

EUROPEAN FOREIGN POLICY IN 2027: PREPARING FOR THE UNEXPECTED

RISKS AND MITIGATION APPROACHES

What risks might the European Union be facing in 2027? Shaken by growing internal agitation as well as wider geopolitical developments, the European Union (EU) needs to redefine its role on the world scene while strengthening its core project. Integration has taken place on all levels and risks are therefore increasingly a concern to the Union as a whole. The Lisbon Treaty established in 2009 several instruments to strengthen and coordinate its external action. This policy, however, faces serious internal and external challenges that question its capacity to define and defend European interests in the long run. European Union policy-makers therefore need to analyse risks and take precautionary measures.

In this report, a group of 30 young German, French and Polish professionals from diverse academic backgrounds and career fields present five scenarios on major risks threatening European foreign policy interests.

The scenarios inevitably ignore many challenging risks, either because decision-makers have already considered them, or because the participants assessed their significance too heterogeneously. One of the main challenges has been to observe *weak signals* regarding genuine threats that we might overlook because they are less known or less studied, or because they are so much part of our everyday life that we fail to perceive them.

As well, some scenarios (e.g. the 'sand war') exceeded our expertise, and would require deeper understanding. Moreover, studying possible interactions between scenarios shows that *driving risks* such as data manipulation and resource shortage are slow developments that need constant monitoring. At the other end of the spectrum, scenarios built on the rise of populism seem to be fostered by the occurrence of other scenarios, as populists might exploit all negative impacts on European foreign policy.

In a world of widespread propaganda and fake news, pursuing the truth seems all the more necessary. The authors, therefore, urge the European Union and its member states to commit strongly to greater transparency and better communication in order to (re)build trust among its citizens and towards institutions. This is an essential prerequisite to drafting European resilience strategies, including monitoring, prevention and emergency responses for the five major risks identified below. In doing so, the European Union will reinforce its problem-solving capacity through involving committed member states and an empowered civil society.

CYBER-ATTACKS ON EUROPE'S INFRASTRUCTURE

DEFINITION

A cyber-attack can refer to any kind of offensive manoeuvre that targets IT systems, computer networks, and personal computers through various types of malicious acts, usually originating from an anonymous source. As networks have spread across our everyday lives, cyber-attacks can be deployed by nation states as well as criminal organisations, groups or individuals. Depending on the context, they can thus be labelled as a cyber-campaign, cyber warfare or cyber terrorism.

POTENTIAL IMPACTS AND CONSEQUENCES

- Cyber-attacks result in a series of issues, from manipulation of IT affecting infrastructure to loss of leadership and reputation, reduced capacity to act, diplomatic, economic and humanitarian crises, and so forth.
- State-driven cyber warfare targets infrastructure in particular as this can affect the lives of millions of people, using only limited resources.
- Targets of choice for cyber terrorism and cyber warfare, in general, include industrial control systems, energy, and finance infrastructure, telecommunications, transportation and water infrastructure.

SCENARIO

European economy in peril as hacking of financial system causes havoc

January 1, 2025 should have marked the final breakthrough on the way to the United States of Europe and the completion of the European banking union. However, unprecedented cyber-attacks on the financial markets have caused havoc all over Europe, and put its economic future in peril. Hasty and uncoordinated nationalizations could not avert the economic crisis, and political leaders are still at odds about how to win this war and against whom.

As cyber-experts tell us, this crisis was decades in the making: The digital single market led to a nearly cashless society; blockchain-based transfers have become a fundamental part of our economy and of our daily lives. With rapid advances in artificial intelligence, most assets are managed by algorithms. An increase in cyber-warfare capabilities has also led to a wide range of grossly underestimated vulnerabilities.

The origins of this crisis are still shrouded in mist. European leaders claim that a major foreign power has infiltrated the European banking networks and, by tampering with data, confused artificial intelligence led funds and investors. This caused eruptions of suicidal sell-and-buy movements that ruined one financial actor after another, while the widespread loss of confidence led to bank-runs. The European financial system is collapsing.

Due to a cascade of nationalist backlashes, the crisis has quickly spiralled out of control. A coordinated and joint response at European level is urgently needed. And so is European solidarity.

POLICY RECOMMENDATIONS

- ⇒ All critical **IT systems** – public or private – need to be **redundant, decentralized and encrypted** in order to improve their resilience against cyber-attacks. Administrations need to develop analogue and offline backup plans along with defensive **cyber-warfare expertise** in general.
- ⇒ We need **closer cooperation** between **public and private actors at EU level** so as to combine the flexibility of the private sector with the legal authority of states. We have to **improve communication channels** and encourage common procedures.
- ⇒ We need **alternative financial transaction methods** to avoid dependency on traditional systems and to soften the impact of any disruptions.
- ⇒ Private and public actors need to **modernize and improve overall IT and cyber-warfare capabilities**. This is particularly important in key economic environments such as the financial sector where intelligent 'tripwires' in financial algorithms should trigger an emergency shutdown.
- ⇒ To ensure that the necessary legislation is enacted, strong **EU leadership** is essential. This would strengthen the European Union as a whole.

