assumption that opening of the internal market increases overall volumes of EU trade, promotes access to resources and new markets for our companies, and improves the overall performance of the EU economy.

Currently, the EU has 41 trade agreements, in various forms, signed with 72 countries, making it a worldwide champion of trade liberalisation, as no other single country has more FTAs in place (China is second in number of concluded agreements and Canada in number of trade partners their FTAs cover). It is true that, in many instances, trade liberalisation stemming from the majority of deals brought notable increases in trade volumes and sometimes even considerable balance surpluses. For example, only three years after the entry into force of the EU-Japan FTA, our bilateral trade volumes increased by 12.5% with a €1,768 billion balance surplus on the part of the EU. In the case of trade agreement with Canada, after five years of provisional application, a 30% increase in mutual trade was observed, whereas in the first decade of the functioning of the FTA with the Republic of Korea we noted a 50% increase and our partner's ascent to the position of our third main trading partner in 2020.

Extra-EU trade is responsible for the existence of 38 million jobs in the EU, as the European Commission stated in 2019, which means an 11 million increase over the previous decade. This is an important reference point, although we need be mindful that intra-EU trade is

1.6 times as high as external trade.[1] Additionally, out of 27 member states, only Ireland and Greece rely more on trade with third countries than on trade with EU partners (the average rate of extra-EU trade per member state stands at 40%).[2] Furthermore, FTAs in place are responsible for only 35% of all extra EU trade (with close neighbour FTAs representing around 20.9%). Trade with our two main partners, China and the US, represents almost a similar volume and is without an FTA in place.

It is hard to predict whether new trade agreements will be able to increase this ratio, as concluding trade agreements has become a challenging task for the European Commission. Considering this, it is worth asking whether we should focus so much attention into developing new trade agreements and whether FTAs play additional roles, which go beyond simple trade in goods.

Additional roles of EU FTAs

The increasing complexity of global economic relations and emerging shifts in the geopolitical landscape impose additional roles for the EU's FTAs. With the halt of the trade liberalisation negotiations within the WTO and the blockage of its dispute settlement system, modern FTAs concluded by the EU work as a substitute in these fields. A typical comprehensive deal the EU concludes usually lifts well over 90% of existing tariffs between parties and introduces a bilateral dispute settlement mechanism. These provisions work on top of regular obligations of contracting parties that stem from their WTO membership, such as the most-favoured-nation treatment or being subjected to the Dispute Settlement Body rulings.

The example of EU-Ukraine trade relations proves that this duality increases, rather than distorts, the means of resolving disputes between parties. Arbitration of the Ukrainian export ban on unprocessed wood was resolved via bilateral consultation and an expert panel ruling based on provisions of the Deep and Comprehensive Free Trade Agreement (DCFTA), while the latest dispute on the ban of imports of Ukrainian cereals to several EU member states has been addressed by Kyiv at the WTO. However, the main game changer in the field of arbitration has been the extension of a mandatory dispute settlement over trade and sustainable development (TSD) chapters, which also play an important role in EU trade policy and are highly characteristic of the European FTA model.

The TSD chapters were a novelty introduced in the second generation of EU FTAs concluded during the last two decades. They play a crucial role in our trade policy as a means of advancing sustainable development, and protection of the environment and human rights across the globe. Aside from those more general goals, the TSD provisions were supposed to address the negative influences of increased trade over the environment and work against a race to the bottom on how workers and the environment are treated

1 Rueda-Cantuche, J.M., P. Piñero and Z. Kutlina-Dimitrova (2021) "EU exports to the world: Effects on employment". Publications Office of the European Union, EUR 30875 EN.
2 "DG trade statistical guide". Publications Office of the European Union, August 2021.

internationally. For these reasons, the new generation of EU trade agreements includes obligations on the implementation of core international labour conventions and key environmental agreements, promotion of fair trade, and sustainable use of resources and energy consumption, as well as obligations to combat climate change. Important complementary measures also include mandatory consultations with stakeholders affected by the functioning of the agreements and the delivery of sustainability impact assessments of the FTA.

However, these provisions, although an integral part of the agreement, usually do not hold the same position as other parts of the text, as TSD chapters are not safeguarded by a sanctions mechanism in the event of non-compliance. Only recently, in the Trade and Cooperation Agreement between the EU and the UK we have seen the introduction of a sanctions mechanism, which is also binding for the sustainability provisions of the deal. In the case of the other ten agreements that include a TSD chapter, disputes over these provisions are addressed by bilateral consultations rather than a fully-fledged dispute settlement.

Nonetheless, we cannot say that this system is fully ineffective. In 2018, the EU requested formal consultations with the government of the Republic of Korea regarding the implementation of the sustainable development commitments under the EU-Korea trade agreement. Since 2011, the Republic of Korea has failed to ratify several International Labour Organization (ILO) conventions on freedom of association and the right to collective bargaining and on child and forced labour. As a result of the work of a panel of experts, the Republic of Korea has decided to ratify ILO core conventions concerning the freedom of association and amend its national legal framework accordingly.[3] This was a great success on part of the EU. However, this result was achieved with a trading partner that was ready to abide by the panel recommendations and willing to honour its sustainability commitments. In the case of a less like-minded partner, the implementation of TSD provisions, as well as possible bilateral consultations, are often only formal in nature and do not address real shortcomings and improve the situation on the ground. One of the main tasks of the chief enforcement trade officer, a position created in DG Trade in 2020, is to influence and induce our partners to abide by the rules of sustainability stemming from our trade agreements. At the same time, a review process on the effectiveness of our TSD approach has been launched by the Commission.

As a result, in June 2022, the European Commission declared a new TSD action plan detailing 20 tasks to be undertaken to ensure that EU FTAs deliver for the environment and sustainable development.[4] Among the many reform proposals, we should note leveraging the role of FTAs for increased sustainability, setting up clear sustainability benchmarks for trade deals, increasing the role of sustainability impact assessments, strengthening the role of the Domestic Advisory Groups in the control and evaluation of the trade agreement and its

3 Han, J. S. (2021) "The EU-Korea labour dispute: A critical analysis of the EU's approach". *European Foreign Affairs Review*, 4(26): 531-552. DOI: 10.54648/eerr2021041

4 "The power of trade partnerships: Together for green and just economic growth". European Commission, 22 June 2022.

sustainability provisions, and increasing the general enforceability of the TSD chapters. Due to clear pressure from the European Parliament, and notably the S&D Group, the Commission eventually added a sanctions mechanism as a last resort to a TSD reform checklist.

We can already see this new approach fully implemented in the latest FTA signed with New Zealand in 2023, with an ambitious TSD chapter and a sanctions mechanism in place. We should expect that the improved methodology for the creation and application of TSD chapters is reflected in the ongoing revision of existing FTAs and applied whenever possible in new trade agreements.

The reform of sustainability provisions in our FTAs, as well as recurring criticism of how TSD chapters are actually implemented by our trading partners, raises the question of the overall fitness of this measure to address the degradation of the environment and breaches of human and labour rights. It is clear that the adoption of sustainability elements in a trade agreement is easiest with like-minded partners, who share both the same values and a common legal framework, whereas in the case of trade negotiations with partners in Asia, Africa and Latin America, the addition of a sustainability chapter is an element of an overall negotiation with clear trade-offs for both parties. Therefore, it is no surprise that the final provisions of the TSD chapter do not achieve our most progressive expectations in most instances. This should not stop us from stressing the need to advocate for ambitious TSD provisions whenever possible. At the same time, we should accept that there are limitations to the role TSD chapters can play in addressing environmental and human rights challenges connected with international trade.

In effect, what we observe is a clear trend towards achieving goals of sustainable development by means of unilateral legislative measures of the EU. The deforestation or conflict minerals regulations are just a few sectoral examples of this approach. However, the recent game changers in this field are the Carbon Border Adjustment Mechanism, the Corporate Sustainability Due Diligence Directive and the regulation on products derived from forced labour (anti-forced-labour regulation). All of them introduce mechanisms embedded in EU law dedicated to the enforcement of sustainability. They are vital for the achievement of our main goals and enforcement of our values. On the other hand, it is already clear that they will influence our trade relations globally, as many partners, especially in the developing world, perceive them as hidden forms of protectionism. Considerable work needs to be delivered by EU institutions to counter such sentiments in the coming years.

Geopolitical function of FTAs

When analysing various functions of EU FTAs, one cannot overlook strategic considerations to engage in this type of economic cooperation. Increased trade volumes strengthen political relationships between partners and open new economic opportunities. Quite often, the development of economic relations follows an existing political connection or interest.

It is no surprise that the first FTAs the EU concluded in history were signed with its close neighbours, underlining not only actual trade flows and volumes but also political and social

connections. The same logic applied to the partnership and association agreements with countries in the Balkans and the Eastern Partnership. The DCFTAs concluded with Georgia or Moldova play minor roles in economic terms, but carry high geopolitical importance. In the most prominent example of Ukraine, the FTA facilitated a general shift of external trade of the country and reorientation from the East to the West in about five years since its provisional application.[5]

One can conclude that the first batch of 'new generation' FTAs with the Republic of Korea, Singapore, Japan and Canada were also an emanation of a geopolitical direction to connect economically with a set of like-minded international partners, achieving two goals at the same time: increasing trade; and deepening political relations. A similar thing could be said of the most ambitious bilateral trade liberalisation attempt yet, which was the Transatlantic Trade and Investment Partnership (TTIP) between the US and the EU. However, in this case, the economic gains, estimated at over €200 billion increase in bilateral trade volumes, could not outweigh internal opposition on both sides of the Atlantic and the negotiations came to a complete halt three years after they started. As some promoters of the deal claimed, the TTIP was supposed to create a new economic powerhouse bloc, which could uphold Western economic dominance over the rest of the world. The failure of the negotiations on this deal only confirmed that we are entering a new era of global economic order, where national interests of the main competing blocs determine the pace and level of further trade liberalisation.

From the longer-term perspective, the large and affluent EU market is deemed to gradually lose its global significance due to unfavourable demographic and strategic trends. Without proper access to resources (most critical raw materials are located outside the EU) and insufficient access to growing markets in Africa, Asia and Latin America, European companies may face hurdles from global competition. This trend is further reinforced by an increasing technological race between the main superpowers, as well as growing export restrictions and distortions in the functioning of global value chains.

The Covid-19 pandemic and the outbreak of the Russia-Ukraine conflict have distinctively marked the end of the era of fully open markets and 'just in time' production models. In effect, what we observe is a growing tendency for reindustrialisation and reshuffling of the concept of value chains with 'smart shoring' or 'near-shoring' as the new key paradigm.

The Chips Act, the Critical Raw Materials Act, and a series of new defence measures on subsidies, public procurement and coercive actions are perfect examples of adjustment to the new realities the current 'geopolitical' European Commission faces. Consequently, what we observed in recent years was the further development of three main trading and economic centres (US, EU and China), which trade with each other heavily and compete at the same time. This triangle of economic reliance and competition functions in the trade policy sphere as well. The race towards new FTA agreements is a simple extension of the rivalry over new markets and access to resources.

5 Dabrowski M., M. Dominguéz-Jiménez and G. Zachmann (2020) "Ukraine: Trade reorientation from Russia to the EU". Bruegel Blog, 13 July.

It was no coincidence that, in response to a 'no limit' cooperation between Russia and China, the European Commission returned to FTA negotiations with India last year, which had been frozen since 2013. The talks on a new trade agreement have clear geopolitical goals: to woo India away from Russia; to connect with a giant market, which will probably surpass the EU in global GDP creation by 2050; and to counter new trade developments in Asia. In January 2022, the Regional Comprehensive Economic Partnership was established, with China, Japan, the Republic of Korea, Australia, New Zealand and the Association of Southeast Asian Nations (ASEAN) member states as signatories. This overarching trade liberalisation agreement is said to bring most benefits to its largest economies. This deal may also bring benefits to the EU, which is connected by an FTA to such trading hubs as South Korea, Singapore and Vietnam, but without new economic partnerships, the EU's trading position in the region may weaken considerably over time.

Similarly, the delayed finalisation of the EU-Mercosur Association Agreement puts a question mark over the EU's ability to act in its strategic interest. The deal, which has been negotiated for 20 years, is set to bind together the two largest economic blocs in the world in a connection of not only economic but also political significance. However, with the persisting doubts about sustainability issues connected to deforestation, agricultural production and labour rights raised by some member states in the EU and increasing impatience of Mercosur countries, the finalisation of the agreement is at a crossroads. It seems we remain in a narrow window of opportunity to conclude the deal before the end of the current political term in Europe. The failure to seal it may deliver a serious blow to the concept of EU strategic autonomy and reinforce existing preferences in the Mercosur countries to conclude an FTA agreement with China instead.

Possible ways forward

The latest geopolitical and economic developments gradually reformulate the organisation of the global economy with some distinctive traits. The consensus around the concept of ongoing global liberalisation of trade is gone. We currently observe a reformulation of globalisation, which more often means regionalisation, a drive towards the defence of national interests and an increasing technological and industrial race. This does not mean a clear withdrawal from open trade and international cooperation; nonetheless, autonomous trade measures are on the rise as the race for access to resources and markets increases. In this environment, EU trade policy will be used more often to increase EU strategic autonomy and support our industrial and climate policy. FTA negotiations may play an important role in this process. Conversely, other means of trade policy may increase their significance in reaching our economic and political goals.

In geopolitical terms, concluding free trade and association agreements with key partners around the world allows the EU to increase its global position, reinforce political relations, and influence and be more efficient in its economic competition with China and the US. Modernised FTAs also allow multiple issues, ranging from trade and procurement through to protection

of intellectual property rights and addressing sustainable development and human rights, to be tackled comprehensively. However, the comprehensive character of these agreements also puts a heavy toll on the negotiating process. With multiple issues to agree and often diverging interests within the EU, finalising FTAs has become challenging in recent years.

The conclusion of trade agreements with the Mercosur bloc, India and Australia is of crucial strategic importance to the EU; these would increase its political and economic autonomy. However, in each of those cases, a quick finalisation is not certain. Recently, negotiations of the FTA with Australia have ceased just before the expected finalisation, due to increased demands on access to the EU agricultural market. In the case of India, provisions on sustainability and public procurement may stand in the way of striking a quick deal, and it seems that only the Mercosur agreement stands a chance of being finalised before the end of this legislative term. The EU is still capable of moving ahead with the trade liberalisation agenda, as the conclusions of agreements with New Zealand and Kenya show. However, we all wait for an agreement that could match the Comprehensive Economic and Trade Agreement (CETA) with Canada in terms of size and significance.

It is probable that, with a slowdown in the adoption of overarching FTAs, the Commission may settle on a more adjusted approach, in which sector-specific bilateral agreements will complement FTAs with selected partners. The recently concluded sustainable investment facilitation agreement with Angola, the EU-Japan deal on data flows or the EU-Canada strategic partnership on raw materials are just a few examples of this concept.

The future of the EU's TSD agenda will most likely be advanced by a two-pronged approach. On the one hand, we should expect the ongoing revision and reform of existing TSD chapters. For instance, the reopening of negotiations on a comprehensive agreement with Switzerland delivers a great opportunity to put forward sustainability provisions, which are absent from this over 50-year-old agreement and do not match the ambitions of both parties in this respect. However, with the possible limitation of the role of new FTAs in the European trade policy mix, internal EU provisions on sustainability are expected to play a more important role in the advancement of our sustainable agenda. We have to be mindful though that imposing unilateral measures may come at a cost to our bilateral relations with partners in the developing world.

We have to make sure that, similarly to trade liberalisation, our sustainable development agenda is not limited to the enforcement of our own convictions but becomes part of a broader trade and development package, which is appealing to our partners. We shall see in the coming months and years whether EU FTAs will still play an instrumental role from this respect.

Negotiations and conclusions of FTAs remain one of the most important tools of EU trade and foreign policy, second only to the enlargement policy. The new political and economic developments around the globe force adjustments to our strategies and tactics, hence imposing new tasks for our trade policy. Providing strategic autonomy, advancing our development agenda and reinforcing the green transformation will all rely on our actions in this field. The way in which we conclude FTAs and association agreements will be an important expression of this new trend.

NATIONAL FOCUS

TAPIO RAUNIO

Finland: Testing times ahead for the opposition under new party leadership

The past year was turbulent for the Social Democrats (SDP). In the April parliamentary elections, the pendulum swung to the right, and the SDP ended up in opposition after four years in power under the leadership of Prime Minister Sanna Marin. The election campaign was marked by strong polarisation between the political left and the right-wing parties. After the elections, highly popular Marin resigned as the SDP leader, and the new party chair, Antti Lindtman, and more broadly the left may benefit from the potential backlash against the programme of the right-wing government.

The Finnish Social Democrats (SDP) entered 2023 with feelings of trepidation. The SDP and Prime Minister Sanna Marin had led the left-leaning, five-party government – which had brought together the SDP, the Centre Party, the Green League, the Left Alliance and the Swedish People's Party through the Covid-19 pandemic and the first year of war in Ukraine. Marin's government had received a lot of positive international media coverage, as all five coalition parties were led by women, with four of the party chairs under 40 years of age. Marin was also praised for her leadership skills during the crises. However, the government had accumulated further debt, and there was increasing criticism of the handling of the economy, with the National Coalition (conservatives) clearly ahead in the polls. In the April parliamentary elections, the pendulum swung to the right, and the SDP returned to opposition. Marin resigned as the leader, but the new party chair, Antti Lindtman, and more broadly the left may benefit from the potential backlash against the programme of the right-wing government.

Polarising campaign

The parliamentary elections in Finland on 2 April 2023 were in many respects unusual. Putin's war in Ukraine has had a dramatic impact on Finnish security policy, with the country seeking NATO membership by mid-May 2022 and joining the defence alliance two days

after the election. NATO membership was accepted almost unanimously in the *Eduskunta*, the unicameral national legislature, and hence, the dramatic change in the country's security policy status hardly featured at all in the election campaign. However, a few security and defence policy experts with strong media presences were elected to the parliament from the ranks of the National Coalition.

The second deviation from standard patterns concerned pre-election promises. In Finland, it had been customary for parties and their leaders not to commit themselves to any potential coalitions nor to declare that they would not join a government with any particular party.[1] This, however, had already changed in the previous elections in 2019. Following the hardliner 'coup' within the Finns Party and the election of Jussi Halla-Aho, the unofficial leader of the party's anti-immigration wing, as the party chair in 2017, some parties, not least the Green League and the Swedish People's Party, indicated that it would be very difficult, if not impossible, for them to join a government that also included the Halla-aho-led Finns.[2] In 2021, Halla-aho stepped down as party leader, with the new party chair, Riikka Purra, continuing the anti-immigration line of her predecessor. Referring to differences in world views, this time around, the three left-wing parties – SDP, the Green League and the Left Alliance – each announced that they would not share power with the Finns Party. The Swedish People's Party also made it clear that it would be difficult for them to enter a cabinet together with the Finns. Interestingly, the Finns Party started out as a populist, Eurosceptic party that was quite centrist and even centre-left on the socio-economic dimension, but since the 2010s has moved in a more right-wing direction with opposition to immigration as the central item on its agenda.[3]

The third unusual pattern was the extremely high popularity and visibility of Prime Minister Marin. Marin, 37 at the time of the elections, has been touted as the 'rock star' of Finnish politics, and she is clearly the most famous Finnish politician of the 21st century. Marin is perhaps also a polarising figure, but her support has remained very strong throughout the early 2020s. Marin's government had steered the country through the Covid-19 pandemic and the first year of the war in Ukraine, but Finland had to incur further debt in the process. The centre-right parties, particularly the National Coalition and its leader, Petteri Orpo, therefore focused their campaigns very much on the need to get the economy back on track.

In the 2019 elections, climate change and socio-cultural issues had featured prominently in the campaigns,[4] but now it was pretty much all about the economy.[5] Orpo declared

1 Raunio, T. (2021) "Finland: Forming and managing ideologically heterogeneous oversized coalitions", in T. Bergman, H. Bäck and J. Hellström (eds), *Coalition Governance in Western Europe* (Oxford: Oxford University Press), pp. 165-205.

