PROGRESSIVE YEARBOOK 2025

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES


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FOREWORD

Bravery in the new world

In this sixth edition of FEPS Progressive Yearbook, we look back on a year of decisive elections and ahead to a cycle when the political arithmetic in the EU will be different from anything in living memory.

Last June, a new European Parliament was elected, and, by the end of the year, a new EU leadership was inaugurated. Meanwhile, the elections in the US and UK went in opposite directions: one to the right; the other to the left. Not only citizens but also parliamentarians are full of questions about what these changes mean in specific policy fields: economics, climate and migration, to name just a few.

In 2024, the political map of Europe became even more imbalanced. Therefore, FEPS thought that the decision on the Progressive Person of the Year should highlight something that has become very difficult for our political family in recent years: improving the positions of Social Democrats on the EU's eastern flank. This also reflects the fact that the EU has a geopolitical puzzle to be solved in Eastern Europe.

The paramount question is how the course of the Russo-Ukrainian war will change in 2025 and whether it will be brought to a halt, a standstill or even some kind of deal after three years. But it is also a question of how we draw conclusions from this experience of aggression and devastation to build security for ourselves and perhaps also for the wider world. Whether the EU can become a defence actor will be tested in the coming year.

When a new transatlantic momentum is created to boost competitiveness through deregulation and financialisation, the resilience of our social model will again be under pressure. Trade unions have started to mobilise against cuts, and we might again head towards a new round of social confrontation, requiring bravery.

The question, however, is not only to resist but also to uphold a progressive alternative: an agenda to take the high road to prosperity and sustainability in the long run while addressing the stubborn cost-of-living crisis in the short run, boosting investment in crucial fields of innovation and assisting critical sectors, like the automotive industry, in a period of transformation and global competition.

2025 will be a year when more will have to be done for the resilience of EU policies, and even more for the capacity of the EU to go further in the regulation of digital technology and artificial intelligence. However, consistency in building such a programme, focusing on the social dimension, requires not only opposition to the far right but also a critical assessment of the emboldened centre-right forces. Whether it is about the Middle East or other regions, Social Democrats can again emerge as a leading voice for peace, even if sometimes it requires as much courage as needed to extend solidarity at times of war.

The authors of this yearbook interpret current political, economic, social and cultural trends, which should help develop a new, transformative progressive strategy. The chronology of 2024 allows readers to look back, and the predictions at the end of the volume stimulate thinking about the next steps in key areas, battlefields and negotiating tables.

László Andor, Ania Skrzypek and Hedwig Giusto

LOOKING BACK

European chronology 2024

January

1 Belgium takes over the presidency of the EU.

Egypt, Ethiopia, Iran and the United Arab Emirates officially join BRICS, after the group's decision to enlarge at its Johannesburg summit in August 2023.

5 Jacques Delors' funeral is held in Paris, with a number of former and current heads of state, governments and EU officials attending.

8 Franz Beckenbauer, one of the greatest football players, dies aged 78.

11 The EU Data Act enters into force.

14 Margrethe II, Queen of Denmark, formally abdicates and her eldest son, Frederik, becomes King Frederik X.

19 Japan achieves a soft landing on the Moon, becoming the fifth country to succeed.

26 The UN International Court of Justice rules that Israel must take effective measures to prevent genocidal acts in Gaza.

February

2 Facebook celebrates its 20th anniversary.

6 Slovenian Prime Minister Robert Golob accepts the resignation of Justice Minister Dominika Švarc Pipan, who is surrounded by corruption allegations.

10 President Volodymyr Zelenskyy announces the dismissal of Ukraine's top commander, General Valerii Zaluzhnyi, in the biggest military shakeup since the Russian invasion. General Oleksandr Syrskyi becomes commander-in-chief of the Ukrainian Armed Forces.

10 Hungarian President Katalin Novák resigns after pardoning a man convicted of helping cover up sex abuse, leaving Prime Minister Viktor Orbán in his biggest crisis yet.

11 Presidential election takes place in Finland: centre-right Alexander Stubb is elected in the second round.

15 Ukrainian President Volodymyr Zelenskyy signs medical cannabis legalisation into law.

16 Russian opposition leader Alexey Navalny dies in the Arctic penal colony where he was serving a 19-year sentence.

Ukraine withdraws troops from the Donbas city of Avdiivka in the biggest frontline change since May 2023.