RISE OF POPULISM IN EU MEMBER STATES

DEFINITION

Populism can take various forms, but always operates on the basis of a core concept, the *people*, considered as morally 'good' and relatively homogeneous. Politics should both address and be conducted by 'the people'. A central element is the distinction of the 'real' people from the 'elites' or the 'establishment', accused of overlooking the 'real' people's concerns and failing to represent their interests. A second differentiation is often established with respect to 'the others', to immigrants and to religious groups, who are blamed for threatening the 'community'.

POTENTIAL IMPACTS AND CONSEQUENCES

- The circulation of populist ideas and loss of trust in political institutions may foster Euroscepticism, and campaigns to withdraw from the European Union. Populist ideas may manifest themselves in debates and election outcomes. Media fragmentation, polarization through social networks and fake news further stimulate such a development.
- The European Union loses its normative power (human rights, rule of law, democracy, equality) and credibility among its citizens and on the international stage.
- Weakened internally, the European Union lacks negotiation capacity and governments prefer bilateral negotiations. The European Union loses the capacity to play a role in international affairs.
- Populist governments focusing on national issues (or mainstream parties taking up populist strategies to win votes) lead to lack of support for EU interests, fragmentation and institutional paralysis in the European Union. This, in turn, encourages the populists.
- Resentment against foreigners grows, and pluralism is challenged.

SCENARIO

Social democrats adopt populist ideas to regain electoral support

2027: Two years before the elections to the German Bundestag, the Social Democratic Party of Germany (SPD) reassesses its programmatic orientation. After a historic electoral defeat in 2025, support for the party is at 8%, while populist parties such as Alternative for Germany (AfD) and the New Autonomous Left have taken the lead.

Why? Past government coalitions failed to concentrate on social issues and education. Germany's economic situation is critical due to the crash of the car industry, the loss of its worldwide technological and digital leading role, and demographic changes leading to high spending on care, health, and pensions. Mass immigration is continuing and xenophobic resentment increasing.

In most European countries, populist parties are at the forefront. The other parties have slowly succumbed to the pressure from both extremes of the political spectrum and copied populist

strategies. The SPD has adopted a new manifesto, 'Justice for the German Working Class'. Intended to protect workers in Germany from the negative effects of globalization and capitalism, it criticizes elites for using economic integration to exploit the lower classes and calls for protectionism. It is against the free movement of capital and goods, and proposes extensive social measures for Germans and workers who have contributed to the federal welfare system for at least 15 years. The SPD also is considering leaving the Eurozone and restricting asylum policies in order for Germany to regain sovereignty, following the example of Austria, Denmark, France and Eastern European countries.

POLICY RECOMMENDATIONS

- ⇒ Administrations should establish **local civic councils** to strengthen **participative democracy**. Citizens should be selected at random to replace a set percentage of professional politicians in legislatures such as the French Senate and German Bundesrat.
- ⇒ National and European **institutions** need to become **more transparent** by facilitating access to parliamentary committee sessions (e.g. via web stream). Parliaments should have the right to veto government appointments.
- ⇒ The European Union and member states should **promote the political education** of and critical reflection among **young people**. Parties should promote the political involvement of young people and ensure that their voice is heard.
- ⇒ The European Commission should **extend exchange programmes**, with the goal of enabling at least 80% of each generation to live abroad for six months.
- ⇒ Member states should **invest in social policy** and develop it at EU level. The European Union and member states should expand programmes for **transnational civil society initiatives** (e.g. 'Europe for Citizens').
- ⇒ European Parliament elections should include **transnational election lists** and **programmes**.

MIGRATION TO EUROPE

DEFINITION

Migration refers to the movement of people from one region or country to another with the purpose of at least temporarily settling there. If a truly common approach to migration continues to be lacking, the substantial increase in illegal migration from Africa to Europe is a major risk factor for the common EU foreign policy.

POTENTIAL IMPACTS AND CONSEQUENCES

- The collapse of the Dublin 3+ agreement (established in 2019) leads to uncoordinated movements of refugees towards economically stable countries. The main arrival countries – Spain, Italy, and Greece – lack the capabilities to manage EU immigration.
- Border controls within the Schengen area leave refugees stuck in arrival or transit countries. Restrictive border management hinders the free movement of European citizens and technically implies the end of the Schengen agreement.
- The failure of European foreign policy to stabilize developing countries by means of economic cooperation, humanitarian aid and development policy increases the number of migrants.
- Resentment towards foreigners in the European Union increases.