2 Raunio, T. (2019) "The campaign". *Scandinavian Political Studies*, 3-4(42): 175-181. DOI: 10.1111/1467-9477.12149.

3 Poyet, C. and T. Raunio (2021) "Confrontational but respecting the rules: The minor impact of the Finns Party on legislative–executive relations". *Parliamentary Affairs*, 4(74): 819-834. DOI: 10.1093/pa/gsab010.

4 Borg, S., E. Kestilä-Kekkonen and H. Wass (eds) (2020) "Politiikan ilmastonmuutos: eduskuntavaalitutkimus 2019". Oikeusministeriön selvityksiä ja ohjeita, 2020:5; Raunio, T. (2019) "The campaign".

5 Arter, D. (2023) "The making of an 'unhappy marriage'? The 2023 Finnish general election". *West European Politics*, 2(47): 426-438. DOI: 10.1080/01402382.2023.2233072.

a "6+3" policy, meaning that the next government should reduce debt by €6 billion and the government after that by €3 billion. The Finns Party and the Centre Party broadly agreed with Orpo, while the leftist parties argued against radical cuts and favoured investments that would generate growth and employment. The National Coalition is internally split on socio-cultural questions, hence the focus on the economy worked in the party's favour. During the campaign, Marin engaged in aggressive rhetoric against the National Coalition and the other parties of the right. Specifically, she argued that voting for the SDP was the only way to prevent a victory for the right. This did not go down well among the Green League and the Left Alliance, as the final campaign weeks focused very much on who would finish first and, therefore, take the lead in forming the new government – the National Coalition, the Finns Party or the SDP. Other parties received much less media attention, especially the Greens found it challenging to get their message across.

The Marin government had finally agreed on a reform of the social and health services, a topic that had been on the agenda of several previous governments. As part of that package, Finland established directly elected regional councils (officially titled "councils of wellbeing services counties"), with the first regional elections held in January 2022.[6] The funding and quality of social and health services continue to raise serious concerns. Still, it was harder to detect significant policy differences between the parties regarding social and health services, although the left-wing parties underlined the state's role in providing such services more.

Segregation among schools and students and internal security also featured in the campaigns, with the Finns Party connecting these issues to immigration, as in the months leading to the elections there were reports about problems in the education system and worsening street violence. Overall, the election debates focused, to a large extent, on state finances and the future of social and health services. Unfortunately for the SDP, concerns about state finances predominated over social and health services. Overall, the campaign was almost like a throwback to the 1980s – the EU or international politics were hardly mentioned, and socio-cultural issues, including climate change, remained firmly in the background.

From government to opposition

The verdict of the voters was clear: Finland turned right.[7] Orpo guided the National Coalition to pole position, with 20.8% of the vote (+3.8) and 48 seats (+10). The Finns Party finished second, with 20.1% of the vote (+2.6) and 46 seats (+7). The populists achieved a breakthrough in the 2011 elections and have finished in the top three in the elections held since. Most notably, the Finns Party again won votes throughout the country,

6 Sipinen, J. (2022) "Regional elections in Finland, 23 January 2022". Electoral Bulletins of the European Union, Elections in Europe: 2022, Issue 3.

7 Grönlund, K. and K. Strandberg (eds) (2023) *Finland Turned Right: Voting and Public Opinion in the Parliamentary Election of 2023* (Åbo: Samforsk, The Social Science Research Institute, Åbo Akademi University).

in urban centres as well as in rural areas. Since the 2011 elections, the Finns Party has been the largest party among working-class voters, yet the party remains critical of trade unions, which continue to see the SDP as their natural ally.[8]

The SDP came third, with 19.9% of the vote (+2.2) and 43 seats (+3), an impressive result considering the party of the incumbent prime minister normally loses votes. The SDP gained votes at the expense of the other left-wing parties. In the Helsinki district, the vote share of the SDP increased by 7.3% to 20.9%, while the Greens experienced a drop that was even larger in the capital. Party leaders Maria Ohisalo (Greens) and Li Andersson (Left Alliance) looked absolutely devastated as the election results became clear. The Greens won 7% of the vote (−4.5) and 13 seats (−7), while the Left Alliance received 7.1% (−1.1) and 11 seats (−5). Roughly a quarter of those who voted for the Greens and almost one fifth of the Left Alliance voters in the 2019 elections had now switched to the SDP.[9] Tactical voting, therefore, benefited the SDP, but it is nonetheless safe to predict that support for the Greens will increase again over the next few years – and this may happen at the expense of the SDP. In June, the Green League elected a new leader, Sofia Virta, who has indicated that her party needs to focus more on economic policy instead of traditional 'green' issues.

The elections were a crushing blow for the Centre Party, which had led governments from 2003 to 2011 and from 2015 to 2019. The party had suffered a humiliating defeat in the 2019 elections, and fared even worse this time, with 11.3% (−2.5) and 23 seats (−8). The Centre Party had been the largest party in several rural electoral districts, but the Finns Party is now the biggest in those constituencies. It is likely that many Centre Party voters did not appreciate their party's participation in the Marin cabinet from 2019 to 2023, but nor did they seem to appreciate the 'economy-first' approach of the Centre Party led cabinet in 2015-2019. Clearly, a lot of soul-searching will take place in this party. Of the smaller parties, the Swedish People's Party won 4.3% (−0.2) and retained its 10 seats (including the representative of the Åland Islands). The Christian Democrats won 4.2% of the vote (+0.3) and held on to its five seats. The centre-right Movement Now, registered as a party in late 2019, won 2.4% of the vote and maintained its sole member of parliament (MP). Turnout was 72%, and it appears that it has stabilised at roughly that level in the elections held in the 21st century.

Divisive politics may benefit the left

Marin and her government received wide international media coverage, and so has the new Finnish government, but for entirely different reasons. After the elections, Orpo essentially had two options – either forming a right-wing cabinet that included the Finns Party or going for the more traditional model of a blue-red coalition built around the National Coalition

8 Tiihonen, A. (2022) "The mechanisms of class-party ties among the Finnish working-class voters in the 21st century". Doctoral thesis. Tampere University.

9 Kestilä-Kekkonen, E. and J. Sipinen (2023) "Taktinen äänestäminen". Vaalitutkimuskonsortio (FNES), 10 September.

and SDP. Orpo went for the former, presumably because it enabled the National Coalition to push through its economic reforms, including significant cuts to public sector funding and weakening the influence of trade unions. The Christian Democrats and the Swedish People's Party joined the coalition talks, which lasted six and a half weeks; involved over a thousand expert hearings and resulted in a massive, 216-page (+ annexes) government programme.[10] The coalition negotiations were full of drama, not least because of the obvious discomfort inside the Swedish People's Party. Afterall, the Finns Party and the Swedish People's Party disagree strongly about socio-cultural issues, and the Finns Party has even been critical of the status of the Swedish language in Finland.

The four-party coalition – bringing together the National Coalition, the Finns Party, the Swedish People's Party and the Christian Democrats – led by Prime Minister Orpo was sworn into office on 20 June. However, a summer of crisis followed, as several ministers of the Finns Party became embroiled in scandals about their racist language. The minister for Economic Affairs, Vilhelm Junnila, from the Finns Party, announced his resignation on 30 June after a scandal over his links with the far right that saw the Swedish People's Party vote for a no-confidence motion in the parliament. A couple of weeks after that, attention turned to Purra, the new minister of Finance, who in 2008 repeatedly used racist terms in texts on the Scripta blog hosted by Halla-Aho and had in 2019 referred to Muslim women as "unidentifiable black sacks". In late July, the scandal deepened, as *Helsingin Sanomat*, the leading national daily, published messages containing racist slurs and language sent by Minister of Economic Affairs Wille Rydman from the Finns Party to his previous partner. The messages were from 2016 when Rydman was in the National Coalition. Purra regretted her blog texts, but doubts lingered about how genuine her apologies were. Halla-Aho, elected as the speaker of the Eduskunta, decided not to reconvene parliament during the summer break to debate the fate of Purra and the government, and much of the public outcry about racism had dissipated by early September when the whole government, Purra and Rydman survived separate votes of confidence in the Eduskunta.

David Arter has called the coalition an "unhappy marriage",[11] and even Orpo has referred to it as a "marriage of convenience". It may well be that the coalition will not last until the next parliamentary elections scheduled for spring 2027. And even if it does, it will be a tumultuous ride: in addition to the scandals about racism continuing to bubble under the surface, the implementation of the ambitious government programme is guaranteed to raise concerns both inside the coalition and in society as a whole. In September and October, there were already a range of anti-government activities from various work stoppages to public demonstrations and sit-in protests at university campuses. The leadership of the Finns Party in recent years has become fiscally very conservative, and it is possible that the ring-wing economic policy is the glue keeping the government together.

10 Finnish Government (2023) "A strong and committed Finland. Programme of Prime Minister Petteri Orpo's Government, 20 June 2023". Publications of the Finnish Government, 2023:60.

11 Arter, D. (2023) "The making of an 'unhappy marriage'? The 2023 Finnish general election". West European Politics, 47:2, pp. 426-438, DOI: 10.1080/01402382.2023.2233072.

An interesting development concerns the prospect of bloc politics and increasing polarisation between the opposing camps.[12] The pre-electoral promises made by the left-wing parties of not sharing power with the Finns Party – and the willingness of the centre-right parties to do so – resulted during the campaigns in debates about polarisation and the growing distance between the right and the left. These debates will no doubt continue, as the policies of the Orpo government clearly divide opinions among citizens. As Finland is known for its tradition of broad, mainly cross-bloc coalitions, moves towards bloc politics would constitute a significant departure from established practices. One thing is nonetheless guaranteed: Finnish politics is no longer boring.

From Marin to Lindtman

Marin's exceptional popularity and high profile presents a major challenge for the SDP, as Marin was probably a key factor in attracting younger and female voters to support the party. SDP party members have primarily belonged to older age groups, while the two other leftist parties, the Greens and the Left Alliance, have been more popular among younger voters. Three days after the elections, Marin announced that she would step down as the party chair in the party congress in early September. That congress elected Antti Lindtman as her successor. In an internal party ballot, Lindtman received 12,546 votes from party members, while Krista Kiuru, who held the key position of the minister of Family Affairs and Social Services during the Covid-19 pandemic, received 3,587 votes. Back in December 2019, Lindtman had narrowly lost the party council vote to Marin in the race for the party's leadership seat. Marin meanwhile joined the Tony Blair Institute for Global Change as a strategic counsellor, thereby resigning as an MP from the Eduskunta.

Despite his relatively young age, Lindtman (41) is an experienced politician and a loyal party servant, who has been waiting in the wings for his turn. He comes from Vantaa, an SDP stronghold in the capital region, where he chaired the municipal council from 2009 until he was elected the SDP leader. Lindtman was elected to the Eduskunta on his third attempt in 2011. He was the SDP vice-chair before being chosen as the chair of the SDP parliamentary group in 2016, a position he held until election as the party chair.

Lindtman faces a tough job, but the unpopularity of the right-wing government probably improves his chances of guiding the SDP to success in future elections. According to polls conducted in late 2023, the SDP are again the largest party, but the SDP needs to strike a balance between defending traditional leftist goals and appearing as capable of sound budgetary and fiscal policies. Lindtman probably recognises that most citizens are concerned about the level of public debt, and hence, the SDP must take those concerns into account when attacking government policies. To make matters more challenging, the funding of social and health services is bound to stay high on the political agenda, as the wellbeing services counties responsible for them being seriously under-resourced. The

12 Kekkonen, A. (2023) "Affective polarization in a multiparty democracy: Learning from the case of Finland". Doctoral dissertation. University of Helsinki.

SDP will probably be more vocal in defending labour rights. Trade unions are guaranteed to oppose the measures of the Orpo government, and the links between the SDP and particularly the Central Organisation of Finnish Trade Unions (SAK), the main confederation of 'blue-collar' unions, remain very close.[13]

The right-wing government has also begun to impose various restrictions on immigration and citizenship laws, and this poses another challenge for the SDP. Many of the sister parties of the SDP across Europe and in the Nordic countries have adopted more conservative positions on immigration, and Lindtman needs to decide where his party stands on the issue. Until now, the SDP, and more broadly the political left, have advocated for liberal policies, embraced diversity and multiculturalism, and businesses as well as social and health services which increasingly depend on a foreign workforce. Continued immigration is thus very much an economic necessity, but simultaneously there is debate about immigrants' role in worsening gang violence and street crime. One issue that used to cause divisions inside the SDP was Finland's traditional line of military non-alignment and the prospect of NATO membership, but that question is now settled, as Marin and the SDP were crucial in guiding Finland into the defence alliance.

13 Raunio, T. and N. Laine (2017) "Finland: Strong party-union links under challenge", in E. H. Allern and T. Bale (eds), *Left-of-Centre Parties and Trade Unions in the Twenty-First Century* (Oxford: Oxford University Press), pp. 93-111.

PASCAL DELWIT

Belgium: The political system at a crossroad

With the European elections just around the corner, and in Belgium the legislative and regional elections taking place on the same day, the political system seems to be at a standstill. In 2024, Belgium holds the presidency of the EU. It will be assumed by a federal government that is out of breath and focused on the elections on 9 June 2024. Elections will take place under a more and more fragmented political system and deliver large governments unable to tackle the main problems of society. Confidence in politics and political parties is at a very low level and the fate of the federal state is being questioned by Flemish nationalist parties calling for the advent of confederalism or even Flemish independence.

Belgium has regularly been presented in light of its linguistic oppositions between 'Flemish' and 'Walloons'. This initial view is not wrong, but it is not correct either. In this supposed dichotomy, Brussels and the people of Brussels are absent. The territory of Brussels is neither in Flanders nor in Wallonia. What's more, although it is in Wallonia, the German-speaking community has its own specific characteristics and expectations.

Since the introduction of federalism in 1993, Belgium has had two categories of federated entities. There are three Communities: the French-, Flemish- and German-speaking Communities. There are also three Regions: Brussels, Wallonia and Flanders. The Communities deal primarily with issues relating to language, culture and education. While the Regions are mainly dedicated to the economy.

This short preamble is necessary because it is not easy to understand the internal and external facets of political life in Belgium without taking into account this rather fragmented institutional landscape and, sometimes, Belgium's votes in the Council of Ministers of the EU. For public policies managed at the regional level in Belgium, an agreement between regions is necessary for a Belgian point of view and vote in the Council of Ministers.

We are witnessing a political and cultural evolution in the country, where citizens and collective players are increasingly thinking and acting within closed circles. Fewer and fewer Belgians are aware of the situation in the 'other part of the country', in terms of culture, politics and the economy, for example. The leader of the Flemish nationalists (*Nieuw*

Vlaams Alliantie, New Flemish Alliance, N-VA), Bart De Wever, has been talking of "two democracies". But this is a mistake.

New dynamics

There are not two different political regimes in Belgium. But there are distinct backgrounds in ways of thinking, in the ranking of concerns, in the economic and political landscapes, or in social expectations. However, let us repeat, it is not necessarily binary in terms of language.

From an economic point of view, Belgium has been a dynamic country since its independence in 1831. Belgium is a country where the production of goods and services has long been strongly export-oriented. Over time, a territorial evolution has taken place in terms of development. For 120 years, the main area of economic production was in the industrial basins of Wallonia, centred on mining, iron and steel, metallurgy, chemicals, textiles and glassmaking. During this phase, with the partial exception of Antwerp and Ghent, economic development was less significant in Flanders, where the rural and agricultural dimension predominated.

Since the end of the 1950s, a reversal has taken place. The economic dynamic has slowed down in Wallonia, with the closure of mines, a major decline in the steel and metal industries, and the disappearance of the textile and glass industries. In contrast, it has soared on the Flemish side from the port of Antwerp, Zaventem airport (Brussels-National), Ghent and in the southern part of West Flanders on the Franco-Belgian border. Development has also been very impressive in Brussels, one of Europe's major metropolises from an economic point of view, even though many people working in Brussels do not live there.[1]

These economic changes over half a century have been affecting discussions in the economic and political spheres, as well as social relations. There is therefore a focus in thinking and debate on economic issues around the asymmetry between economic expansion in Flanders and Brussels, and in Wallonia or, more correctly, in certain parts of Wallonia.

There is nothing specifically Belgian about this. In many countries of the EU, economic and industrial trajectories also show territorial mutations. Some regions are growing or taking off; others are undergoing industrial restructuring. This is commonplace. Nevertheless, in Belgium, the issue is regularly posed in binary terms, often referring to the distinction between good and evil, or to qualifiers that are judgements: workers versus idlers; entrepreneurs versus immobile. These views are also quite common at the EU level. As in Europe, they have had a major impact on political debate and the decision-making process. This point is striking because three dimensions reinforce the centrifugal effects of this situation.

1 Bisciari, P. and S. El Joueidi (2022) "Is Brussels a performing, competitive and attractive European metropolitan region?" *NBB Economic Review*, 21.

Firstly, there is a historical asymmetry in the electoral results of political families in Wallonia, Brussels and Flanders. For example, left-wing parties have always been much weaker in Flanders than in Wallonia, and vice versa for right-wing parties.[2]

Secondly, there is a form of 'national' pride in Flanders that is largely missing in Brussels and Wallonia. The result is the presence of a powerful Flemish Nationalist party, the N-VA, and a very important Radical right-wing party, Vlaams Belang ('Flemish interest'). Both are active only within the Dutch-speaking spectrum, including the social sphere. Both advocate a form of welfare chauvinism[3]. In the 2019 elections, for example, Vlaams Belang called for a minimum pension of €1,500 and a return to a statutory pension age of 65, but only for Flemings. By contrast, there is no longer any Walloon regionalist party.

Finally, except for the Labour Party (PTB-PVDA), a radical-left-wing party, each political family is divided into two independent parties, sometimes with very loose links to each other, or even none at all during some periods: there are two Socialist; Christian Democrat; Liberal; and Green parties.

Since entering the 21st century, the political system has been characterised by a marked increase in electoral and parliamentary fragmentation. As far as the distribution of votes is concerned, the fragmentation index[4] (between 0 and 1) shows the trend. In the most recent national election, it peaked at 0.91 (see Table 1). Given the proportional representation electoral system, this has a major impact on the distribution of seats, resulting in a wide spread in the House of Representatives. This is reflected in the effective number of parties.[5] Here, too, it has never been higher than at the 2019 general election: 9.7 (see Table 1).

Table 1. Evolution of the fragmentation index and effective number of parties since 1946.

	Fragmentation index	Effective number of parties
1946	0.69	2.91
1949	0.69	2.75
1950	0.64	2.49
1954	0.67	2.63
1958	0.64	2.45
1961	0.68	2.69
1965	0.75	3.59
1968	0.81	4.97

2 Delwit, P. (2022) *La Vie Politique en Belgique de 1830 à Nos Jours* (Brussels: Editions de l'Université de Bruxelles).

3 Abts, K., E. Dalle Mulle, S. van Kessel et al. (2021) «The welfare agenda of the populist radical right in Western Europe: Combining welfare chauvinism, producerism and populism». *Swiss Political Science Review*, 1(27): 21-40.

4 To calculate the fragmentation index, each party's proportion of the vote squared is summed. The index is equal to one minus this proportion. The closer the figure is to one, the more fragmented the system. Conversely, the closer it is to zero, the less fragmented it is: If $= 1 - \sum (vp/V)^2$. Rae, D. (1968) "A note on the fractionalization of some European party systems". *Comparative Political Studies*, 3(1): 413-418.

5 Laakso, M. and R. Taagepera (1979) "Effective number of parties: A measure with application to West Europe". *Comparative Political Studies*, 1(12): 3-27.

1971	0.81	5.90
1974	0.84	5.80
1977	0.82	5.21
1978	0.87	6.77
1981	0.89	7.62
1985	0.88	7.00
1987	0.88	7.13
1991	0.90	8.41
1995	0.89	8.03
1999	0.90	9.05
2003	0.89	7.03
2007	0.89	7.91
2010	0.90	8.71
2014	0.89	7.82
2019	0.91	9.69

The division of political families into two distinct parties mechanically increases electoral and parliamentary fragmentation. However, the contemporary trajectory of fragmentation is independent of this political fact. The historic socialist; Christian democrat and, to a lesser extent, liberal families are in decline (see Table 2).

