Choosing Europe’s Future:  
Global Trends to 2040

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Agenda

■ The ESPAS Initiative and EU Foresight

■ The 2024 ESPAS Report: challenges all round

■ Strategic choices: how to govern multiple transitions
What is Foresight?

- The structured examination of many possible futures
- It focuses on what you can influence
- It focuses on shaping the future – not predicting it
- It is about looking for opportunities – not yielding to pessimism
Four ESPAS Reports
EU institutions and bodies taking part in ESPAS
Agenda

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INTRODUCTION
TRENDS
The geopolitical chessboard: a world in flux
Mounting pressures on economic growth
Uneven demographic ramifications
The environmental emergency
Energy transition
Equality: a complex and multidimensional picture
The nexus of technological convergence and acceleration
Health: a global challenge
What will change in how we live and work?
Democracy between threats and renewal
STRATEGIC CHOICES
Challenges all around

- Geopolitics
- Economy
- Environment
- Technology
- Social dimensions

The EU has a major strategic interest in working with others to tackle global polarisation, and to help prevent an escalation of rivalries and antagonisms turning into open conflicts.
Points to ponder

Europe is the fastest warming continent in the world.

By 2040, the EU will have 17 million fewer people of working age than in 2023.

The green energy transition is not only an environmental imperative, but also an economic one.

Civic space is undermined in many countries.
Horizon scanning vignettes

**On the horizon: individual longevity¹**

Anti-ageing research is growing quickly. Recent biotech breakthroughs include the reprogramming of cells for rejuvenation, organ regeneration with stem cell therapies, and reversing the epigenetic clock. Interest groups such as the US Alliance for Longevity Initiatives and the EU's European Longevity Initiative have formed. At the same time, *life expectancy at birth varies widely across the globe*, from 83 and more in countries like Japan and Norway to 55 in Nigeria and Chad. Will anti-ageing breakthroughs widen this gap even further?

**de-dollarisation¹**

The traditional views on global reserve currencies were those of dominance, geopolitical power and control. The arrival of new forms of money together with a fragmented world could lead to a more diverse, volatile landscape of monetary plurality. The preference for using the dollar globally is challenged by current structural changes. China issues yuan-denominated loans in the Belt and Road Initiative. BRICS members consider creating a new currency and Brazil and Argentina also proposed a common currency. The financial, economic and geopolitical implications of de-dollarisation will be felt most strongly once alternative (digital) payment infrastructures, such as central bank digital currencies, are consolidated.
Global warming and the next generation

Figure 5: How current and future generations will experience global warming
Future experiences depend on how we address climate change.
Searching for a new energy mix

Figure 6: Global primary energy consumption and energy mix

World consumption (in Exajoules)

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<th>Year</th>
<th>Renewables</th>
<th>Hydroelectricity</th>
<th>Nuclear energy</th>
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Share of global primary energy (%)

- Natural gas: 35%
- Coal: 30%
- Oil: 40%

Hydroelectricity: 5%

Renewables: 10%

Nuclear energy: 20%
Job impacts of technological change

Assuming no significant disruption by new technologies, employment will be growing mainly in occupations requiring high-education and knowledge of ICT. However elementary occupations are also expected to grow.

- **Elementary**
  - Cleaners and helpers, food preparation assistants, etc.
  - The number of people employed in sales and services activities grew by 11%.

- **Skilled Manual**
  - Handicraft and printing workers, stationary plant and machine operators, metal machinery workers, etc.

- **Sales and Services**
  - Sales workers in retail and distribution, service workers in restaurants (e.g., waiters), personal care (e.g., nurses) etc.
  - 2% growth from 2000-16 to 2016-30.

- **IT, Science and Engineering**
  - ICT professionals and technicians, engineers, scientists, etc.
  - 38% growth from 2000-16 to 2016-30.

- **Other High-Skilled**
  - Doctors, teachers, managers, lawyers, administrators, executives, social and cultural professionals, etc.
  - 22% growth from 2000-16 to 2016-30.

Technological progress will go on inducing the creation of jobs in this sector, even though the growth will slow down.
A conceptual framework around democracy
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Strategic questions

■ How can the EU establish itself as a smart global power able to navigate effectively an uncertain geopolitical landscape, acting with partners where possible and autonomously when necessary?

■ How can the EU ensure that the green transition will be both effective and achieved in a socially and economically equitable way? What trade-offs will be necessary?
Strategic questions

- To what extent are EU policymakers willing to accept economic risks and frictions in exchange for enhanced geopolitical and technological sovereignty?

Is the EU’s current **economic model** fit for purpose or does it need a major overhaul to ensure long-term sustainability and wellbeing?
Strategic questions

■ How can the EU ensure that its regulatory framework incentivises innovation and delivers economic benefits while safeguarding against potential harms?

■ How can the EU strengthen opportunities for all citizens, in order to prevent social fragmentation and consolidate support for the coming transitions? To what extent could social protection instruments help to mitigate anti-democratic tendencies?
Further reading

ESPAS Global Trends Reports  ESPAS Horizon Scanning

EPRS, Future Shocks 2023  EPRS, Future Shocks 2022

Analysis and Research Team, Forward Look 2024: Managing Uncertainty, January 2024

European Commission, Strategic Foresight Report 2023
JRC, Towards a fair and sustainable Europe 2050, 2023

EPRS, Foresight within the EU institutions: the process to date
EPRS, Foresight within the EU institutions: the analysis to date
Acknowledgements

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