SCENARIO

2027: Nigeria is the new Syria

With an estimated population of 250 million, Nigeria is by far Africa's most populous country. In 2050, its population will outnumber that of the European Union. Half of its inhabitants will be below the age of 15 and millions of them will strive to live in Europe. Political, religious, ethnic and economic conflicts combine to create a situation of permanent crisis that leaves large numbers of the population displaced.

Nigeria's economy is in full decline, and unable to provide sorely needed employment. More than 90% of the country's export revenues are related to oil, a natural resource declining in value. Non-oil growth has been stagnating in Nigeria for decades, leaving an entire young generation without prospects. Their path to Europe leads them to Libya, where the capacity of refugee camps has long been exhausted. Since Libyan state building has failed, border control is no longer able and willing to hold back the influx of refugees. EU cooperation with local authorities comes to a halt. Libyan coast guards have stopped patrolling. Millions of migrants are landing on European shores in the Mediterranean.

This movement of displaced people puts a heavy strain on inter-European relations and threatens the functioning of the Schengen and Dublin 3+ agreements. Over the last few months, countries with external borders have temporarily halted implementing the Dublin mechanisms, and

migrants continue their journey within the European Union without registration. Repatriation to countries of arrival had to be suspended as humanitarian standards in the arrival camps are repeatedly not being met. EU migration policy has failed and member states reinstate permanent border control: Schengen belongs to history.

POLICY RECOMMENDATIONS

- ⇒ Member states need to actively **develop cooperation with Sahel G5** countries.
- ⇒ The European Union must **improve the legal ways** for migrants to apply **for asylum, work or residency permits** in order to reduce illegal migration; for instance, with humanitarian visas.
- ⇒ The European Union needs to **fight the root causes of migration** by improving development policy. This should take into account the economic development that would create work and opportunities for young people.
- ⇒ The political actors of the European Union and of member states should **take account of other causes of migration**, such as climate change, crime, and ethnic and religious conflicts.

RISE OF NEW ACTORS AND NETWORKS

DEFINITION

New actors can be defined as emerging, identity-generating global networks with either clear political objectives or shady individual goals. These actors are organized in a diffuse manner, are not legal entities, and have no clear geographical location. This makes them flexible and anonymous, and traditional actors often find it hard to respond to them. Examples are the international group of hackers Anonymous, the non-profit organization WikiLeaks and the terrorist group ISIS. New actors and networks affect the foreign policy of the European Union in various and unpredictable ways.

POTENTIAL IMPACTS AND CONSEQUENCES

- They influence public opinion.
- They can alter essential infrastructure.
- They can, on the one hand, undermine democratic institutions, and on the other, offer new opportunities to opposition parties and movements in authoritarian countries.
- As the networks act globally and cannot be located, they pose a threat both within and outside EU territory. The line between domestic and foreign policy blurs, and responsibilities for actions are hard to assign. Furthermore, the networks' complexity and unpredictability make traditional crisis response mechanisms ineffective.
- The networks do not respect the rule of law and traditional justice systems. Traditional legal instruments become useless. Adequate policy instruments are lacking and rapid reaction is seriously constrained.
- Member states' essential infrastructure (transport, energy, water supply, digital infrastructure) are particularly at risk.
- In the long run, states lose their response capacity, national sovereignty, and democratic legitimacy. This results in weakened social and economic cohesion and the rise of extremism. The European Union will find it harder than ever to speak with one voice.
- It is highly probable that new laws on data privacy will further restrict civil liberties.

SCENARIO

European decision-makers helpless as terrorists hide in the depths of the Internet

Devastating terror attacks are carried out simultaneously in five European capitals in February 2027. No terrorist network has claimed responsibility. It seems that the terrorists passed under the radar of the police and secret services. A state of emergency is declared and threat levels have been raised to the highest in all EU member states, impeding trade routes and mobility. Civilians create militias to protect their neighbourhoods. The perpetrators use the *darknet* and other flexible, anonymous ways to communicate. The responsible institutions are helpless. The attack, which resembles that of 9/11

in its scope, is a wake-up call for European decision-makers to reunite to fight new, more agile terrorist networks.

At the same time, crucial databases in the European public sector have been manipulated over many years. In France, this leads to unprecedented data loss in September 2027. Special software was used to modify names and numbers in the databases of the French Foreign Ministry over more than six years. As modifications were introduced gradually, the incidents were detected only recently. It looks as though artificial intelligence was used to select plausible random replacements. As the oldest backup from 2021 may already be affected, and due to the digitization of all databases in 2018 as part of the French government's 'paperless' efforts, no reliable database remains.