Table 2. Evolution of the electoral results of the Christian Democrat, Socialist and Liberal families since 1919 in Belgium (in %).

	Christian Democratic family	Socialist family	Liberal family
1919	35.1	36.5	17.6
1921	34.1	34.8	17.8
1925	37.4	39.5	14.6
1929	35.4	36.0	16.6
1932	40.1	35.6	14.3
1936	27.6	32.0	12.4
1939	30.0	30.3	17.2
1946	42.5	31.6	8.9
1949	43.6	29.7	7.5
1950	48.0	34.2	11.3
1954	41.1	37.3	12.1
1958	46.5	35.8	11.0
1961	41.5	36.7	12.3

1965	34.5	28.3	21.6
1968	30.5	26.9	20.0
1971	30.1	27.2	16.8
1974	32.7	26.2	15.2
1977	36.0	27.1	15.6
1978	36.3	25.4	16.3
1981	26.5	25.1	21.5
1985	29.3	24.5	21.0
1987	27.5	30.5	21.0
1991	24.6	25.5	20.1
1995	24.9	24.4	23.4
1999	20.0	19.8	24.4
2003	18.6	28.6	26.4
2007	25.2	21.0	23.5
2010	16.4	22.9	17.8
2014	16.6	20.6	19.4
2019	12.6	16.2	16.1

The salience of the linguistic divide, political thought and action in isolation in the linguistic areas; the trend towards increased fragmentation; and the rise in power of radical right-wing and radical left-wing parties make it extremely difficult to establish governments and, even more so, governments that are even remotely coherent. Building a parliamentary majority is becoming increasingly difficult and time-consuming. Since the 2007 general election, an extreme length of time has been systematic: 194 days after the 2007 election a government was formed; 541 days after the 2010 election; 139 days after the 2014 election; and 493 days after the 2019 election. The result has been, on one hand, a loss of confidence in politics and political parties[6] among large parts of the population and, on the other, long sequences of caretaker governments. They cannot take any new initiatives and must apply the budgetary framework implemented the previous year. From 1 January 2007 to 30 June 2023, the federal government was a caretaker government for 1,246 days, well over three years.

The federal government, which was established after the spring 2019 elections, took office on 1 October 2020. The parliamentary majority comprises seven political parties from four political families: Liberal, Socialist, Christian Democrat and Green. The opposition consists only of the Flemish nationalists, who are nevertheless in power in the Flemish Region, the French-speaking Christian Democrats, the small Brussels party DéFI, and parties of the radical right and left.

Due to the opposing ideological profiles of the players in government and the presence

6 "Grand baromètre: Sept Belges sur dix se méfient de la politique". *Le Soir*, 3 April, 2023.

of Dutch-speaking and French-speaking parties, no major changes can be made to public policy. Choices have always been based on the lowest common denominator between contradictory political and social expectations and demands.

The government that came into being in October 2020 was primarily a government fighting against the Covid-19 pandemic, for the widest and most effective vaccination campaign possible, and for social support for the sectors hit by the epidemic.

Once this mission had been successfully accomplished, governmental cohesion was severely weakened; this is logical given the opposing visions of the parties on several fundamental points: tax reform; individualisation of social rights; pension reform; and the energy and ecological transitions. Furthermore, Belgian governments have been called to order over the state of their public finances. Belgian public debt is once again over 100% of GDP.

Waiting for the 2024 elections

The year 2023 thus marked the transition from a fighting government to a paralysed one. Several ministers also experienced political problems. Vincent Van Quickenborne, Flemish Liberal minister of justice, resigned following an error by the judiciary in handling an extradition request for the terrorist who killed two Swedish supporters in Brussels on 16 October 2023. Sarah Schlitz, French-speaking Green secretary of state for equal opportunities, resigned too due to inappropriate use of a personal logo and errors in her answers in parliament. Hadja Lahbib, French-speaking Liberal minister for foreign affairs, was also in the hot seat for issuing visas to Russian and Iranian public officials and giving incorrect answers in the House. However, she refused to resign.

It should be added that, in recent years, the balance of power between political players in relation to the EU has been changing. For a long time, Belgium was a Europhile country for large parts of its population and for the vast majority of its parties. Several prominent Belgians have played a key role, directly or indirectly, in some of the advances made in European integration and in some of the decisive decisions taken in the reform of the Treaties. From 2009 to 2014, Herman van Rompuy was president of the European Council and, in July 2019, the former prime minister, Charles Michel, was elected president of the European Council too. Nevertheless, things have been partly changing.

In Flanders, the two leading parties, the N-VA and Vlaams Belang, are members of eurosceptic groups in the European Parliament: the European Conservatives and Reformists Group for the N-VA; and the Identity and Democracy Group for Vlaams Belang. The radical left Labour Party is quite hostile to European treaties, but not to European integration or even European federalism. Furthermore, the strong polarisation affecting the European Union leads parties to be cautious on the issue.[7]

There is therefore every chance that, as was the case in 2019, the concomitant

7 Hoon, L. (2023) "Euroscepticism in Belgium. Voters and parties in and toward the European Union". Doctoral thesis, Université libre de Bruxelles.

parliamentary, regional and European elections will push the debate on European issues into the background.

However, it should be noted that N-VA and Vlaams Belang make little reference to the EU in their communication, and that among EU member states, support for the idea that more decisions should be taken at EU level is one of the strongest in Belgium. 68% of Belgians are in favour, which puts Belgium in third place behind Cyprus (87%) and Spain (76%).[8]

On the political front, the mood is nervous. All parties in the federal government are forecast to fall, or even fall sharply. Prime Minister Alexander De Croo's OpenVLD party (Dutch-speaking liberals), for example, was forecast at 8.5% in autumn 2023. The French-speaking socialists and the Flemish Christian democrats are also expected to decline. On the other hand, Vlaams Belang and PTB-PVDA are expected to perform well. In September 2023, they were forecast to have 42 seats out of 150, compared with 30 today (see Table 3).

Table 3. Polls in September 2023 compared to election results in May 2019.

	Poll in September 2023		**Elections 2019**	
	Number of seats		**Number of seats**	
PS	16	30	20	29
Vooruit	14		9	
MR	16	22	14	26
OpenVLD	6		12	
CD&V	10	18	12	17
Les Engagés	8		5	
Ecolo	10	14	13	21
Groen	4		8	
PTB-PVDA	20	20	12	12
DéFI	1	1	2	2
N-VA	19	19	25	25
Vlaams Belang	26	26	18	18
	150	150	150	150

Admittedly, these are only voting intentions, and the agenda and framing of the election are not yet fixed. Nonetheless, an atmosphere of 'end of reign' and a leap into the unknown of fragmentation dominates people's minds. This mood of end of reign refers not only to the federal government, which seems simply to be waiting for the elections, but is also linked to the fate of Belgium: N-VA and Vlaams Belang advocate for a major state reform.

8 "L'opinion publique dans l'Union européenne. Rapport national: Belgique". Eurobaromètre Standard 98, Hiver 2022-2023, p. 18.

In this anticipation of the electoral dynamic and the possible outcome of the polls, there are many similarities between the north, centre and south of the country. There are, however, some differences. Among the three major historical political families, the collapse is particularly striking in Flanders. It was already clear in 2019 and seems to be ongoing, to the benefit of Vlaams Belang and, more recently, the PTB-PVDA.

The dynamic is less pronounced in Brussels and Wallonia. Although there was a sharp decline in 2019, the Socialist Party still remains the largest party and the Liberals (MR) second largest. Similarly, the influence of the Greens is stronger on the French-speaking side than in the Dutch-speaking area. This observation leads to another one: unlike the Flemish context, in Brussels and Wallonia, there is no radical right worthy of the name.[9] In Flanders, Vlaams Belang leads the polls, while no radical right-wing party has a seat in Wallonia or Brussels. This leads to a last observation: the centrifugal political thrust benefits primarily the radical right in Flanders and primarily the radical left in Wallonia and Brussels. As said, this spectrum is occupied by the Belgian Labour Party. With its Maoist origins, the PTB-PVDA is not easily linked to other radical left parties.[10] It does not come from the European communist mould, which it fought for a long time. It is not a party that follows the logic of left-wing populism, like Podemos in Spain. It is neither a party to the left of Social Democracy, playing the role of spur and support to a social democratic government, as in Sweden, Denmark or Finland.[11] Currently, its closest partner is the Portuguese Communist Party, and within the Left group, it is more closely linked to the so-called orthodox parties, particularly in international relations. The Labour Party does not want to govern on a national or regional scale and encourages social resistance through extra-institutional action, protests and strikes.

Under these circumstances, it is possible, if not likely, that the Socialist family will emerge as the leading political family in 2024, as in 2019. This status would be linked less to its own result than to the predicted decline of the Liberal family, its main challenger for this status.

Hypothetically, French-speaking socialists could lay claim to the post of prime minister, a clear aspiration for Paul Magnette (PS). Conner Rousseau, leader of the Flemish Socialists (Vooruit, Forward), also expected this, but, in November 2023, he had to resign due to racist comments during a party. Melissa Depaetere has been elected as interim leader. A socialist prime minister has been rather exceptional in Belgium. The prime minister was socialist for only a few months in 1938, from 1945 to 1949, from 1954 to 1958, in 1973 and from the end of 2011 to 2014.

However, we need to be cautious in our expectations. The results on 9 June 2024 will be decisive. But much will also depend on the interplay of the players and the ease or difficulty of establishing a government. Government formation has become so complex in Belgium that there is no longer a single logic leading to the appointment of a prime minister. The

9 Close, C. and M. Ognibene (2021) "Les droites radicales en Belgique francophone", in P. Delwit and E. van Haute (eds), *Les Partis Politiques en Belgique* (Brussels: Editions de l'Université de Bruxelles), pp. 421-452.

10 Delwit, P. (2022) "The Labor Party of Belgium (PTB-PVDA): A modern radical Left party?" *Frontiers in Political Science*, 11 May. DOI: 10.3389/fpos.2022.862949

11 Delwit, P. (2016) *Les Gauches Radicales en Europe. XIX^e-XXI^e Siècle* (Brussels: Editions de l'Université de Bruxelles).

prime minister's influence in setting public policy has diminished over time. Above all, the prime minister retains a decisive influence over the agenda for dealing with issues and a form of veto in the decision-making process. To repeat Jean and Monica Charlot's comments on parties, his power "[...] in government is perhaps more materialised by the measures that are not taken because of his presence than by those that are translated into law by himself and his allies (power of legislative veto)".[12]

All that being said, although the prime minister's role is complex and not necessarily attractive to the party from which he or she comes, it has paradoxically grown in importance from another viewpoint: the prime minister takes part in the European Council and is therefore an important player in the European decision-making process. It is this 'international' dimension that makes the office so attractive today.

12 Charlot, J. and M. Charlot (1985) "L'interaction des groupes politiques", in V. Grawitz and J. Leca (eds) *Traité de Science Politique. 3. L'Action Politique* (Paris: Presses universitaires de France), p. 519.

GLOBAL FOCUS

MARIA JOÃO RODRIGUES

UN Summit of the Future: A unique opportunity in a generation

The large-scale transformation of the present global order and the challenges humankind are currently facing have exposed the shortcomings of the existing global governance system. The UN Secretary-General has convened a Summit of the Future to reform global governance and adopt a Pact for the Future, which should also outline the policy goals and strategies to implement the sustainable development goals and create better life chances for the expanding world population. This chapter looks at the content that such a pact or, better, such a 'Global Deal', should be filled with to equip both developing and developed countries for a more sustainable future.

The current global order is under a large-scale transformation: existential challenges emerging for the entire humankind; increasing inequalities within and between countries and generations; competing global strategies between great powers; fragilities of the multilateral system; and powerful disturbing triggers, such as the war in Ukraine.

There is a clear gap between the global challenges in front of us and the current global governance system. A Summit of the Future to reform global governance and to adopt a Pact for the Future, with commitments about policy goals and the solutions to deliver them, was convened by the UN Secretary-General to take place in September 2024. This was preceded by a Summit on Sustainable Development Goals in 2023 and will be followed by a Global Social Summit in 2025. All actors who want to change the global order for a better future should fully use this unique political sequence.

Triggered by the report "Our common agenda",[1] presented by the UN Secretary-General for his second mandate, the preparatory process for the Summit to the Future started with a High-Level Advisory Board on Effective Multilateralism[2] made up of personalities from all continents and is now underway with a plethora of contributions, which will come

1 "Our common agenda". United Nations website.
2 "A breakthrough for people and planet". High-Level Advisory Board on Effective Multilateralism website.

from UN member states, regional organisations such as the EU, civil society stakeholders, nongovernmental organisations, business, trade unions, think tanks and academia.

FEPS, as the central hub for European progressive thinking and holding UN ECOSOC status, is an active member of these different networks and wants to give a more specific contribution to the Pact for the Future and, more precisely, to the New Global Deal, which will enable many more countries to implement the sustainable development goals (SDGs) and all generations to improve their life chances. Let us underline that, as the last UNDP Report on Human Development shows, for the last four years, there has been general backsliding and increasing inequalities in the implementation of the SDGs.

To start with, some key questions can already be identified. A New Global Deal should be an agreement with give and take from all involved parties, with trade-offs and synergies, and with a general win-win outcome. Important questions to be addressed include:

- In which precise terms should such a deal be formulated?
- How should these terms be translated into key policy fields, notably climate, digital, access to knowledge, education and social welfare?
- How can these terms be translated into trade agreements and new financial and tax arrangements?
- What are the main changes to be introduced into the global economic governance system to deliver on this New Global Deal?
- How can foresight on long-term trends and possible scenarios lead to better choices to answer all these questions?

First reflections for a New Global Deal

The first set of ideas can be drawn from the ongoing global debate.

1) There is an increasing gap between mounting global challenges and the current global governance system. There are increasing inequalities within countries, between countries and between generations in the possibilities to deal with these global challenges. There is also a new geopolitical game. The world is more multipolar: the US-China rivalry is visible on many fronts; the G7 is too limited to lead the world; but possible alternatives, such as BRICS, are not credible either. Most of the countries and the world's population do not want to be squeezed into this strategic rivalry and are looking for something else.
2) We have a weak, outdated and imbalanced global governance, and it is clear that the only way to repair it is via a more effective, inclusive and fairer multilateral system. To give a new and legitimate direction to global governance and create hope for future generations.
3) Development is one of three pillars of the multilateral system and is at the heart of this malaise. On the one hand, developing countries have reached different levels, but many feel – and rightly so – they are hindered in their possibilities to catch up with developed countries. On the other hand, developed countries are confronted with the

need to deeply change their way of development. A new development model is indeed becoming an imperative everywhere and new global public goods must be provided to make this possible. There is only one way out of this situation: a much higher level of cooperation between developed and developing countries.

4) This should be the main purpose of a New Global Deal, a deal to achieve a convergence towards a new development model. A more detailed discussion is necessary about the precise terms of this New Global Deal in different policy fields.

5) A frank talk is necessary, and a critical assessment of the current global order is urgent. The interactions at stake are increasingly complex, and it is important to recognise the contrast between the positive developments and the negative trends, which affect the relationship between developed countries and developing countries:
   - In times of an urgent green transition, the negative side is exporting carbon emissions to developing countries, and the positive one is cooperating with them for this green transition.
   - The negative side is focusing on the extraction of resources, and the positive one is supporting their upgrade in the global supply chain.
   - The negative side is exploiting cheap labour opportunities, and the positive one is building up new skills and improving workers' living standards.
   - The negative side is imposing unbalanced trade agreements, and the positive one is using them for win-win effects.
   - The negative side is blocking developing countries' industrial policy for the sake of free-market principles, and the positive one is accepting it, provided this is not just protectionism.
   - The negative side is imposing monopolistic digital solutions to manage data and design algorithms, and the positive one is accepting more tailor-made solutions.
   - The negative side is transferring the developing countries' tax resources via profits shifting, tax avoidance or evasion, and the positive one is coordinating global tax rules to prevent this from happening.
   - The negative side is triggering forced emigration only to block it afterwards, and the positive one is organising co-management of migration flows.
   - The negative side is giving in to failures in the rule of law and democracy, and the positive one is demanding improved governance standards.

6) Despite very different political views across the world, the SDG agenda remains one of the few officially agreed agendas that are broadly accepted by all UN member states, and it counts on quite a large support base among public opinion and different stakeholders. Nevertheless, all the reports show that the implementation of the SDG agenda is lagging behind and off track for reaching its 2030 objectives.

7) It is high time to change the SDG agenda's approach and move from a checklist of objectives towards a real commitment to implement a development strategy with policy priorities to be adopted in each national context and counting on a more powerful global support framework. The famous 17 top objectives should be better articulated. The interplay between the environmental, economic and social dimensions of sustainable

development must be supported by stronger means in terms of technology, trade and finance, and count on a more peaceful and democratic environment.

8) The main responsibility to tackle internal social inequalities with a New Social Contract remains at the national level, but if we ask whether all countries have similar chances to implement the SDGs, the answer is no. That is why we need a stronger global support framework, whereby developed countries will actively support developing countries in terms of technology, trade and finance, provided the former deliver on their commitments. This should be the central purpose of a New Global Deal. An upward convergence process of countries and generations towards better standards and higher targets of sustainable development must be organised at all levels of governance, local, national, macroregional and international. From a long-term perspective, the needs and interests of the developing countries coincide with the needs and interests of future generations. A New Global Deal requires a new social contract and vice versa.

9) Considering the new aspirations for well-being and respect for the planet, we need to fundamentally change the way we measure prosperity beyond GDP. This will have crucial implications across the board, notably on the way we set standards and attribute value, remunerate and tax activities, with general implications for income redistribution. For instance, care activities are increasingly necessary to meet the human needs of an expanding population; hence, their value should be recognised and remunerated accordingly. By contrast, polluting activities or biodiversity depletion reduce value and should be taxed. Sooner or later, our national accountancy systems must be adapted accordingly, and our entire economies will work in a very different way more aligned with a new Social Contract and a New Global Deal.

10) The political pressure in this direction will increase due to the new boundaries becoming more visible: the planetary; human; and technological ones. They should be called boundaries because they set absolute limits and are signalled by irreversible tipping points with existential threats to humankind. This is the current case for climate change; pandemics; large-scale hunger and migration; and nuclear and cyber weapons, including AI. This is even worse when different boundaries become contradictory, such as the one between fighting hunger on the one hand and fighting deforestation and climate change on the other – a dilemma that exists in many regions across the world.

11) In this context, the main reference for global fairness cannot be only ecological, but must also be social. This means that, in an international negotiation about climate change, what is to be compared is not only the national level of carbon emissions, but it is also the per capita carbon consumption and the carbon emissions of the global supply chains that underpin this consumption. The same should apply more generally for the per capita use of natural resources. This means that a sustainable living standard for humankind should be defined regularly to conduct an upward convergence towards a fairer world, taking into account these boundaries.

12) Nevertheless, the current post-modernist calls for a post-growth economy are not justified. Growth is necessary and possible but with a different quality. Growth is still

possible, provided it is less intensive in carbon and natural resources. Growth is also necessary to meet the human needs of an expanding population, and to create jobs and finance social protection. This will also create the kind of purchasing power that is one of the main engines for upward social mobility and fair transition for sustainable development.

13) The most powerful reform to drive this new trajectory for sustainable development, reducing social inequalities and building a new social contract is to connect all jobs, whatever their status – permanent, precarious or independent – and whatever the kind of company, sector or region, to a universal social protection system. This social protection system should be able to cover the main risks of ageing, health and unemployment and count on mandatory contributions from all those who have jobs. This is also the smartest way to formalise informal jobs, in developing countries as well as in developed ones, reducing their current share of 60% of the global number of jobs.
14) The most powerful investment to promote sustainable development and reduce social inequalities within countries and between countries remains education, because it promotes upward social mobility, accelerates the dissemination of knowledge and technologies and provides the basis for active citizenship and a more inclusive and democratic governance. The digital transformation should be channelled to create learning-platforms software and AI, which are tailor-made for different kinds of participants.
15) Women are not a specific social category: they are half of humankind. That is why their equal access to education and better-paid jobs would be the societal transformation with the highest implications on several fronts, not only to respect human rights and increase social fairness, but also to increase total productivity and human quality of products and services, as well as to strengthen social protection and to improve governance for sustainable development everywhere.
16) Most of the current economic activity is driven by global supply chains that need to be envisaged as key economic entities, being led very often by multinational corporations and involving a diverse network of companies and providers. These economic entities should not only be encouraged to contribute to SDGs, but should also be made accountable in terms of environmental, social and economic responsibility. As this is typically a matter of global governance, the multilateral system should upgrade its current environmental, social, technological, trade and financial frameworks to deal with these new economic entities.
17) The increasing role of digital platforms to organise and manage global supply chains also requires a special regulatory effort to define basic global standards regarding the security and quality of the devices interfacing with the customers, the ownership and management of data, and the basic principles to build up the algorithms underpinning new services and products. This is also relevant for general platforms, which are, in fact, the infrastructures of digitalised economies and societies. Setting global standards and accountability for these digital platforms will also help to prevent the risk of

decoupling, even if different alternative platforms should be allowed to meet different social or cultural preferences.

18) Economic decoupling between different economic poles would become a lose-lose game for all parties involved, but a balanced de-risking might be necessary to reduce some strategic dependencies. Provided that systemic protectionism is prevented, this might become a new reason for an active industrial policy adding to another compelling reason, which is building capacity by combining the relevant productive factors. This new shape of industrial policy, closer to innovation policy, should be part of a post-Washington consensus for all countries, not only for those that can afford it.

19) This is one of the reasons why fiscal space matters. Most of the big transformations underpinning the implementation of SDGs – the environmental, technological, digital, educational and social ones –require much larger-scale and longer-term investment. There is enough evidence from the recent past that imposing austerity for the sake of a fiscal rebalancing might become counterproductive because it reduces the growth potential and public revenue. Another approach for fiscal rebalancing is necessary to ensure a basic fiscal space for investments and reforms, which are crucial to increase this growth potential. This should also be the approach for international instruments of financial support, be it for debt reduction, for countering shocks or for long-term investment, and which should operate based on a positive conditionality: financial support can be given, provided the planned investments and reforms are delivered by the supported country.

20) The need for stronger international instruments of financial support is even clearer when there are global public goods, which can only be delivered with a higher global coordination, such as responses to climate change, pandemics and major natural disasters or protecting global commons. The toolbox for international finance must be updated: official development assistance should overcome its post-colonial approach; development banks should be reformed to better leverage private investment; new forms of investment partnerships with higher accountability should introduced; special drawing rights (SDRs) should be redirected for the countries more in need; and global funds, such as the Green Climate one, should be funded not only by intergovernmental contributions but also by new forms of global taxation. All these instruments should also be used to promote technological co-creation between developed and developing countries at a much higher level. Nowadays, knowledge production and diffusion are critical factors for quicker upward convergence towards sustainable development.

21) Global tax coordination is emerging as a key pillar of a new financial architecture. Firstly, to counter tax avoidance and evasion, which are depleting national fiscal balances and increasing public indebtedness. Secondly, to strengthen the international financial support instruments for upward convergence in the SDG agenda. And thirdly, to finance the provision of global public goods and to protect global commons. The UN tax convention recently adopted is certainly a step in the right direction.

22) A new multilateralism requires not only to define updated global regulations for the big ongoing transformations – the ecological, the digital and the social – but also to recognise that states share common but differentiated responsibilities to advance global public goods and protect the global commons. This should be at the heart of a New Global Deal. This requires global public institutions that are accountable to their full membership, open to a diversity of viewpoints and new voices, and count on balanced and legitimate dispute resolution systems.
23) A new multilateralism must also be able to open real chances for all those who want to implement the SDG agenda. That is why the Summit of the Future's main outcome should be not only a compelling declaration about a Pact for the Future, but also a point of departure for a more powerful process to change the way the multilateral system works and to better implement SDGs at all levels, committing all the relevant stakeholders. Rebalancing the world – people on the planet – will take time and will require a long-term and systematic process driven by a vision of the kind of global governance we need to mobilise women and men in full equality and meet future generations' needs.

For a common framework to prepare the sequence of UN Summits

The sequence of UN Summits offers a unique opportunity, but also the risk of failure. A common and single framework to implement SDGs and to prepare the sequence of these UN Summits should be based on a clear vision of how the global governance system should work from now on to accelerate the SDG agenda in all countries and for all generations.

This vision should be presented in three blocks:

1) national strategic plans to implement the SDGs;
2) global support conditions for these plans; and
3) global governance reforms.

Important inputs for this implementation process are real *national strategic plans for SDGs*, which should be considered not just a list of targets to be monitored in the same way in all countries. A strategic approach for SDGs should be based on a basic systemic model organising them as follows:

- in four blocks: the social; the economic; the environmental; and the governance ones;
- adding key policy levers, such as investment, trade, technology, taxation and finance; and
- taking into account the main demographic trends, such as ageing and migration.

It is after analysing the key trade-offs and synergies between all these factors that a national strategy to implement the SGDs can be better defined. It is particularly important to analyse the recent trends and identify the main impediments and trade-offs to explain the low SDG performance. It is also crucial to identify the critical factors to increase synergies.

Finally, it is important to identify which improvements depend particularly on the higher international cooperation – to be organised by a Pact for the Future.

A better implementation of the SDGs depends on national responsibilities, but also *on better global supporting conditions*, and they should be clearly identified for concrete decisions at each bi-annual Summit. The following global policy shifts should already be referenced:

- Access to knowledge, science and technology with more open systems and with an intellectual property rights regime, which enables stimulus for innovation but also for better diffusion of new technological solutions. New schemes for technological co-creation should also be introduced to enable new solutions adapted to each national context.
- A global framework for the digital transformation defining common standards for the next generation of the web; for the use of personal information when expanding big data; for ethical principles to develop artificial intelligence; for the business model of fundamental platforms organising access to knowledge, the markets and supply chains; and for logistic support and the social interactions to end democratic debate.
- Global trade standards for the development of global supply chains, enabling capacity building in all countries involved, promoting better economic environmental social and governance standards, limiting profit shifting and tax avoidance, and promoting technological co-creation.
- A global stimulus investment plan mobilising the various private and public components. This, on the one hand, would channel private investment, including from pension funds and foreign direct investment, to support the implementation of SDGs. On the other hand, it would strengthen the role of development aid and the regional development banks, as well as exploring new roles for the IMF, particularly by revising the framework to issue SDRs that are more targeted to the countries in real need. Debt management and restructuring in countries that are highly indebted or confronted with natural disasters should also be aligned with a better implementation of the SDGs. A global tax framework should underpin all this.

An international convention to update the terms to measure wealth creation is also becoming urgent. We need to go beyond the current convention based on GDP national accounts to recognise the added value of activities that are extremely useful, but often neglected, such as care activities of people and nature. On the other hand, there are economic activities that reduce wealth, such as activities that produce pollution, which should be targeted to be reduced and submitted to taxation, to finance real needs such as energy poverty or education.

The various policy shifts, which are identified above, are based on the recognition of spillover effects of the development paths in some countries (notably in the north) on others (notably in the south). Several spillover effects have been identified and confirmed by recent analysis, such as the higher footprint carbon print of production and consumption in the Global North, the poorer labour conditions in the developing countries involved in

global supply chains, the brain drain and the capital drain from the south to the north, or the specific advantages stemming from stronger reserve currencies.

These policy shifts should be introduced to reduce these spillover effects or to provide compensation for them in order to ensure a global governance framework that can better support the implementation of SDGs for all countries and all generations.

This recognition is the basis for the principle of common but differentiated responsibilities when tackling structural inequalities. Recognising different capabilities and the need for solidarity when confronting natural or civil disasters is an important complementary principle. Both these principles should also be taken into account when building up a global framework to protect global commons such as oceans, forests, cyberspace and outer space.

The third block of the common framework should be about *global governance reforms* and define:

- how to strengthen the UN development, environmental, digital and social systems;
- how the multilateral system should work with a multilevel and multistakeholder approach;
- the implications for international financial institutions and the WTO; and
- this process of more effective and inclusive implementation of the SDGs should count for a political engine, such as a bi-annual Summit, with all the relevant actors at national and global levels reporting on concrete outcomes and defining the next steps.

UDO BULLMANN

Sustainable development goals and the way forward

This chapter critically evaluates the progress and challenges encountered at the mid-point of Agenda 2030 and its sustainable development goals (SDGs). Despite initial promising trends, the trajectory has been significantly hampered by the Covid-19 pandemic, global crises and climate-related disasters. The situation is particularly dire in the Global South, with fewer opportunities and resources for meaningful progress towards the SDGs. The European Union's strategic leverage lies in addressing these global inequalities and applying a holistic approach towards the implementation of Agenda 2030. It is imperative to address negative spillovers and bridge the financing gap, necessitating reforms of international financial institutions and fair debt-burden regimes. The chapter concludes by pointing out that the Global North cannot continue overlooking the exploitation inherent in its prosperity and that Europe's progressives must embrace Agenda 2030, recognising the need for a global perspective and challenging the outdated system perpetuating inequality.

In 2015, the international community came together to adopt a transformative and ambitious programme: Agenda 2030 and its 17 sustainable development goals (SDGs). These 17 interconnected goals were designed to address some of the world's most pressing challenges, from eradicating poverty and inequality to promoting environmental sustainability and peace. Now, as we have reached the midway point between 2015 and 2030, it is a pivotal moment to reflect on the progress made and the road ahead. When Agenda 2030 was developed as a successor to the millennium development goals, the world was another place. There was no Covid-19 pandemic, with several million deaths that brought public life and global supply chains to a standstill. Climate change was far less present in the debate, and a war in Europe with consequences for the whole geopolitical landscape was not on the cards.

Here, we look at the state of play and give an overview of achievements and shortcomings. In view of the recent SDG Summit 2023 during the United Nations General Assembly in New York, we elaborate on the way forward and the critical role that the EU should play in advancing the SDGs.

State of play

Before we discuss the future, it is important to understand where we stand today. The SDGs set an ambitious agenda, with 169 targets, covering a wide range of areas. Early efforts after the adoption of the SDGs showed positive trends in reducing extreme poverty and child mortality, advancing gender equality, increasing access to electricity and promoting renewable energy sources.

However, the progress was fragile and the Covid-19 pandemic wiped out most of the first achievements. Today, we see a bleak picture of rising global inequalities, hunger and poverty, and overall progress on the SDGs has stalled severely. Recent global events, the war in Ukraine and climate-related disasters have further exacerbated these challenges.

At the halfway point for the implementation of the SDGs to 2030, the situation is dire. About half of the goals for which trend data is available are off track and more than 30% have either stagnated or fallen back from the 2015 baseline.[1] Especially, the promise of leaving no one behind, a core principle of Agenda 2030, is under threat: predictions suggest that, without substantial changes, 575 million people will still be living in extreme poverty by 2030. Hunger levels have returned to those of 2005 and progress in closing gender gaps is slow. Education is suffering from years of underinvestment, leaving an estimated 84 million children out of school and 300 million unable to read and write by 2030.[2]

Moreover, the climate crisis presents a significant challenge. With the constant rise in global temperature and the slow transition towards renewable energy, millions of people are losing their living environment. Rural and socially vulnerable populations are hit the hardest. These regions often endure the worst of climate-related disasters, sea-level rises and changing weather patterns. By 2050, there could be over 140 million climate refugees, as many as 86 million alone in Sub-Saharan Africa.[3]

The lack of progress toward the SDGs affects all nations, but the burden disproportionately falls on countries in the Global South. These nations face a complex web of challenges, including economic disparities, historical inequities, climate change and the fallout from the Covid-19 pandemic.

Historical global injustices continue to play a pivotal role in exacerbating the disparities between countries in the Global South and their counterparts in the Global North. These historical injustices include colonial legacies, unequal trade relationships and exploitative economic systems that have left many countries at a significant disadvantage. The enduring impacts of these systemic inequalities hinder their ability to access resources, financing and technology necessary for sustainable development. The pandemic has deepened the disparities, with many countries in the Global South struggling to access vaccines, medical supplies and economic relief. The economic impacts of the pandemic have been severe and have not yet been overcome.

1 SDSN SDG Report 2023.
2 SDG Report 2023.
3 World Bank Report 2021.

All of these factors contribute to the unequal burden share for countries in the Global South, making it even more challenging for them to allocate resources to sustainable development. They have fewer opportunities and resources to make meaningful progress towards the SDGs, perpetuating the global divide. Addressing these disparities requires international solidarity, equitable resource distribution and a strong political commitment. The 2030 Agenda can only be achieved if all countries pull on the same rope and everyone makes their fair contribution. In this regard, regular exchanges on global platforms can provide the necessary momentum, provided that concrete implementation measures follow.

Important summits in 2023: Turning points for Agenda 2030?

The High-Level Political Forum (HLPF) in July and the SDG Summit in September 2023 in New York were two important global platforms and have borne the hope of becoming crucial turning points for the realisation of Agenda 2030. Both meetings provided an opportunity for reviewing the SDGs' progress and for member states to reconfirm their will to achieve the common goals.

The political declaration was negotiated in the run-up to the HLPF by Ireland and Qatar and signed by all UN states during high-level meetings. Leaders reaffirmed their commitment to Agenda 2030 and stressed the need for urgent action on poverty and climate change. They expressed concern about slow progress on the SDGs amid increasing global crises and committed to bold, inclusive action for sustainable development. The declaration highlights the interdependence of peace, security and the SDGs, and promotes international cooperation and partnerships at all levels. It is a call to action for a more just and sustainable world.[4]

For the first time, the European Union presented its own voluntary review at the HLPF and showcased the state of play of SDG implementation as a bloc. This was an important exercise and a crucial signal of EU implication towards the achievement of Agenda 2030. With more than €50 billion annually, the EU is not only the largest donor of international aid in the world, but also an important driver of the global agenda. The report states that the EU is following a "whole-of-government" approach and that the SDGs are placed "at the core of EU policy": "all EU actions and policies contribute to the implementation of the SDGs".[5]

This is also a crucial element of the European Parliament's own-initiative report (INI) *Implementation and delivery of the SDGs*, drafted together by the Committees for Development and Environment ahead of the HLPF. Parliamentarians are calling for an integrated EU SDG implementation strategy that also envisages additional funding for the achievement of the goals.[6]

4 Political declaration.
5 EU VR 2023.
6 EP SDG Report 2023.

In its first voluntary review (VR), the European Commission summarised the successes of EU Agenda 2030 implementation. A delegation of the European Parliament (EP) was in New York for the occasion of its presentation at HLPF and the rapporteurs of the EP report were present on the panel together with Commissioners Paolo Gentiloni and Jutta Urpilainen and the President of the European Economic and Social Committee, Oliver Röpke. This constellation was a very positive example of a holistic governance culture and as such also well received by the national representatives at the HLPF.

Over the past five years, there has been significant progress in achieving certain SDGs in the EU. Notably, in promoting "Decent Work and Economic Growth" (SDG 8), reducing poverty (SDG1) and improving gender equality (SDG 5). Good progress has also been made in reducing inequalities (SDG 10), ensuring quality education (SDG 4) and fostering peace, security, access to justice (SDG 16) within the EU. Despite the challenges posed by the Covid-19 pandemic, remarkable achievements were realised in the areas of health and well-being (SDG 3) and innovation and infrastructure (SDG 9). Room for improvement remains regarding environmental concerns. The EU has set ambitious climate and energy targets for 2030, indicating likely progress in the coming years. As for global partnerships (SDG 17), trends reflect the impact of the Covid-19 crisis, including increased public debt.[7]

However, in an increasingly interconnected world, the actions taken by countries in pursuit of sustainable development often have far-reaching consequences, both positive and negative, on other nations and their capacity to achieve the SDGs. The EU VR, therefore, also shows the spill-over effects of the EU on partner countries.

For instance, in 2020, the EU's consumption contributed to a staggering 9.3% of global CO_2 emissions, signifying a substantial environmental impact and accentuating the adverse spill-over effects of the EU's consumption on other countries. As stated in the EP report, if the world's population were to consume as much as the EU, 2.8 Earths would be needed to sustain its demand for natural resources. Therefore, all EU actions must be checked for their positive and especially negative spill-overs, to reduce global inequalities and enable a virtuous circle.

Fighting inequality: Strategic leverage to achieve Agenda 2030

In an era where inequalities persist both within and between countries, addressing these disparities stands at the core of Agenda 2030. The fight against inequality has the potential to be used as strategic leverage and become a driving force in advancing the global development agenda.

Rising inequalities are a global challenge, and the EU has considerable influence to promote policies that foster equity. This encompasses prioritising poverty reduction and

7 Eurostat SDG Report 2023.

sustainability in international development, trade and investment. One simple example are school feeding programmes. SDG 2, focusing on ending hunger and enhancing food security, provides a path where the EU can make a substantial impact. Initiatives such as school feeding programmes have the power to alleviate hunger among children, not only addressing a fundamental need and increasing their health, but also improving access to education, contributing to gender equity and prospects for a better future.

This is also in line with the gender-responsive approaches to foreign policy that have been gaining momentum around Europe. By August 2023, 13 countries had committed to adopting Feminist Foreign Policy (FFP) approaches. FFP is committed to gender equality, inclusive policies and international cooperation. As it helps address gender disparities and structural inequalities, while promoting a more holistic and inclusive approach to international relations and development, it can be a valuable tool for advancing the SDGs. This aligns with the whole-of-government approach that fosters collaboration and coordination across various government departments and stakeholders. To improve SDG implementation, it is crucial to create an environment of inclusiveness and empowerment at all levels of society and government.

Following a holistic approach is pivotal to ensure the efficiency and effectiveness of development assistance. The EU can play a vital role in enhancing aid coordination, aligning it with the SDGs, and investing in innovative development projects and capacity-building programmes. This will ultimately improve the impact of aid, especially in developing countries, bringing us closer to a more equitable world.

The European Commission under the leadership of Commissioner Urpilainen and on the initiative of the Socialist & Democrats Group in the EP has now taken an important step in this direction. The new 'inequality marker' was developed to check programmes and measures in the field of European development cooperation to see whether they actually serve the weakest 40% of the societies. In that way, it can be systematically and verifiably shown that the funds are used where they are most urgently needed. And programmes can be adapted, if the indication is insufficient.

Tackling inequalities is not only a moral imperative, but also an essential driver of sustainable progress. Through more policy coherence and improved aid effectiveness, the EU can play a crucial role in advancing the global agenda to create a more equitable world for all. As has been mentioned several times above, this requires the appropriate funding.

Better financing

One of the most significant challenges in achieving the SDGs is the financing gap. The annual financing needs for achieving the SDGs are estimated at $4.2 trillion, thus over €3.8 trillion. For Africa alone, the sustainable financing gap by 2030 is around $1.6 trillion (€1.4 trillion). This means additional funding of around $194 billion (€177 billion) annually for the African continent alone to finance the achievement of the SDGs by 2030.[8]

8 OECD 2023.

To close this financing gap, various components are necessary. Firstly, and most obviously, it needs more money. Official development assistance (ODA) remains a critical source of funding for many SDG-related projects, particularly in the least-developed countries. Unfortunately, the EU and its member states have not fulfilled their collective commitments to provide at least 0.7% of gross national income (GNI) as ODA. Additionally, in February 2023, the SDG stimulus was launched by the UN secretary-general, as a response to the economic shocks caused by the pandemic, the war in Ukraine, rising food and energy prices, and tighter financial conditions. The initiative seeks to increase SDG financing and investment by a minimum of $500 billion annually, primarily through the expansion of affordable long-term financing provided by multilateral development banks.

Another tightly connected, crucial aspect: there must be an urgent rethinking of the international financial institutions and a comprehensive and rapid reform. The International Monetary Fund, the World Bank, and the European and national development banks must refocus their priorities on social cohesion and the fight against climate change.

Right now, the number of countries spending more on external debt servicing than on education and health is steadily increasing. It is therefore, thirdly, absolutely essential to introduce a fair and sustainable debt-burden regime for the most indebted nations. Countries that introduce free school meals and promote sustainable value addition should be supported in doing so, not prevented from making the necessary investments because of a lack of financial means.