POLICY RECOMMENDATIONS

- ⇒ **Intelligence bodies and police** should **cooperate at EU level** as well as with third countries.
- ⇒ **Decision-makers** need to be **more flexible** in their thinking so as to integrate measures in different policy areas to deal with the possible threats by new criminal networks.
- ⇒ EU foreign policy needs to develop more **transdisciplinary and transnational expertise** and prevent a 'brain drain'.
- ⇒ Citizens need **emergency training** as much as prevention of radicalization, as well as improved integration of minorities, general social inclusion and social mobility.
- ⇒ Institutions should **monitor network activities** systematically.
- ⇒ **Digital infrastructure** in the public and private sector need to be more **decentralised**.

DEPENDENCY ON NATURAL RESOURCES

DEFINITION

We define natural resources here as the natural, biological and geological components needed to satisfy the primary needs of humans as well as their social and economic systems. Developed countries are number one consumers of natural resources. However, hardly any concrete precautions for alternatives exist. Unequal distribution of resources across the globe make EU member states dependent on third countries and stakeholders.

POTENTIAL IMPACTS AND CONSEQUENCES

- Resource wars of different constellations and intensities occur.
- Discontent and public uproar intensify due to higher prices, jobs lost due to the destruction of production capacities, and limited products being available in the European Union.
- Member states deviation from EU policies and unilateral negotiation of trade deals (openly or hidden) lead to the end of the European single market. More countries threaten to leave the European Union.
- The destruction of production preconditions (land, facilities, expertise, etc.) leads to even higher dependency on other countries.
- The ecosystem suffers from non-regulated exploitation.

SCENARIO

Sand war breaks out along the coasts of the European Union

Until recently, sand and gravel accounted for up to 85% of raw material mined globally each year. Sand is commonly used for concrete, roads, glass, and electronics. Authorities do not consider it a scarce resource and it is therefore not regulated by international agreements and conventions.

High demand for sand in Asia (due, in particular, to the rapid urbanization of China) has led to growing pressure on the European Union and the United States of America (US) to increase production and export. Since 2010 Germany, France, Italy, the Netherlands, and Belgium (along with the US, major producers and exporters of sand) responded positively to these calls, and increased mining of sand from beaches and riverbanks.

Local authorities and Non-governmental organisations harshly criticized this move and called for the European Union to establish limitations on sand extraction, warning about its impact on the European ecosystem and the flood and water safety of cities worldwide. Its consequences are a loss of biodiversity, salinization and lower resilience of coastal areas to storms. The United Nations therefore needs to agree on a Sand Convention to regulate the matter.

POLICY RECOMMENDATIONS

- ⇒ The European Union needs to include **resource sovereignty** in its foreign policy and to consider agricultural production capacities as a strategic resource, and even as mutualized European assets.
- ⇒ The concept of **multi-diversification** (also relating to Arctic and extra-terrestrial resources) needs to be broadened: resource-mix, use made of one raw material in order to dispel excessive lobbyist focus on one resource, suppliers, routes and modes of transport.
- ⇒ Administrations should develop **democratic emergency strategies** for technical, logistic, administrative and maybe even military precautions in order to become as resistant and resilient as possible. They need to raise awareness and **build mental resilience** as it is a major factor in calming our hyper-connected and 'excitable' societies.
- ⇒ Governments should use **international regulation platforms** to engage all international actors in order to reach a **viable global consensus**. Building mutual trust and finding compromises are essential.
- ⇒ The European Union should aim at **public ownership of biodiversity** and create a catalogue of living and currently disappearing species.
- ⇒ We need to focus on **more conscious energy consumption**.
- ⇒ Internal measures in all EU member states should foster **resource efficiency and recycling**. Common recycling goals could bring better results than a regulatory approach.

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ABOUT THE FRENCH-GERMAN FUTURE DIALOGUE

Established in 2007, the **French-German Future Dialogue** brings together young leaders from both countries to discuss current issues in European policy and create a sustainable network. In order to expand French-German dialogue on European questions, a third member state of the European Union has been included each year since 2014. In 2017 our partner country was Poland.

Participants took part in a series of *foresight workshops* conceived and led by Johannes Gabriel (*Foresight Intelligence*) in Nantes, Nuremberg and Warsaw. The workshops focused on **risk analysis** of factors threatening **European Foreign Policy** interests. The seminar in Warsaw was supported by the *Polish Institute of International Affairs (PISM)*.

For more information and contacts, please visit our website www.zukunftsdialog.eu.



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