A further vital element to consider is the consistent effort to combat tax havens. This alone can help many countries become stronger and more independent. Curbing illicit financial flows could, according to United Nations Conference on Trade and Development, almost halve the annual financing gap of nearly $200 billion that Africa faces to achieve Agenda 2030. We should drive forward the digitisation of tax and customs administrations with joint pilot projects to ensure that the economic returns generated are also available to the respective countries.

To get Europe back on track, the Commission urgently needs to develop an EU SDG implementation strategy. This strategy should include the formulation of specific, measurable and time-bound targets and indicators, applicable to all member states and supported by concrete actions to achieve them. It also needs an updated monitoring system and indicators that take into account the EU's internal actions and their global impact on the progress of the 2030 Agenda. For this, the European Parliament calls for creating a single, integrated financial plan that is closely linked to these goals. This financial strategy will ensure the allocation of the necessary resources and investments required to promote sustainable development across the EU.[9] If these interlocking factors are implemented globally, the funding gap could be closed effectively and the achievement of the SDGs would once again be within reach.

9 EP SDG Report.

Ways forward: Beyond 2030?

As we look ahead beyond 2030, the SDGs must continue to serve as our guiding light for global progress. The difficulties the world is facing in their implementation should not discourage us from pursuing the goals. If anything, the ongoing crises demand even more focus on fighting inequalities and poverty on our planet and to empower our partner countries to set themselves on the path to sustainable development and building resilient, equal and just societies.

However, we can observe that many powerful stakeholders are still operating within the logic of the classical national welfare state model. This model originated during the era of industrialisation and the uprising labour movement, primarily in Europe and North America. Nevertheless, today, we still act as if it were the global reality or the sole truth. The fact that our wealth is essentially based on the exploitation of natural resources, as well as of countries in the Global South, is largely overlooked.

This bubble of prosperity, which has securely surrounded us for many decades, has developed cracks in the past and is finally bursting. The reality of the world is crashing down on us. Particularly, youth and opposition movements in the Global South are increasingly addressing the injustice. People are outraged, challenging the status quo, and revolting against the outdated system of the rich North and the exploited South.

Europe's progressives therefore have to make Agenda 2030 their own. We need to undergo a reality check and finally realise that we are confronted with a global society. The insular view of our Western reality must end. Once this step is taken, the view will become clear for creating a new global framework.

Right now, the social democratic movement is called upon for the second, and perhaps last, time in history to fulfil its mission: to fight for justice, social inclusion and sustainability. The multiple crises currently shaking the world fundamentally create a social democratic momentum. The question now is whether the social democratic movement still holds the answer.

This time, we must apply our core idea not only to the comfortable island we have created for us, but to the world as a whole. In contrast to the past, we must stand against the exploitation of our planet and people worldwide. We cannot fail our commitment to leaving no one behind. Otherwise, we would fail humanity and our values for a fair, inclusive and sustainable world.

UWE OPTENHÖGEL

BRICS to BRICS+: From development ambition to geopolitical challenge

The BRICS summit in South Africa in the summer of 2023 might go down in history as a memorable date for international politics. Amidst a massive campaign by the G7 countries to isolate Russia as a reaction to its attack on Ukraine, some important regional powers of the non-Western world decided to apply to join BRICS, which counts Russia as a prominent member. With the addition of Argentina,[1] Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates, the club will be enlarged from five to 11 members by January 2024. As an expression of symbolist politics, the signal to be given to the West could not be clearer: these countries are no longer willing to allow anyone to dictate how to act or with whom to cooperate internationally.

Claiming an adequate place in the global order

Given the organisation's legacy since its beginning, this development could hardly be foreseen. BRICS was launched in the summer of 2009 during the international financial crisis. Adopting the acronym thought up by Goldman Sachs, one of the major American investment banks and main culprits behind the crisis, was seemingly not considered to be a problem. The bank had launched a new fund to channel its investors' abundant capital into the most dynamic emerging markets of Brazil, Russia, India and China. South Africa was added in 2011 at the instigation of China: BRIC became BRICS.

After almost three decades of dynamic expansion and sometimes spectacular growth rates, particularly in China, it had become clear that the globalisation of goods and financial markets was based on a deregulated capitalism, whose greed had caused it to overextend itself, pushing the entire international economic order to the brink of collapse and into its

1 Under recently elected President Javier Milei, it is highly improbable that Argentina will join the club. In his election campaign, he explicitly excluded this option.

greatest crisis since the Great Depression of the late 1920s. The emerging economies, and indeed the Global South as a whole, saw their conviction confirmed that the international order at the end of the first decade of the 21st century represented yesterday's world. From the World Bank to the International Monetary Fund (IMF), from the UN Security Council to the global power of the US dollar, the institutions of the world order reflected the balance of power in 1945 not 2009.

The emerging and developing countries felt more than ever that they were not adequately represented in this multilateral system, which neither reflected the proportion of the global population they represented nor their growing political and economic importance. At the time of its establishment, the BRICS group of states represented around 40% of the global population. The BRICS countries' share of global GDP grew from 8% in 2001 to 26% (in US dollars) in 2023, while the share accounted for by the G7 countries fell from 65% to 43% during the same period. Between 1990 and 2022, the BRICS countries achieved a growth rate of 4.5%, compared to a meagre 1.5% for the G7 countries, with China (12.3%) and India (6.4%) as the driving forces.[2]

Since its launch, BRICS has been a loose association of very different states that are significantly more divergent than the G7, for example. The group has little in the way of institutions, with neither a charter nor an executive or legislative body. It does not even possess a permanent secretariat. There are no formal membership criteria. The group of countries is also very diverse in political, military and economic terms: democratic and authoritarian governments collaborate with each other, and three of the members are nuclear powers (Russia, China and India). The group's economic weight is very unevenly distributed. China's gross national product is higher than that of all the other members of the group combined, accounting for some 70% of their total. There are also overt conflicts, including military clashes, between individual countries like China and India. The member states do, however, share common interests concerning the reform of the multilateral UN system, the international financial system, trade and development.

Political legitimacy and priorities of the founding members

The final communiqués of the past 15 BRICS summits are very clear in this respect. Three priorities have emerged over the period of the group's existence:

1) The financial system. The very first final communiqué stated the following:

> We are committed to advance the reform of international financial institutions, so as to reflect changes in the world economy. The emerging and developing economies must have greater voice and representation in international financial institutions, and their heads and senior leadership should be appointed through an open, transparent, and

2 Conte, N. (2023) "Charted: Comparing the GDP of BRICS and the G7 countries". Visual Capitalist, 23 October; Gylafson, T. (2023) "G7 versus the BRICS: Taking stock in 12 figures". Social Europe, 3 October.

merit-based selection process. We also believe that there is a strong need for a stable, predictable and more diversified international monetary system.[3]

2) Development and trade. BRICS first vigorously promoted the Millennium Development Goals (MDGs) and, from 2015, the Sustainable Development Goals (SDGs). By doing so, BRICS chose a position which reflected that of the many successful major UN conferences[4] that have had a lasting impact on the development agenda, leading up to the Paris Climate Conference and the adoption of the SDGs. This phase of multilateral politics was characterised by the socialisation of international relations. The World Social Summit (not a UN event), for example, declared itself a "summit from below". The groundbreaking results of these conferences for the international community would not have been possible without the participation of non-governmental organisations (NGOs) of all kinds.
3) A far-reaching reform of the UN system and its approach to multilateralism.

Given this background, it is clear that the emergence of BRICS on the international stage has been associated with a high degree of legitimacy for the Global South. An actor had emerged that was committed to a fairer multipolar order, which was interpreted as a further step towards the emancipation of the developing countries. The end of European colonialism appeared to be a pivotal but incomplete step on the road to liberation. It was quickly replaced by neo-colonial dependency and exploitation, based on the US-dollar-dominated financial system. This became particularly evident during the debt crisis that the developing countries suffered in the 1980s.

The structural adjustment programmes drawn up by the IMF forced developing countries to liberalise trade, privatise and implement a variety of austerity measures as a condition for the loans they needed. These policies forced countries to cut social services and led to an increase in poverty and inequality. It made self-determined national development impossible for many developing countries.

Given these initial conditions for BRICS, many analysts from 2009 onwards began to see the group of states as a potential challenge to the Western countries that collaborated in the G7. This turned out not to be the case, however. The predicted growth of the emerging economies failed to materialise. Instead, BRICS lost momentum. Brazil and South Africa were engulfed by domestic political problems. And Russia stagnated as a rent economy based on energy and raw materials. "Non-Asian BRICS economies stagnated in the 2010s. At summits, the bloc would issue garbled communiqués about the perfidious West, which the perfidious West would promptly ignore. The BRICS looked dead",[5] is how *The Economist* recently described this phase.

3 See the BRICS information portal.
4 See "Die großen Weltkonferenzen der 1990er Jahre". Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung website [in German].
5 "The BRICS bloc is riven with tensions". *The Economist*, 17 August 2023.

Looking inward in light of frustrated ambitions and a loss of global significance

With the consolidation of the global economy in the aftermath of the financial crisis, the pressure for reform that had characterised the first meetings of the G20 began to wane on the Western side. The hopes that the Global South might finally play a greater role in shaping the international rules-based order were dashed: since then, the reform of the multilateral UN system has been subject to a never-ending debate, with the UN Security Council deadlocked; the IMF and World Bank in the hands of the Europeans and Americans, respectively; and the World Trade Organization blocked. In this respect, the 2010s were a lost decade for the Global South.

Given these developments, the question arose as to what held BRICS together during this phase. Despite its loss of global significance, the club fulfilled a number of important functions for its members: it provided a platform to criticise the existing system; it indirectly contributed to the stability of their domestic regimes, and thus, offered protection against unwanted external interference (principles of sovereignty and non-interference); and it offered the possibility of flexible foreign policy alliances. In addition, the nature of the club served as a source of prestige and, for Brazil and South Africa as the only members on their respective continents, it was a means of projecting their regional influence.

Even more importantly, however, BRICS began to build multilateral institutions, intensify their internal relations and adapt to the return to geopolitics in international relations. In 2015, the Shanghai-based New Development Bank (NDB) was established as a lending platform for financing in developing countries. A contingency reserve arrangement was also set up to act as a buffer in the event of global financial pressure. The process of setting up the bank was protracted and fraught with conflict among the club's members, with China ending up holding the largest share of deposit capital at 40%. Apart from the fact that the balance sheet volume of the bank is many times smaller than the corresponding ones of the World Bank or the IMF, a lot of business is still done in dollars. Not only Western observers have criticised the NDB's hitherto short performance (lack of transparency, too many loans in dollars, dominance of the founding members in the supervisory bodies etc.). "That does not suggest a truly progressive Global South bank", says Professor Daniel Bradlow from the University of Pretoria in South Africa.[6] Some of the assessments of the NDB's business practices are highly critical: „How the BRICS nations failed to rebuild the global financial order"[7] was a headline on the TV channel France24.

Regardless of these assessments, from the perspective of its shareholders, the BRICS states had made a start. China, in parallel, vigorously pursued its own global strategy in the form of the Belt and Road Initiative and set up its own development bank (Asian

6 "The BRICS bloc is riven with tensions". *The Economist*.

7 The role and impact of the NDB has been covered and debated in the international media. For example, see: "How the BRICS nations failed to rebuild the global financial order". Reddit website; D. Zhang (2016) "NDB: A bank with a question mark". DW, 4 August.

Infrastructure Investment Bank, AIIB), which somewhat overshadowed the launch of the BRICS Bank (NDB).[8]

The most crucial aspect in the 2010s was probably the strengthening of internal relations between the member states in the areas of investment and mutual trade, which have been expanded. Exchanges and communication between national governments and government-related organisations have also been intensified and, in addition to the annual summits, many working groups and forums have been set up. Until the middle of the decade, Brazilian and international NGOs, such as Oxfam, remained under the illusion that they could advise BRICS on how to deal with civil society.[9] However, it is not NGO activists who meet within the framework of BRICS, but representatives of ministries, ruling parties, companies, academia and so forth. This leads to the formation of networks of functional elites closely associated with the regime. This practice shows that the BRICS club has little intention to allow for civil society participation. It instead resulted in a reversal of the socialisation of international politics achieved in recent decades. BRICS is a purely intergovernmental endeavour.[10]

The pandemic and Russia's war as catalysts

All these events happened largely under the radar of the West, which, since the financial crisis, has been preoccupied with managing multiple crises and the return of geopolitics. It was not until the pandemic and the Russian invasion of Ukraine that the West realised it could no longer take for granted that countries of the Global South would automatically follow its lead. On the contrary, it became clear that Western ignorance had come at a high price. Both events reinforced the trend towards a reshuffle and deglobalisation. As far as the pandemic is concerned, the developing countries had to face the bitter truth that the rich countries of the West were unwilling to recognise the Covid-19 vaccine as a "global common good", as demanded by India and South Africa.[11] Instead, they protected the patents of their multinational pharmaceutical companies – despite a global pandemic with an uncertain outcome. The outbreak of the war in Ukraine also soon demonstrated that wars waged by major powers have far-reaching global consequences and can, at best, be confined militarily.

8 For China's global strategy under President Xi, see: U. Optenhögel (2022) "Sind Chinas beste Zeiten schon vorbei?" *Mit Sicherheit kontrovers* Blog, 21 November [in German]; U. Optenhögel (2023) "China en el orden global: ¿socio comercial, competidor o alternativa sistémica?" Nueva Sociadad, January [in Spanish].

9 See "Improving global governance through engagement with civil society: The case of BRICS". Oxfam Briefing Note, March 2016; F. Mello (2014) "*Wohin geht die BRICS-Gruppe?*" IPG, 28 July [in German]; W. Gumede (2018) "Strengthening civil society influence on BRICS". Democracy Works Foundation. Policy Brief 29, 15 June.

10 This is hardly surprising if we consider how China and Russia deal with citizens who do not conform to the system. They are systematically monitored (China's social credit system), persecuted, sometimes murdered or locked up in a variety of ways.

11 See the debate on this issue: B. Dhar (2021) "India's vaccine diplomacy for the global good". East Asia Forum, 8 February; "Campaigners warn that 9 out of 10 people in poor countries are set to miss out on COVID-19 vaccine next year". Oxfam Press Release, 9 December 2020.

The war itself and the West's decisive support for Ukraine resulted in supply-chain disruptions and shortages in various global markets (food, raw materials, energy etc.), leading to price increases and higher interest rates and inflation, which put the issue of debt back on the agenda for a large number of developing countries.

The aim of the Western alliance was to turn Russia into an international pariah and bring it to its knees economically through tough and comprehensive sanctions of the kind that had never previously been applied. However, an unintended consequence of these sanctions has been a serious disruption of international trade and far-reaching repercussions on their own societies.

Against this background, many countries from the Global South voted in favour of the March 2022 UN resolution that condemned Russia's war of aggression. Of the five BRICS countries, however, only Brazil voted in favour; Russia, of course, voted against; China, India and South Africa abstained. But only a few countries in the Global South joined the sanctions imposed by the West, because they saw their interests and relations with Russia as being in jeopardy and considered the war to be a Western or, more precisely, a European affair. In this conflict, the West was repeatedly confronted with its own double standards, which have permanently damaged its credibility in the Global South. Had it not itself violated international law and ignored international norms on many occasions? The Indian foreign minister, Subrahmanyam Jaishankar, may have aptly described the Global South's view of the Ukraine war when he said: "Somewhere Europe has to grow out of the mindset that Europe's problems are the world's problems, but the world's problems are not Europe's problems. That if it is you, it's yours, if it is me, it is ours".[12] And whatever impact the war in Ukraine has on the relationship between the West and the Global South, the relation is exposed to a new stress test when it comes to the war between Israel and Hamas in Gaza.

Many developing countries see no reason to take sides regarding the war in Ukraine. In an era where the developed world is derisking and decoupling from one-sided dependencies on individual countries (China and Russia in particular), developing countries have leverage for the first time in years. Indeed, they are suddenly being courted, whether for raw materials, because they are needed to solve global migration flows or simply because the increasing polarisation between China and the USA is opening up a negotiating space for the 'nobodies' of the international community.

BRICS enlargement as a challenge to the West

This tense, dynamic environment was the backdrop for the 15th BRICS Summit in South Africa in August 2023. Two significant topics were on the agenda: expanding the club to include new members; and further decoupling from the dollar through growing trade in national currencies. Public interest in the meeting was high, an indication that BRICS has

12 "Explained: What Jaishankar said about Europe, why Germany chancellor praises him". Outlook India, 20 February 2023.

become a symbol of a change in the global landscape, despite the fact that the club has achieved little in terms of its broad development policy objectives.[13] Nevertheless, candidates for membership were queuing up in Johannesburg.

According to South Africa, some 20 formal applications were received and a further 20 countries expressed an interest. Enlargement was a controversial topic among the founding members. China and Russia were very much in favour, while India and Brazil were opposed.[14] Without formal membership criteria, the admission of new members was purely a matter of influence between the founding members. The selection of new members, which has turned the group of five into a group of 11 countries, leaves no doubt that Russia and China prevailed.[15]

The new countries to be affiliated by January 2024 – Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates (UAE) – consist of two monarchies, a theocracy, a de facto military dictatorship and a country currently engaged in a civil war. Only Argentina would have been an indisputable democracy, but after the election of its new president, Javier Milei, it is most improbable that the country will join the club (see also footnote 1). Why were countries such as Indonesia, Thailand, Nigeria, Vietnam, Malaysia, the Philippines, Bangladesh, Mexico and Colombia not considered? The answer is that the chosen new members fulfil a very specific task:

> The expansion of BRICS with additions of major energy exporters such as Saudi Arabia, the UAE, and Iran, improves the nominal importance of the BRICS as an energy and financial partnership. Countries like Iran, Russia, and China have strong incentives to develop alternative currency system due to their concerns about sanctions and being cut off from the dollar-based system. This expansion also increases the potential for the promotion of the use of non-dollar currencies in energy pricing, trading, and settlement. BRICS expansion with adding new energy powerhouses could contribute to the development of alternative energy trading markets, both oil and natural gas. For example, China's renminbi oil futures trading launched in 2018 has developed rapidly. The Chinese government is also very much interested in promoting the use of renminbi in natural gas trading.[16]

Russia and China have thus turned BRICS into an anti-Western project aimed at breaking the hegemony of Western countries in the current global order and the dominance of the US dollar in the global economy. The emancipatory elements of the founding phase, linked to a comprehensive developmental ambition, give way to a geopolitical project characterised by traditional power politics, economic and military strength, and foreign policy influence. If the enlargement that has taken place becomes the norm, there is every chance that BRICS+ will degenerate into a club of predominantly autocratic regimes. This

13 See the analysis by T. Gylafson (2023) "G7 versus the BRICS: Taking stock in 12 figures".
14 For the motivations of individual players, see: Summit in South Africa – The BRICS states are still a long way from reaching their goal | Cicero Online.
15 For a size comparison with the G7 following the enlargement, see: N. Conte (2023) "Charted: Comparing the GDP of BRICS and the G7 countries".
16 See the interview with Zongyuan Zoe Liu (international currencies expert) in "Is the dollar's dominance ending?". Friedrich Ebert Stiftung, 17 October 2023.

development offers nothing in the way of progress for the people in the developing world and is more likely to result in a return to the kind of great power politics that characterised the 19th century. The multipolar world of Vladimir Putin[17] and Xi Jinping formulates neo-imperialist claims to self-defined spheres of interest. It is not subject to any rules and is the precise opposite of a multilateral world in which everyone plays by the same rules. This understanding of multipolarity does away with rule-based order, replacing the strength of the law with the law of the strongest. And every autocratic leader is guaranteed a free hand in their own country.

Open future, yet wake-up call, for the West

At the same time, the group is becoming even more heterogeneous than it already was, with growing imbalances between the member countries and outright conflicts between the new affiliates. How the remaining three democracies (Brazil, India and South Africa) will deal with the new, more limited and simultaneously more aggressive approach remains to be seen. The Brazilian president, Lula, who strongly advocated for Argentina's membership, emphasised in Johannesburg that the BRICS group was not directed against others, but instead was about improving the Global South's position in the international order.[18] And some pundits advocate that, for India, "the most populous country on earth, the summit is just a sideshow, because India has larger ambitions – making the BRICS summit just one of many".[19] Against this background, it is doubtful whether the new direction and enlargement to BRICS+ makes the club more functional. Either way, it is a direct challenge to the West.[20]

However sceptical one may be about the future of BRICS+, the interest shown at the Johannesburg summit and the number of candidate countries illustrates that multipolarity is well established in today's global order. BRICS, or in the future BRICS+, is generally treated as an actor in this context. But, on a closer look, BRICS seems more of a symptom of the changes in the international arena than a cause. The weight between states and 'civilisations' is changing with the economic and technological modernisation of the former "Third World".

And BRICS is giving these changes an institutional face. For this to be successful, it's often sufficient to promote symbolic politics. Looking at the legacy of the 'loose association' it is evident that substantial developmental and economic achievements are limited, whereas the geo-political impact in a world of competing narratives can be considerable. History does however teach us that a world with multiple centres of power tends to increase the

17 Russia under Putin developed the concept '*Russkiy mir*', 'Russian world', which relativises existing state borders and explicitly includes the diaspora, a comprehensive concept that addresses ideological, political, cultural, geopolitical and identity issues. The concept of *Russkiy mir* has already been employed by Putin to legitimise Russia's annexation of Crimea.

18 See: "Debatte um BRICS-Erweiterung: Putin und Xi wollen Gegenpol zum Westen bilden - Lula nicht". NTV, 22 August 2023.

19 Mohr, C. P. (2023) "One summit amongst many". IPS, 21 August.

20 See also H. Wulf (2023) "Kampfansage an den Westen". IPG, 12 June [in German].

risk of conflict and war.[21] A multipolar world can only ensure stability if the major powers collaborate. Where multipolarity is not integrated into multilateralism, the outcome is fragmentation and war.

The West, and the EU in particular, should see this development as a belated wake-up call. If the EU wishes to remain a global player, it should prepare itself for the fact that

> multipolarity is here to stay, and the strategic landscape is likely to get even more complicated. Getting ahead in such an environment will require the EU to move beyond the West-centric transatlantic frame and truly engage with developing countries. It means sharing Europe's knowledge, experience and wisdom with partners – but not lecturing and hectoring them.[22]

The EU will have to learn to take autonomous decisions in an increasingly unpredictable and often fragmented multipolar world. But it is better equipped to do so than most other actors. As an alliance of very different, disparate and often conflicting member states, it is accustomed to complex situations and the art of compromise in difficult negotiations.

21 See interview with Matias Spektor in: J. Glüsing and B. Zand (2023) "Ist der Globale Süden moralisch überlegen, Herr Spektor?" *Der Spiegel*, 24 August.

22 Paikin, Z., S. Islam and S. Biscop (2023) "Regional actor, global player". CEPS, 26 June. "Can the EU get the best of both worlds?

LÁSZLÓ ANDOR
interviews YOSSI BEILIN

We need courage to bring peace to the Middle East

László Andor: *As an Israeli politician with a distinguished career and experience in politics and peace negotiations, you are exceptionally well-placed to assess the current crisis and the tragic developments in Israel and offer your views to the readers of the Progressive Yearbook. How does the current tragic crisis compare with previous ones in Israel?*

Yossi Beilin: I don't have a proper answer because I cannot compare the current situation to anything I remember. Maybe you need a broader perspective to see things. But, in my view, the current situation only resembles 9/11. It reminds me of the feeling of the Americans before 9/11 when they thought that they were safe, that they were an island, and that nobody would ever try to assault their own territory. And then suddenly everything was endangered. So many people were killed in the Twin Towers and in the Pentagon, and even the White House could have been destroyed. And then there was such a deep feeling of vulnerability, which nobody expected.

Eventually, of course, the Israeli heads of intelligence and the army will have to resign. There were some axioms about the enemy's ability to do something like that. All the new technology and the investments that were made in defence, all this didn't work.

Hamas is everybody's enemy. Even of those countries in the Arab world which are now criticising Israel. I know most of their leaders, and I know what they told me about Hamas in the past. They were the ones who warned me personally, saying to be very careful with Hamas. They told me you are too nice to them; you must be tougher because they are ISIS. Especially the peace camps are trying to find a common denominator, saying that we must work together, asking "What do you really want? Can we compromise?" But there are people who really don't want to talk to you.

In the past, after the Geneva Initiative was signed, there was a kind of funeral on Fridays. Every Friday for three months, they would march from the mosque to the big square in Gaza with the coffin of Yasser Abed Rabbo, my partner on the Palestinian side, and mine. Because peaceniks are Hamas' biggest enemies, because Hamas doesn't want anything;

it doesn't want a two-state solution. All the things that we and the moderate Palestinians would like to have, for them, would be the worst solution. This is why it is so difficult to find a precedent because, usually, people want something from you when there is animosity; they want to get some part of their land, recognition or whatever. But they don't need any recognition. They don't want any land.

LA: *It is very difficult to speak, at this moment, of peace, but since you were very active in the Oslo process, I would like to ask you to look back to that period. Perhaps this was the last time when there was hope, and people believed that there would be some kind of compromise, some kind of lasting, sustainable solution. Can we take any lessons or inspiration from the period of the Oslo process?*

YB: One of the most important lessons is that one should not be enchanted by the majorities who want peace, and who will support peace. But one should think about the minorities, who will endanger their own lives to thwart the efforts of the peacemakers. I think that we did not understand this. It is as simple as that. It is obvious that people who are zealots and ready to endanger their own lives will do whatever they can, even things that you don't think about, like what Baruch Goldstein did in 1994 in the Cave of the Patriarchs, where he killed 29 Palestinian worshippers – an Israeli doctor! Why? He believed that we were traitors. And then, after the 40 days of the Muslim mourning period, the terrorist attacks began with the suicide bombings in Afula and Hadera, where dozens of people were killed.

So, if you ask me, it is not that the 1990s were happy years. In February 1994, the massacre in Hebron was a kind of a 'black swan', which surprised us, which we didn't expect. We expected something else: demonstrations or roadblocks, things like that. That was the beginning of the animosities that are accompanying us. But to speak about peace, usually you speak about peace after a war. Most of the peace treaties that we know from history were signed after wars. Not after a hundred years of peace and love. The world, in many ways, gave up on us until recently because of the Netanyahu leadership. On the Palestinian side, you have an old guy who has become a dictator, with very weak machinery and without real followers. So, as there is no war, and there is no fire all the time, and the world has other conflicts to deal with; people were not ready to listen to us. When we – Palestinians and Israelis – came to Europe a few months ago, suggesting the idea of an Israeli-Palestinian confederation, we were not heard.

I can compare this, for example, to the Geneva Initiative in 2003. The whole world was ready to listen to us, although it was an informal draft. Now, when we came up with the idea of a confederation, people did not listen to us, because they gave up on peace in the Middle East, at least for a while, including President Biden. And now you see that the whole world is here in the Middle East. Every prime minister, every foreign minister, is coming and talking to the Palestinians, and talking to us, and asking us "What can we do?" And you are interviewing me. This means that the world understands that we are living in a very dangerous place, which may explode tomorrow at any time, although we know the solutions for all the issues.

In the last 30 years, we have been working formally and informally to find solutions for all those things that were considered unsolvable: Jerusalem, the refugees, the border and so on. And we found solutions, which means that people of peace on both sides can easily and quickly find solutions. I believe you don't need more than one year to finish the work. For example, in Geneva, we had 500 pages of annexes: on water, on the compensation for the refugees, everything, the environment, you name it. I mean, I'm not saying that the decision-makers of the future will take it as it is, but the material is there. You don't have to invent; we know the solutions.

LA: *You mentioned Benjamin Netanyahu, and I would like to ask you how much depends on the leaders, because in the 1990s you also worked with Yitzhak Rabin, you worked with Shimon Peres. And what is the importance of having an inspirational leader?*

YB: Although you cannot dismiss other factors, there is nothing more important than the leaders. You know, after the Camp David initiative, the failed attempt to make peace in 2000, I met with President Bill Clinton. He told me how he saw the Camp David summit, because I was not there. President Clinton told me that at a certain moment, Yasser Arafat was made an offer and, after reading it, he went to President Clinton and told him "Mister President, if I accept your offer, you will come to my funeral". Then I asked Clinton, "So, what did you reply to him?" And he smiled and he said, "What could I say?" And then, after a moment, he asked me "What would you say to him?" And I said, with all due respect, "So what?" If you don't have courageous leaders who are ready to physically risk their lives to make peace, there will be no peace. The precedents of King Abdullah I of Jordan, President Sadat and others in our part of the world, who sacrificed their lives because they wanted to make peace. If you are not ready for that, forget it. All plans in the world will not help. Admittedly, it is very primitive for people to just risk their lives, but if they don't understand that peace for their nations is much more important than their own lives, nothing will happen.

LA: *Apart from the readiness of leaders and people who would negotiate, what else would be the preconditions for a new peace process?*

YB: No preconditions. You don't need to prepare for years, given that the two sides know each other by heart. Even Netanyahu and Abu Mazen know each other. It is not something new, as it was in Oslo, when, for the first time, we met with a PLO official, and we concluded that nobody had horns on their heads. This is no longer the case. We are veterans of talks. We know exactly what kind of people we are going to meet on the other side. So, we don't have to prepare ourselves. What we need is to be courageous enough and sit together and find a solution. The moment we put preconditions it is the end of the story.

LA: *You referred to the role of the United States, but also the Europeans. What could or should the US and the EU do better or differently to facilitate a new peace process?*

YB: It is very, very important that the subject is high on their agendas. This is the first thing. I mean, they need to come as they are doing now. Something they didn't do in the

recent past: go to the Palestinians; go to the Israelis; understand what the obstacles are; suggest meetings; suggest a kind of a Madrid conference. The Madrid conference, for example, was very important because it launched the whole process of bilateral talks for the first time and multilateral talks: on the economy, on the environment, on water and other things. The Oslo Agreement was part of the Madrid process. The mandate we got from Secretary Baker in 1991, – I was in opposition back then – but the mandate that the Palestinians and the Israelis got from Baker was to suggest a five-year autonomy for the Palestinians. So I went to my prime minister, Itzhak Rabin, and I told him, "We have a partner; let's not waste our time on an interim agreement, which will be abused by the lunatics on both sides, and let's go directly to a permanent agreement". He replied: "I have to stick to Baker's mandate". So, the Madrid conference was a milestone. And it is not by chance that the many efforts began in Europe: from the Oslo talks, over the Swedish government, which hosted the negotiations between me and President Abbas between 1993 and 1995, to the Geneva Initiative, which was signed in Geneva. Now, don't forget that the Americans were not involved, neither in Oslo nor in our peace with Jordan. It's not that they were not involved daily. They didn't know about it. They contributed a lot after the signing ceremony in convening other countries, the donor states, in offering financial support, and other aid. However, they did not initiate the process.

So, if you ask me what should be done, a lot can be done! And not all these things are written in books. I mean, the Oslo process was not written in any book. And believe me, I taught for many years in university, foreign affairs and political science, but I didn't find anything like that. There was a readiness to be involved in non-conservative processes, secretly or openly, to invite Palestinians and Israelis together to seminars, just to talk, to talk between them, to talk to the public, to meet with the decision-makers. We used to do that. This is something that we used to do in the 1990s, a lot. This almost stopped, not totally, but almost. Now, this is not just nice to have. In these seminars, you not only develop relations between the parties – which is very important – but you share with the hosts the problems that you are having and the obstacles, and you may get answers to them. I mean, the knowledge in Europe of the Israeli-Palestinian conflict is huge, and it is not used enough.

So, I would say pay attention to us, take us into account, and understand that if nothing happens, the worst may happen, as it happened on 7 October. And let us work together once we agree about your role, Europeans or Americans. I mean, in many ways, Europe gave up to the Americans. I heard it directly from the most influential people in Europe, in the EU, who told me "The Americans want to deal with it, and we will not move without their consent. It is up to them". And the result was paralysis. The conflict in the Middle East was not on the agenda anymore. And in America, they were wondering what to do with Netanyahu. Nobody believes that he will make peace. Abu Mazen is an old dictator, and he sticks to the status quo, and with him also, we are not going to see a breakthrough in peace. So, we wait. But we don't have the time to wait.[1]

1 This interview can be listened as a podcast on https://feps-europe.eu/podcasts/.

PREDICTIONS 2024

CAROLINE DE LA PORTE

The future of EU social policy: Depth or breadth?

The European pillar of social rights (EPSR) was launched in 2017 by the Juncker Commission with the leitmotiv of 'upwards social convergence' for all EU citizens. The von der Leyen Commission has pursued and even strengthened the social agenda, including a strong emphasis on gender equality. The achievements of the EPSR – including EU directives on work-life balance, predictable and transparent working conditions, minimum wages and platform work – are more progressive socially than expected. Furthermore, the post-pandemic recovery and resilience fund has also yielded investments in health and early childhood education and care; this has especially benefitted countries that had poor or outdated infrastructures.

These accomplishments illustrate that the EU is capable of addressing class-based and gender inequalities between and within EU countries. More ideas to strengthen the social agenda are currently on the agenda – including a minimum income directive. Thus, it seems like an EU social paradise is being created. Yet, these progressive initiatives, with the aim of providing more and better rights for women and men, should be assessed in member state institutions, sectors and companies. This assessment is important to maintain and even enhance the legitimacy of the EU in the social policy area. Otherwise, the very purpose of the EPSR – to equalise rights for EU citizens – could be undermined.

If we examine, for instance, the directive on work-life balance, the most constraining provision is two months of well-paid parental leave per parent. This is progressive from the perspective of gender, because it targets fathers and second carers, since mothers already take the largest shares of paid and unpaid leave. However, this provision cannot be successful in outcome, unless it is implemented in a comparable way across member states.

Many member states have implemented the directive in line with its intentions, which come with a high level of compensation of leave for primary and secondary carers to take leave. However, there are some shortcomings. Firstly, some member states provide low levels of compensation, which could undermine the purpose of the directive. Secondly, some member states have only included fathers, but they have excluded other second carers, such as in same-sex couples. Thirdly, in some countries, information about new rights for

fathers/second carers has not been sufficiently communicated and/or the administrative application procedures are opaque and complex, which could dissuade fathers or second carers from using their new rights. Preliminary evidence suggests that it is countries with strong resources, as well as openness regarding same-sex couples and LGBTQ+ people, that have most comprehensively implemented the directive. Thus, there could be inequality between member states in the implementation of the new social rights.

When we look at the directive of minimum wages, this, too, requires implementation in member states, at the sector level and in companies. Furthermore, the strongest aspect of this directive from an institutional perspective focuses on social partners. Strengthening of trade unions is an essential aspect of improving and guaranteeing worker rights. And, following the directive, member states should illustrate efforts to address this provision regularly in reports. Yet, this provision is not constraining, in the sense that there are no fixed targets or timelines for strengthening unions. Thus, here, too, there is a risk that the provisions are not implemented equally across countries.

Thus, EU directives are but the starting point for upwards social convergence. The implementation and following through not only on binding provisions, but also on the intention of directives, should be monitored carefully by stakeholders and policymakers at the EU and national levels of governance. All of this should be contextualised in the current political situation, which is shifting to the right, given the insecurity in Europe. Under these circumstances, it is even more important that the EU and member states actually deliver on social rights. This is important for the legitimation of governments nationally and at the EU level. Thus, the depth of Social Europe – that is, actually reaching citizens – should be prioritised over the breadth of Social Europe. Thus, a more thorough implementation and focus on rights actually reaching citizens should be prioritised. This would de facto show the EU's power in terms of upwards social convergence.

GILES MERRITT

The future of work

Forty years ago, my then employer, the *Financial Times*, gave me sabbatical leave to research and write a book about the future of work. I'm glad that the project was then and not now because I would have quailed if confronted by today's turmoil. Back in the early 1980s, the twin challenges were rising unemployment and progressively cheaper automation. Four decades on, we are still trying to estimate the likely impacts of digitalisation and artificial intelligence (AI), but against a background of shrinking labour markets, skills shortages, slackening international trade and rising political volatility.

I, together with the experts I interviewed for my book *World Out of Work*, made a fair stab at forecasting how Europe's 'rust bowl' heavy industries would be transformed by new technologies and tougher global competition. That was relatively straightforward when compared to the present array of unknowns and unknowables that will determine Europe's economic performance up to 2050 or so.

There is a lot to be said about the probable impact of technology on the future workplace, and I will come to that presently. I believe, however, that I should preface the digitalisation aspect with a look at the equally important question of demographics. Europe's ageing is set to depress economic growth, increase pressure on the social and healthcare sectors, and polarise the differences between savvy high-tech ITC workers and the growing body of unskilled or less-skilled workers. Worse still will be the imbalance between Europe's active workforces and its inactive pensioners. Europe's post-World War II years enjoyed an average 4:1 ratio between working-age people and the pensioners to be supported. And Europe also saw its population explode between 1960 and 2015 by 25%, peaking at around half a billion.

That was the good news. More people means more economic activity, provided they are workers. But the wage-earner-to-pensioner ratio has now fallen to slightly less than 3:1 and is slated to hit 1.7:1 before mid-century. Europe's over-65s currently account for a fifth of the population, but in two decades this is heading towards a third.

What does all this have to do with the future of work? Rather a lot, as the active working population of Europe will have to become far more productive if it is to support its pensioners and sustain living standards. That will mean harnessing the digital revolution in ways European businesses have so far failed to achieve, and radically overhauling key sectors that range from housing to taxation.

Most people interested in labour market issues will be familiar with 'Solow's paradox', the 1987 observation by MIT economist Robert Solow that "I see the computer age everywhere except in the productivity statistics". He would probably be horrified to learn that since then the gap between digitalisation and increased productivity has widened, especially in Europe.

It's hard to get a clear picture of the inroads being made by automation and robotisation into European businesses. The glimpses we get tend to be anecdotal, with occasional in-depth studies disagreeing with each other. We know that manufacturing has shrivelled, but that 're-shoring' based on new technologies is starting to bring work back to Europe and America from China. The pace of automation on both sides of the Atlantic nevertheless seems slow. Estimated manufacturing job losses to digital technologies over the last 20 or so years are remarkably small – less than half a million in Europe and a quarter of a million in the US. So, it is probably in services – including professions like medicine, law and accountancy – that the shake-up will be greatest.

It is clear that Europeans need to take a long, hard look at automating workplaces in ways that are to the advantage of society as a whole, and, most of all, to the younger generations, who will be required to pay for the soaring costs of Europe's ageing. Far from benefitting from the 'fourth industrial revolution', Millennials now in their 30s and the younger 'Zoomers' of Generation Z rightly complain about low wages – often in insecure 'gig' jobs – and housing so scarce and expensive that they are discouraged from child-rearing.

What is needed is an EU social plan that is distinct from an industrial policy. Adapting social and business structures of the analogue age to a more digital economy will be profoundly disruptive, and made no easier by the generational wealth gap that longevity has greatly widened. Europe's under 30s own less than a tenth of privately held assets, and the over 65s around four fifths. If younger workers are to pay for pensions and the snowballing healthcare costs of the elderly, a revolution in wages and work practices will be essential.

These are issues that Europe's national governments must grapple with, and they reach so deeply into sensitive areas of their political economies that, so far, most have assiduously avoided them. The time is ripe, therefore, for an EU 'blueprint' that would lay out the parameters for these complex problems and suggest the options available to public and private sector policymakers. The one clear thing in this morass of complex problems is that, this time, Europeans cannot afford to 'muddle through'.

SOFIE AMALIE STAGE

Young people's expectations from European politics

In the Brussels bubble, we tend to believe that every European citizen follows European politics, knows what and who the *Spitzenkandidaten* are, and is all on top of who actually has the right to initiatives. Unfortunately, this is far from the truth. Therefore, predictions ahead of the European elections must not only consider what we know of European politics, but, even more so, what is happening in the regions and states, as well as what individual citizens think about and expect of the EU.

How the pandemic, inflation and the energy crisis have affected citizens of the EU in the past mandate highly depend on political actions within member states. Thus, the baseline cost of living is not and was not equal before the Covid pandemic and the inflation crisis. However, despite these differences between nations, one specific demographic group all over Europe is currently being affected by the same challenges: the young generation.

The young generation currently growing up in Europe is the first generation that is growing up poorer than their parents. They have less buying power, the housing market is entirely impossible to enter as a new buyer and even rentals in a reasonable cost bracket are almost non-existent in big cities – and, as a reminder, the big cities are where most higher education institutions are. If they cannot live near those, then how are they ever expected to be able to get a good job to free them from being dependent on their parents' incomes?

This is the reality of almost every single young person in Europe, no matter their nationality or residence. At the same time, they have grown up constantly being reminded of crises. They were introduced to the climate crisis in primary school and saw their parents counting every penny during the financial crisis in 2008. During this past EU mandate alone, they lived through the Covid-19 pandemic, forcing them to be educated online and be isolated from family and friends, while worrying about the consequences on their own and their families' health. We are currently still witnessing war on European ground as Russia illegally invaded Ukraine, challenging democracy and sovereignty, while throwing us into yet another financial crisis with high inflation and an energy crisis all over Europe.

Please understand me correctly, this is not my bid in a competition between generations of who has had to endure the worst conditions. But to understand possible voter turnout

and to gain an insight into possible political priorities of the youth, the reality young people are living in must be emphasised.

So, let us begin with voter turnout. The young generation is active, it cares, and many are joining grassroots organisations in search of a better future.

In my experience, we can divide young people into three categories, when analysing their political behaviour:

1) Those who are politically active in a party, who already know what they want to vote, and do not need to be mobilised.
2) Those who are active in grassroots organisations, who either will certainly vote, but are very unsure what to vote, or those who will not vote, as they do not believe any party can represent their values or understand their struggles.
3) Those that do not follow politics at all and need to be mobilised to vote or might just vote what their parents tell them to.

Groups 2 and 3 have somehow led to a general misconception by the older generation that the reason for low voter turnout among the youth is due to arrogance or lack of interest. This is simply not true. The issue lies with the lack of ownership of policies, the lack of inclusion of young voices in political debates and policy processes, as well as the lack of exterior motivation and of the belief that their vote matters.

Taking into account the many crises young people have experienced in this past mandate, I believe we could see an increase in voter turnout among the 18(16)-30 year olds, if – and this is a big 'if' – the political parties manage and are willing to include young candidates on their list, in which young people can recognise themselves, and do not 'youth wash' their policies, but actually include young people in the process of developing their political manifestos ahead of the elections.

For young people, it is certain that political priorities can be divided into two groups. The first group focuses on basic needs related to the cost-of-living crisis; here it remains to be seen whether the political parties can promote policy proposals that will enhance young peoples' ability to get housing, a job and an education without bankrupting themselves. I believe this first group will be the biggest one. The second group is smaller, as it includes young people in those parts of the EU where the social security system is already ensuring some basic necessities for young people. The core priority of this group will be the fight against climate change, and here young people will look at the extent to which political parties are serious and ambitious in this field. Young generations have been screaming to save the environment since the 1980s – today, they are fed up and done with waiting.

The young generation knows that many issues must be combatted in the political arena. It is our job in the progressive family to show them that a vote for us is a vote in favour of their future.

DAVID ROIZEN

The Paris 2024 Olympic Games: An archetype of the politicisation of major international sporting events

France is on the home straight for organising the Paris Olympic Games, which will run from 26 July to 11 August 2024, before moving on to the Paralympic Games from 28 August to 8 September. While the country should be delighted to be hosting the world's biggest event, it seems to be caught up in controversies inherent to the preparations and drawbacks of the Olympic adventure. Only just over one in two French people are looking forward to the Games, as the celebration of sport has given way to questions around transport, security and budget.

It is important to note that this disenchantment is not specific to Paris, France or even the Olympic games. It affects all major events, and one need only look at the drop in the number of bids to host the Summer Games or Football World Cups to understand the scale of the phenomenon. With the number of athletes entering various disciplines rising by 40% over the last 40 years, the financial, logistical and human resources required for organising such events do little to encourage countries to embark on the Olympic adventure.

Just look at the last two editions of the Summer Games: while some may legitimately consider that the health situation in Tokyo in 2021 made it a special case, the Rio Olympics did not attract local crowds and produced numerous white elephants – in other words, burdensome assets, the upkeep costs of which are not in line with their usefulness or value.

Today, only a few countries are capable of organising events of this nature, either because, rather than use public budgets, they would subcontract the Games to private companies to produce a wonderful TV show for the whole planet to enjoy (the US for example) or because they have a free hand to thrust them upon their population and the resources that go with it. This commitment is obviously not philanthropic and is part of an ongoing logic of diplomatic influence, clearly in line with various theories of soft power.

'Sportwashing', similar to 'greenwashing', is not a new phenomenon, but it has taken on unprecedented proportions in recent years, together with the economic development of the sports sector and its share of the media audience. The Olympic Games in Beijing in

2008 and 2022, the Sochi Games in 2014, and the Football World Cup in Qatar in 2022 have all been used as vectors of influence for the organising countries, and even more so for their leaders, who found a golden opportunity to restore or polish their international reputations.

It is not a fairytale that the Olympic Games are all about. In our tense times of contested globalisation, climate crisis or information revolution, the Olympic games sometimes seem like events from the old days, those of the Cold War, decolonisation, when the acknowledgement of the 'other' and bringing people closer together only seemed possible through the organisation of such international events. This seems irrelevant nowadays. With the internet and the globalisation of tourism and culture, major events are no longer seen as something out of the ordinary, as a happy interlude in a 'real' world that remains on the sidelines, under stress.

The recent debate surrounding the adoption of the Olympic truce by the UN is a good illustration of this situation. Although such a truce had always been adopted by consensus, this year, Russia called for a vote, considering "unacceptable" the absence in the text of a reference to the "principles of equal and non-politicised access" to sporting competitions. The recurrent tensions between the International Olympic Committee (IOC) and the Russian Federation, since the former abandoned its legendary neutrality to condemn the latter's invasion of Ukraine, illustrate this. Since then, there has been a constant and tense exchange between Thomas Bach, the IOC president, and Vladimir Putin. Putin even announced that the BRICS would organise their own games, to be held in Kazan, south-west Russia, a month before the Olympic Games. The IOC's final decision to allow the participation of Russian athletes under a neutral banner clearly illustrates that the politicisation of sport is not an 'off-the-grid' reality, but a constant that continues to gain weight globally. The tensions in many sports federations (boxing and fencing, for example) already illustrate this daily.

Does this mean that the pacifying power of sport has disappeared and that new generations will not experience the same emotions as their elders in front of the images of the two Koreas marching together in Sydney in 2000? No, just that, as any lever of influence, sport cannot be as exempt from major geopolitical issues as it claims to be.

No country is exempt from sending out political messages during a major sporting event. Sport is a major tool of influence and is widely seen as such. To legitimise the organisation of the Games, France put forward the idea that they would be "exemplary in environmental terms", popular, entirely self-financed and genuine growth accelerators. To complement this with an image that appeals internationally, after the *Gilets Jaunes* or the recent urban riots, France has decided to showcase its museum-like character by organising sporting events at iconic sites known all over the world, such as the Eiffel Tower and the Château de Versailles.

In the end, even though it is certainly not the original ambition of the political actors who carried Paris 2024, the Games are likely to represent France as much as an episode of *Emily in Paris*.

FRANCESCO RONCHI

Joe Biden's balancing act

In 2024, contemporary US history is poised for a big change. The upcoming November presidential elections are anticipated to be a pivotal moment in US politics that will significantly influence the nation's political and social landscape. The contest between Joe Biden and Donald Trump is a zero-sum game, with the outcome holding profound implications.

Should Trump emerge victorious, it would mark a dramatic chapter in US history, introducing an openly authoritarian president, who has raised the spectre of civil war in response to potential judicial challenges. In this scenario, while Trump's inexperience in 2016 limited his room for manoeuvre, in 2024, his political experience would enable him to assert control over key US institutions, appointing trusted allies from his inner circle.

The intricate federal structure of the US, designed to disperse and balance political power, will face an existential threat under a Trump presidency. The potential for an authoritarian shift could intensify internal polarisation, further fracturing the country's domestic cohesion. While the impact on US democratic institutions would be serious, Europe too is expected to feel the repercussions, with a likely US disengagement from Ukraine, which, in turn, would create geopolitical openings for Russia.

Trump's approach could herald a reconfiguration of alliances, with Hungarian Prime Minister Viktor Orbán emerging as a favoured interlocutor of the US administration. Simultaneously, Serbian President Aleksander Vučić might ascend to the role of the primary regional partner in South-Eastern Europe, potentially legitimising Serbian revanchism in the region. Trump's America, in this context, stands as a threat to the EU, contributing to its isolation on the global stage.

Conversely, while certainly less tumultuous, a Biden victory would bring its own set of challenges. The nuanced approach of the Biden administration to Europe would be expected to remain cooperative and constructive. However, the aftermath of the elections holds an air of uncertainty, with the likely post-election retirement of key White House staff introducing an element of unpredictability.

As the 2024 electoral battleground takes shape, both Trump and Biden's strategies count on the 'negative' mobilisation of their voters, stressing the importance of voting against their challengers rather than in favour of their own agendas. Trump's campaign

strategy is based on casting Biden as lacking the political sharpness and vigour necessary for the presidency. Trump will portray Biden as the embodiment of America's decline. Echoing his 2016 campaign, Trump's message weaves elements of nativism, protectionism and social conservatism under the banner of "Make America Great Again", with migration emerging as a focal point of the campaign.

Biden's strategy, on the other hand, seems less apparent. Rather than emphasising his achievements, the Democratic campaign will likely focus on the perceived risks associated with Trump's re-election. This demonisation strategy may hinge on Trump's legal challenges, denouncement of unilateral changes to electoral legislation and attacks on voting rights by Republicans in most US states, as well as the defence of reproductive rights, particularly abortion.

The effectiveness of these strategies remains uncertain. In 2024, Trump will often appear in court to defend himself in several cases. However, Trump's legal issues have so far strengthened his base without significantly mobilising Democrats. Drawing parallels with situations involving political leaders such as Silvio Berlusconi in Italy and Luiz Inácio Lula da Silva in Brazil, despite the evident differences, reveals a pattern where legal actions against these leaders, while appropriate and legitimate in the Italian context, have had limited success in undermining their leadership. On the contrary, these legal initiatives are often used by leaders as tools of victimisation, effectively rallying and energising their electoral bases.

The battle over voting rights and reproductive rights holds promise for Democrats. These two issues have significantly helped the Democrats to achieve unexpectedly good results in the 2022 mid-term elections. The outcome of these strategies also hinges on Trump's evolving approach to voting rights and electoral legislation, with the year 2023 witnessing a downplaying of the importance of this issue in Trump's political discourse. Should Trump talk less about the "2020 electoral fraud" and "rigged elections", Democrats will be unlikely to mobilise their 2020 electoral base to the extent required for a victory in the upcoming elections.

Reproductive rights, especially in the wake of the Supreme Court decision to overturn the Roe v. Wade decision – where the US Supreme Court ruled in 1973 that the US Constitution generally protected the right to abortion – have become a potent tool for Biden. Referenda on abortion rights in key swing states like Nevada and Arizona are anticipated in 2024, with Democrats banking on these measures to galvanise women voters in support of Biden. The Biden campaign's attention to female voters offers a glimpse into its broader strategy to remobilise the electoral coalition that brought Biden into the White House in 2020. In 2023, opinion polls highlighted signs of fatigue in certain constituencies, notably among young voters and non-white minorities.

The delicate balancing act between appealing to non-white voters while avoiding the potential alienation of white voters poses a significant challenge for Biden's campaign. Non-white voters massively supported Biden in 2020, also as a result of the Black Lives Matter (BLM) movement that gained momentum in the wake of George Floyd's tragic death.

The support from non-white voters for Biden seems to have diminished over the past three years. While the momentum of the BLM movement has waned, Biden's relatively

weaker appeal to non-white minorities might be a strategic choice rather than merely a consequence of a faltering BLM movement. In contrast to Hillary Clinton's approach in 2016, Biden has chosen not to emphasise issues that activate group identities, particularly for Latinos and Black voters, such as taking a clear liberal stance on migration. Instead, he has prioritised more broad, cross-group issues, such as the economy and abortion, aiming to resonate with a diverse voter base that includes white voters.

This strategic shift towards issues appealing to white voters was crucial in Biden's success in key swing states, such as Michigan, Wisconsin and Pennsylvania, in the 2020 presidential election. However, this approach is now under scrutiny due to the growing dissatisfaction among non-white voters, posing a potential threat to Biden's chances in the 2024 presidential race. Democrats are currently confronted with a challenging dilemma: whether to refocus the political discourse on identity issues around non-white voters, risking the alienation of white voters; or to adhere to the 2020 strategy, risking the loss of disenchanted non-white voters that could bolster support for Trump. In essence, the potential trade-off between white and non-white voters emerges as a pivotal issue that could shape the trajectory of Biden's campaign. The outcome of this balancing act could ultimately decide the results of the elections, defining the course of America's political future and its implications for global relations.

HOWARD LEE

ASEAN and the EU: Malaysia's active neutrality to forge transregional partnerships for peace and prosperity

Today, our world is one where peace is a delicate construct that is no longer a given, but rather a prize we must work hard to acquire, if not fight to impose. This is the stark reality manifested by the killings and atrocities in Ukraine and Gaza, which serve not merely to unmask the disguises of many global hypocrisies, but as harbingers of a profound geopolitical transformation crisis gripping our world.

These recent seismic events raise the spectre of a global conflict. It prompts us to contemplate the potential triggers of a bipolar global conflict. Could the resolution of the Russia-Ukraine conflict and the subsequent availability of Western military forces (American, French and German troops are deployed in and around Europe in a state of high readiness for action due to the conflict) open the window to a shift of the battleground to the Asia-Pacific, with the Taiwan Strait as the potential flashpoint?

Can Malaysia – an aspiring regional leader and an emerging middle power – assume a pivotal role as part of the Association of Southeast Asian Nations (ASEAN) and lead it at the heart of the impending transformative change? What is in it for Europe if and when Malaysia gets there?

Malaysia's place in the bipolarity

Malaysia, with its policy of active neutrality and strategic geopolitical positioning, is compelled to reassess its role amidst these shifting sands. The nation's historical experience with colonisation and Cold War dynamics has honed its ability to navigate the treacherous waters of major power competition and contestations. By navigating an equidistant diplomatic stance, Malaysia preserves its policy autonomy while engaging with global powers and regional actors in a dance of cohesion and cooperation, as well as deference and defiance.

Malaysia's foreign policy is characterised by pragmatic activism that is evident in its 'fiercely independent', selectively 'à la carte' cooperation and holding firm to its 'right of defiance' toward major powers; sui generis, to put it plainly. This is evident in its bilateral defence partnerships with AUKUS countries, the trilateral security pact between Australia, the UK and the US, primarily focused on defence and security in the Indo-Pacific region, as part of a broader strategy to counter China's growing influence in the region. The partnership, however, is tempered by Malaysia's fiercely vocal concerns about the alliance's militarily expansionist implications, all the while aggressively courting new investments and reinvestments from the West's derisking friend-shoring exercises. Simultaneously, Malaysia balances its relations with China, supporting initiatives like the Belt and Road Initiative and the Global Development Initiative, and welcoming Chinese investments by the droves, while resisting vocally and with radical and controversial moves sinocentric actions that impinge on its national interests. Grinding the East Coast Rail Link deal with China to a halt for renegotiations is a decent example of such gumption.

The ASEAN way

Anyone with a stake in ASEAN would have their fair share of jitters, if not outright paranoia, of the next global conflict flashpoint being in the ASEAN neighbourhood. As such, while Myanmar is often the topic that paralyses ASEAN discussions, it is the potential bipolar eruption, which is most likely to happen at the Taiwan Straits, that keeps ASEAN players awake at night. This is especially so for those member states that are at loggerheads with China over territorial claims in the South China Sea, also known as the maritime domain of the 'nine-dash line' – as any conflict in the region may render all previous efforts jeopardised at best, erased at worse. Panic and insomnia aside, there is a consensus in the region that the trigger would not be pulled by China; this makes the future much brighter and navigable.

ASEAN's collective diplomacy, which Malaysia actively engages in, underscores a commitment to regional unity and neutrality, crucial in mediating conflicts such as those potentially arising from tensions in the Taiwan Strait. The ASEAN response to a potential bipolar confrontation between the USA and China would likely be nuanced. It will probably reflect a historical preference for neutrality and regional stability over alignment with major powers. This is informed by a colourful canvas of historical experiences and a deep-seated preference for autonomy. Cambodia's development of the Ream Naval Base with Beijing's assistance, for instance, underscores the complex interplay of sovereignty and strategic partnership within the region. Indonesia and Vietnam's commitment to non-alignment and military independence reflects a broader regional ethos that values neutrality and indigenous mechanisms for resolving challenges over external intervention – the ASEAN way. Singapore's significant defence pact enables the US to use its air and naval bases, but simultaneously also has defence and security cooperations with China's People's Liberation Army. The Philippines and Thailand, despite their treaty alliances with the US, have shown

a willingness to engage with China, illustrating the region's intricate balancing act. This is not a simple dichotomy of choosing sides, but a sophisticated strategy for maintaining equilibrium and regional self-determination.

This collective diplomacy is rooted in a shared understanding that the group's strength lies in unity and the ability to act as a cohesive entity, rather than in fragmented alignment with external powers. The ASEAN perspective on the US-China rivalry is pragmatic, viewing it through the lens of survival and the imperative to avoid becoming collateral in a geopolitical standoff.

It must, however, be mentioned that that very pragmatism sometimes brings about a worrying deviation from ASEAN centrality and solidarity. During the UN General Assembly's Gaza Humanitarian Truce resolution, the Philippines abstained in dissent from the other ASEAN member states; not to mention only seven of ten ASEAN nations voted to condemn Russia at the United Nations General Assembly vote on 'illegal so-called referendums' of four Ukrainian regions.

Historically, ASEAN has demonstrated the ability to navigate between great powers, leveraging their collective bargaining power while promoting their own strategic autonomy. This regional trait would significantly shape the response in any global conflict scenario. If, of the many permutations of geopolitical fault lines, the one that mirrors the Gaza UN resolution vote dynamics prevails – with the Philippines jumping into the ring alongside the US – the rest of ASEAN will likely act in unison to draw the conflict line at the Vietnam-GuangXi border.

All in all, ASEAN will most likely put the region and their own interests paramount in resisting conflict entering the region. Not only will Malaysia and the ASEAN countries most likely withstand the pressure of jumping on the band wagon at one pole or the other, but they will most likely remain a zone of neutrality and peace because of it too.

Malaysia's Middle Eastern axis of strength

Malaysia's diplomatic theatre, though placing centrality on ASEAN, and by extension the Asia-Pacific due to proximity, is however definitely not confined to it. Its unique historical and demographic position affords it a Middle Eastern diplomatic axis of strength, where it has the potential to act as a mediator in the region's complex conflicts. This potential stems from its historical bilateral relations, memberships in regional and thematic multilateral institutions, soft power and geopolitical positioning. Malaysia's approach in the Middle East has been consistent with the notion of active neutrality, allowing it to maintain relationships with various conflicting parties. Its relationships with the Gulf Cooperation Council states deepened in the last ten years, with trade diversifying into sectors beyond energy. This economic interdependence could afford Malaysia leverage as an intermediary, facilitating discussions from a position of mutual economic interest. Malaysia's Islamic identity and its engagements with Arab Persian Gulf monarchies on ideological and geopolitical issues further bolster its soft power.

Malaysia's membership of the Organization of Islamic Cooperation and the Islamic Military Counter Terrorism Coalition also underwrites its commitment to addressing issues of extremism and terrorism, and recently counter-Islamophobia, which resonate deeply with Middle Eastern countries. More contemporaneously, in the current administration's debut at the United Nations General Assembly, by observing the prime minister and the foreign minister's bilaterals during the high-level week, it became very clear that Malaysia's diplomatic posture to the world, ASEAN and Malaysians was one that showcased its Islamic credentials; countries like Turkey, Iran and Iraq featured prominently. All the above clearly paint a picture to show Malaysia's influence and soft power among both Gulf and non-Gulf, Arab and non-Arab, Islamic nations.

A partnership with Malaysia is a partnership with a democracy that has come of age, consisting of a Muslim majority, yet a highly pluralistic and multicultural society, the leadership of which can provide a certain gravitational and galvanising force for the Islamic world. It is one of the rare small nations that has, over the years, sought and successfully preserved friendships with most of the world, without being pressured into taking sides, or alienating or being alienated by any superpower.

Overcome the transformation crisis without conflict

There is a growing global consensus that the departure from the brief moment of Thucydidean bipolarity towards a truly multipolar world is swifter, sharper and briefer than anticipated. This transitional cusp is understandably volatile but also filled with hopeful possibilities, providing enablers of new alignments step up to the plate. In the current geopolitical landscape, fraught with conflict and instability, Malaysia could emerge as a paramount ally of peace, development and diplomacy for Europe within the ASEAN framework. The alignment of European aspirations with Malaysia's strategic diplomatic posture is strikingly evident. Malaysia's diplomatic conduct, defined by its selective engagement and robust defence of its autonomy, renders it an essential conduit between diverging global forces and perspectives.

The collective diplomatic ethos of ASEAN, significantly influenced by Malaysia – especially when it will be its chair in 2025 – will champion a dedication to regional cohesion, to seek partnership with other groupings, pivotal in achieving critical mass for mitigating conflicts and advancing diplomatic solutions.

As once said by Willy Brandt, a beacon of progressive European values: "Peace is not everything, but without peace, everything is nothing". This encapsulates the prospective alliance's shared goal: peace as the foundation for a prosperous future. Europe's concerted engagement with Malaysia, and by extension with ASEAN, will signify a strategic avenue to nurture a collaborative framework for peace and progressive development. This has the potential to transform the precarious quest for peace into a sustained achievement, thus ensuring a peaceful legacy for the global order.

It would be the best antidote to the current insomnia and paranoia of ASEAN players and Malaysians of an impending war in the region, if Europe can assist Malaysia and ASEAN

in tilting the geopolitical transformation crisis looming over us now towards one that truly and peacefully transitions from the currently volatile bipolarity towards a stable multipolar geopolity, with ASEAN and the EU as closer partners for peace, diplomacy, sustainability, prosperity and democracy.

BIOGRAPHIES

László ANDOR is Secretary General of FEPS. An economist and former EU Commissioner for Employment, Social Affairs and Inclusion (2010-2014), Andor has been Head of the Department of Economic Policy at Corvinus University (Budapest), Senior Fellow at Hertie School of Governance (Berlin) and a visiting professor at ULB (Brussels) and Sciences Po (Paris). He was editor of the journal *Eszmélet* and a regular columnist for *Figyelo* and *Népszava*. He has authored, edited or co-edited a dozen books in Hungary. Andor has also taught at Rutgers University as Visiting Fulbright Professor, worked as an advisor for the World Bank on SAPRI, the Budget Committee of the Hungarian Parliament (1998-1999) and the prime minister's office (2002-2005), and was also a member of the Board of Directors of the EBRD. He holds a degree in Economic Sciences from Karl Marx (now Corvinus) University, an MA in Development Economics from the University of Manchester and a PhD from the Hungarian Academy of Sciences. He was awarded Doctor Honoris Causa at Sofia University of National and World Economy and the Legion of Honour by the President of France (2014).

Yossi BEILIN is the founder, chairman of the board and president of Beilink International Affairs Ltd, an international consulting firm, as well as chairman of the steering committee of the H. L. Education for Peace (The Geneva Initiative, Israel). He is the architect of the Oslo Agreement and Geneva Accords. In his long political career, he has held several positions, including chairman of the Meretz-Yachad Party (2004-2008), Minister of Justice (1999-2001), Minister of Religious Affairs (2000-2001), Minister in the Office of the Prime Minister (1995-1996), Minister of Economy and Planning (1995), Deputy Foreign Minister (1992-1995) and Deputy Finance Minister (1988-1990). He also served as a member of the Knesset between 1988 and 2008. He holds a PhD and an MA in political science from the University of Tel Aviv and is the author of several books, including *The Path to Geneva: The Quest for a Permanent Agreement* (2004).

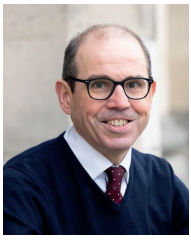
Marek BELKA has served as a member of the European Parliament since 2019. From May 2004 to October 2005, he was Prime Minister of Poland. Previously he served as Deputy Prime Minister and Minister of Finance of Poland (1997 and 2001-2002). He has also held numerous high-ranking positions within the international community, such as chairman of the Council for International Coordination for Iraq (2003) and Director of Economic Policy in the Coalition Provisional Authority (2003-2004). From 2006 to 2008, he held office in the United Nations as Executive Secretary of Economic Commission for Europe (UNECE) in Geneva. Between 2008 and 2010, he worked as Director of the European Department at

the International Monetary Fund. He has also chaired the World Bank/IMF Development Committee (2011-2015) and served as a member of the G20 Eminent Persons Group. Between 2010 and 2016, he has been governor of the National Bank of Poland. Belka received his PhD in 1978, a postdoctoral degree in 1986 and the title of professor of economics in 1994.

Mathieu BLONDEEL is an assistant professor of Global Energy and Climate Politics at the Institute for Environmental Studies (IVM), Vrije Universiteit Amsterdam. His research primarily focusses on the geopolitics of the energy transformation and the political economy of the global oil and gas industry. Previously, he obtained a PhD in international relations at the Ghent Institute for International and European Studies (GIIES) of Ghent University, Belgium, and he held a postdoctoral research fellowship at the Warwick Business School, UK. His scholarly work has been published in high-ranking international academic journals. He is also often invited as a specialist commentator in international media. Mathieu is also part of the eighth FEPS Young Academics Network (YAN) cohort, for which he worked on a publication on "progressive geopolitics" in the EU.

Udo BULLMANN is a German member of the European Parliament, chair of the Subcommittee on Human Rights in the European Parliament and spokesperson for development policy of the Socialists and Democrats (S&D) Group. The UN sustainable development goals and the fight against inequalities are the focus of his work. He took up his parliamentary duties in 1999. Udo Bullmann was S&D coordinator in the ECON committee from 2009 to 2012. From 2012 to 2017, he led the German SPD delegation in the S&D Group until his election as first vice-president of the S&D Group, responsible for economic and social model policies. He also served as president of the S&D Group in the European Parliament from 2018 to 2019. Dr Bullmann is a political scientist by education and received his doctorate in social sciences. Prior to his election to parliament, he worked as a university lecturer and Jean Monnet professor for European studies at the Justus Liebig University Giessen, Germany, and as a visiting research fellow at the University of Strathclyde, Glasgow, UK.

Caroline DE LA PORTE, a professor at the Copenhagen Business School, is a comparative political economist, specialising in European integration and the Europeanisation of national policies, especially in the social policy area. Her recent publications include "The EU's work-life balance directive: Institutional change of father-specific leave across member states" (with Z. Im, B. Pircher and D. Szelewa) in *Social Policy & Administration*, and "An examination of 'instrumental resources' in earmarked parental leave: The case of the work-life balance directive" (with Z. Im, B. Pircher, N. Ramos and D. Szelewa) in *Journal of European Social Policy*. Her work has also focused on the Nordic model, with a particular emphasis on the welfare state and labour market dynamics. Her work has societal impact, as she continuously liaises with various stakeholders, including in Brussels, and it also showcases the importance of progressive policy in Europe.



Pascal DELWIT holds a PhD in political science, focusing on the positions and attitudes of socialist parties concerning European integration from the post-war period to the close of the 20th century. Currently, he serves as a professor of political science at the Université libre de Bruxelles (ULB) and conducts his research at the Centre d'étude de la vie politique (Cevipol). His primary research interests revolve around political parties and their organisational transformations. Within the European context, he has extensively examined European political parties, political groups in the European Parliament, the status of European political families and the demographic profiles of their respective voters. More broadly, he is dedicated to the study of political and electoral dynamics in Belgium and Europe. He is the author of *Les gauches radicales en Europe. XIXe-XXIe siècles* (2016) and *La Vie politique en Belgique de 1830 à nos jours* (2022), both published by Éditions de l'Université de Bruxelles.

Fabian FERRARI is a postdoctoral researcher at Utrecht University. He focuses on the governance of generative artificial intelligence. He holds a PhD in information, communication and the social sciences from the University of Oxford and an MSc in politics and communication from the London School of Economics. At LSE, he received the Prize for Excellence in MSc politics and communication. His PhD at the Oxford Internet Institute was fully funded by the UK's Economic and Social Research Council (ESRC) and the University of Oxford (Scatcherd European Scholarship). He co-edited *Digital Work in the Planetary Market* (MIT Press).

Louise FROMONT has been a doctor in law since February 2020. She also holds a master's in public law from the Université libre de Bruxelles and a master's in European law. After completing her PhD, she was a post-doctoral researcher at the Equality Law Clinic and at the Refugee Law Clinic at the ULB. She has been in charge of the National Funds for Belgian Scientific Research (since October 2021), and a post-doctoral researcher at the HEC Paris school as part of the European project "Respond to Emerging Dissensus: SuPranational Instruments and Norms of European Liberal democracy". Her research and academic journey has been rewarded with several awards: the Ganshof van der Meersch Award (2014); the Van Buuren-Demoulin-Jaumotte Award (2019); and the Alice Seghers Award (2021). Since May 2021, she has also been a member of the Council of Regency of the Belgian National Bank.

Miquel ICETA I LLORENS was Minister of Territorial Policy and Public Function and later Minister of Culture and Sports in the Sánchez government, a position he held until 11 November 2023. On 5 December 2023, he resigned and the government appointed him Ambassador of Spain, Permanent Delegate to UNESCO. Miquel has also been councillor for the Cornellà City Council (1987-1991), director of the analysis department and deputy director of the Cabinet of the Presidency of the Government of Spain (1987-1991), member of congress for Barcelona and member of the parliament of Catalonia. From 2014 to 2020, he was president of the Socialist Group. His last responsibility was that of deputy first secretary and spokesman of the party. He has also been a member of the Federal Executive Commission of the PSOE. He returned to the PSC Executive Commission in 2014 as the first secretary. He was elected president of the PSC at the extraordinary congress of the party held in Barcelona in December 2021. In July 2022, he was appointed secretary of democratic memory and secularism of the Federal Executive Commission of the PSOE.

Michał KAPA graduated from the University of Warsaw in 2009 with a master's degree in international relations. He holds post-graduate diplomas in management from the Warsaw School of Economics (2011) and the Institute of Economics of the Polish Academy of Sciences (2016). From 2012 to 2017, he worked at the National Bank of Poland as a specialist in the Office of the President and as a senior specialist in the International Department. Since July 2019, he has worked as foreign affairs and trade policy advisor to member of the European Parliament Marek Belka, assisting him in his work on the INTA committee and in the delegation for relations with the US. He specialises in international commerce policy

and EU-Ukraine trade relations. His research focus concentrates on the EU's ESG legislation, EU strategic autonomy and the European agriculture and food production sector.

Howard LEE is Malaysian politician and activist. He is a member of the Malaysian Federal Parliament for Ipoh Timor (since November 2022), a member of Malaysia's Minister of Foreign Affairs' Consultative Council for Foreign Policy. He also serves in the Parliamentary Special Select Committee for Foreign Affairs and International Trade and is a central executive committee member of the Malaysian Democratic Action Party (DAP). Howard was the 24th president of the International Union of Socialist Youth (IUSY).

Paul MAGNETTE is the President of the Belgian Socialist Party. He appeared on the political scene after the legislative elections of 2007. He then became Walloon Minister of Health and, after a few months, Federal Minister of Climate and Energy. In 2011, he was appointed Federal Minister for Public Enterprises, Science Policy and Development Cooperation. In October 2011, he was elected mayor of Charleroi with a large absolute majority in the municipal council. Three months later, he was appointed president of the Socialist Party and resigned from the federal government. Following the regional elections of 2014, he became minister-president of the Walloon government at the head of a coalition with the Humanist Democratic Center. His fight against the CETA trade agreement left its mark. Magnette studied political science at the Université Libre de Bruxelles (ULB). He graduated in 1993 and submitted a doctoral thesis six years later.

Giles MERRITT is the founder of the Brussels think tank Friends of Europe. He is a former *Financial Times* correspondent, and as a journalist, author and broadcaster, he has specialised in European public policy questions. In 2010, he was named by the *Financial Times* as one of 30 influential 'Eurostars'. He joined the *Financial Times* in 1968, and from 1972 until 1983, he was successively the *Financial Times* correspondent in Paris, Dublin/Belfast and Brussels. From 1984 to 2010, he was a columnist for the *International Herald Tribune*, where his op-ed page articles ranged across EU political and economic issues. He is the author of several books, including *When Ageing Explodes: Understanding the Demographic Time-Bomb* (forthcoming), which examines the impact of ageing on Europe's political economy; *People Power: Why We Need More Migrants* (Bloomsbury, 2021) and *Slippery Slope: Europe's Troubled Future* (Oxford University Press 2016). His first book, *World Out of Work*

(Collins, 1982), was an award-winning study of unemployment in industrialised countries. His second, *The Challenge of Freedom* (Kogan Page 1991), was about the difficulties facing post-communist Eastern Europe and was published in four languages.

Uwe OPTENHÖGEL is a political scientist and economist. He holds a master's degree and a PhD from the University of Hamburg. He is an expert on European and international politics, security and defence policy, labour relations, and the role of think tanks and foundations. During his long professional career at the Friedrich-Ebert-Stiftung (FES), he worked for 20 years abroad as head of different offices in countries (Brazil, Madagascar/Mauritius, Cuba/Dominican Republic, Nordic Countries, Belgium). His last assignment was head of the foundation's EU office in Brussels until 2018. At the FES headquarters in Bonn and Berlin in the 1990s and early 2000s, he was head of the Department for Central and Eastern Europe. From 1999 to 2004, he was international director of the foundation. As of 2017, he is a publisher at the traditional German publishing House J.H.W. Dietz. Apart from his work for FES, he has been a freelance political analyst and consultant to a broad range of public and private organisations in Germany, Europe and beyond. He is vice-president of FEPS.

Tapio RAUNIO is professor of political science at Tampere University. His research interests cover representative democracy and political institutions, both in the context of national politics and at the European level, with a specific focus on legislatures, executives, political parties and foreign policy decision-making. His recent publications include two special issues co-edited with Wolfgang Wagner, "Challenging executive dominance: Legislatures and foreign affairs" (*West European Politics*, 2017) and "Political parties and foreign policy" (*Foreign Policy Analysis*, 2020), and the book *Semi-Presidential Policy-Making in Europe: Executive Coordination and Political Leadership* (2020, co-authored with Thomas Sedelius). His publications have appeared in journals such as the *European Journal of Political Research*, *Journal of Common Market Studies*, *Journal of European Public Policy*, *Party Politics*, and *Scandinavian Political Studies*.

Teresa RIBERA RODRÍGUEZ is vice-president of the Government of Spain and Minister for the Ecological Transition and the Demographic Challenge. Prior to that, she was director of the Institute for Sustainable Development and International Relations (IDDRI) from 2014 to 2018, and enabled the IDDRI to play a key role in the negotiation of the Paris Climate Agreement and the transition towards sustainable development. She served as the Spanish Secretary of State for Climate Change and

Biodiversity from 2008 to 2011 and was responsible for environmental and climate policies, as well as the National Meteorological Agency. A public official from the Senior Corps of State Civil Administrators, she has also taught at the Autonomous University of Madrid.

Maria João RODRIGUES, President of FEPS and former Portuguese minister to Prime Minister António Guterres, is a European politician with a long track record in all European institutions: EU presidencies; Council; European Council; European Commission; and, more recently, European Parliament. She played a relevant role is several big European initiatives: the EU growth and jobs strategy; the Lisbon Treaty; the Eurozone reform; the European Social Pillars; the interface with EU external strategic partners; and the Roadmap for the EU's future. Recently, she was vice-president of the S&D Group in the European Parliament, where she was in charge of the coordination of parliamentary work and interinstitutional negotiation on the EU agenda. As an academic, she is full professor and was the chair of the European Commission Board for socio-economic research. She has around a hundred publications and, as an expert and politician, has attended more than 2,000 conferences across Europe and the world.

David ROIZEN has worked in communications for 25 years, both in the public sector (ministries and local authorities) and in the private sector (advertising and communications agencies). He is now a teacher, trainer and consultant. He works with students, elected representatives, local government officials, private leaders and public figures in all these areas. Sports columnist for RCJ radio, he is also an associated expert with the Fondation Jean Jaurès, for which he published a paper on the phenomenon of 'sportwashing'.

Francesco RONCHI, EU official overseeing democracy support activities for the European Parliament and former Deputy of the Cabinet of the President of the Socialists and Democrats Group, is Adjunct Professor of Public and International Affairs at Columbia University in New York. He also served in 2022 and 2023 as a visiting professor at the Colin Powell School for Global and Civic Leadership at City College in New York. Ronchi is the author of the recent book titled *The Disappearance of the Balkans: The Resurgence of Nationalism, Fragile Democracies, and the Weight of the Past*.

Ania SKRZYPEK (Skrzypek-Claassens) is FEPS Director for Research and Training. She holds a PhD cum laude in political sciences from the University of Warsaw, a degree which she obtained for her thesis "Cooperation of the socialist and social democratic parties in uniting Europe. From Liaison Bureau to PES. 1957-2007" (published in 2010). Before joining FEPS in 2009, Skrzypek worked as a PhD researcher and taught at the Faculty of Journalism and Political Sciences at the University of Warsaw (2003-2009). In parallel, she served as secretary general of Young European Socialists for twe consecutive terms (ECOSY, 2005-2009). She is an author of over 100 published pamphlets, papers and articles, available in English, German, French, Spanish, Bulgarian and Polish. She is an academic reviewer for *Przeglad Europejski* of Warsaw University and regularly appears on the radio (TOK FM) as an expert on EU affairs. She is also a member of the high-level advisory board on international affairs for Nowa Lewica in Poland, which is chaired by former President Aleksander Kwasniewski.

Sofie Amalie STAGE holds a degree in political science from the Southern University of Denmark. An active member of the social democratic family since she was 17 years old, she has held a number of local and regional positions in the Danish Social Democratic Youth Party (DSU), while simultaneously working with democracy and capacity-building projects in Ukraine through the International Committee of DSU. She has focused most of her voluntary political work on campaigning and training, as she has taken on the responsibility of campaign leader in local, regional and national elections. In May 2023, she was elected secretary general of YES and is now based in Brussels, where she continues her fight for an equal and free Europe.

PROGRESSIVE YEARBOOK 2024

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

With its fifth edition, the Progressive Yearbook can be considered an established and thriving tradition, through which FEPS wishes to mark and reflect on the most important events and developments of the previous year, and try to imagine what the future has in store for us.
In this new volume, we prepare ourselves for a year of pivotal elections. Above all, for us Europeans, the upcoming elections of the European Parliament (EP). They will be a crucial moment because, given the widespread idea that it is high time for the EU to give a new boost to integration, the political balance within the new EP will also define what kind of Europe we will shape. Reflection on reform of the EU Treaty goes hand in hand with the process of enlargement. At the end of 2023, the European Council decided to open access negotiations with Ukraine and Moldova. With ten countries now involved in the accession process, there is an urgent need for the EU to reflect on how a larger Union will work.
The twin transitions, green and digital, remain high among European priorities. For progressives, they are also intimately connected with the need to promote social justice. As usual, we also look beyond European borders, reflect on international developments and trends that are creating an increasingly multipolar world, and consider the opportunities for reforming global governance and implementing the sustainable development goals. Last, but not least, we address the tragic events in the Middle East, where yet another war, triggered this time by a horrific terrorist attack and by the appalling Israeli retaliation, calls for an enhanced international role for the EU to help bring peace to that tormented land.

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This book is published by FEPS
with the financial support of the European Parliament.

ISBN: 978-2-931233-62-7