18-19 The 37th African Union summit takes place in Addis Ababa.

20 An independent group of high-level specialists on cohesion policy, established by Commissioner Elisa Ferreira and chaired by Professor Andrés Rodriguez-Pose, presents its report, including recommendations on how to ensure cohesion policy continues to promote prosperity and convergence across the EU.

26 Clashes between farmers and the police occur in several European cities, including Brussels, during protests to demand action on prices and unfair competition from abroad.

29 Israeli Defence Forces (IDF) open fire on a crowd of civilians in Gaza City, killing more than a hundred people.

March

2 During the PES election congress in Rome, Nicolas Schmit, European Commissioner for Jobs and Social Rights, is elected PES *Spitzenkandidat* for the European elections and the PES manifesto is adopted.

7 Sweden joins the North Atlantic Treaty Organization (NATO), becoming its 32nd member.

10 Snap elections take place in Portugal. The Democratic Alliance wins with 29.5% of the votes. The Socialist Party comes second, with 28.7%, and decides to go into opposition.

Seven Oscars, including the one for Best Picture, go to Christopher Nolan's *Oppenheimer* at the 96th Academy Awards.

13 The EU's AI Act, the world's first comprehensive law on artificial intelligence, is adopted by the EU.

15-17 Vladimir Putin is elected president of Russia for a fifth term, with almost 90% of the votes.

18-20 The government of South Korea hosts the third summit for democracy in Seoul.

21 The European Council opens accession negotiations with Bosnia and Herzegovina.

22 Deadly terrorist attack on Moscow's Crocus City Hall, later attributed to Islamic State (IS).

25 The UN Security Council issues a resolution calling for an immediate ceasefire in the Israel-Gaza war during the month of Ramadan and the unconditional release of all hostages.

27 New farmer protests against EU agricultural policies. Tractors block Brussels.

31 Bulgaria and Romania join the Schengen area.

Local elections are held in Turkey: CHP victory and the first AKP nationwide defeat.

April

1 Israel bombs the Iranian consulate building in Damascus, Syria, killing 16 people, including a woman and her son, Brigadier General Mohammad Reza Zahedi and seven other officers of the Islamic Revolutionary Guard Corps.

6 Peter Pellegrini is elected president of Slovakia in the second round of the presidential elections.

15-16 A high-level conference on the European Pillar of Social Rights (EPSR) is held in La Hulpe, Belgium, organised by the Belgian presidency of the Council of the EU, aiming for EU institutions, civil society organisations and social partners to renew their commitment to the EPSR. On this occasion, the Declaration of La Hulpe is signed.

16 German Chancellor Olaf Scholz's second China visit during his time in office.

German MEP Markus Pieper withdraws from working as small-business envoy at the European Commission, after his recruitment by Ursula von der Leyen drew censure from MEPs.

17 National elections in Croatia: a coalition led by the centre-right HDZ obtains a relative majority; the centre-left alliance, Rivers of Justice, comes second.

Former Italian Prime Minister Enrico Letta publishes his report on the future of the single market: "Much more than a market".

22-25 Last session of the European Parliament (EP) before the EP elections.

28-30 The G7 climate, energy and environment ministers meet in Turin to adopt a joint declaration to address the challenges of climate change.

30 The new EU fiscal framework enters into force, with the aim of keeping budget deficits below 3% of GDP and public debts below 60%.

FEPS conference "Call to Europe: 'The Future is Social'" is held in Brussels to reignite the transformative power of social democratic values in shaping tomorrow's Europe.

May

1 The EU celebrates the 20th anniversary of the 'Big Bang' enlargement.

The trade agreement between the EU and New Zealand enters into force.

3 FEPS launches its pool of trainers with the first 'training of trainers' in La Hulpe.

7 The European Union adopts Directive 2024/1385, aiming to fight violence against women and domestic violence.

President Xi Jinping visits Serbia (in between visiting France and Hungary), also to mark the 25th anniversary of the NATO bombing of the Chinese embassy in Belgrade.

7-11 The Eurovision Song Contest in Malmö, Sweden, is won by Swiss singer Nemo.

8 Landslide win of the right-wing party VMRO-DPMNE in the parliamentary elections in North Macedonia.

10 UN General Assembly votes to grant Palestine the right to be seated in the assembly according to the alphabetical order.

15 Slovak Prime Minister Robert Fico is shot and critically injured in Handlová, after a government meeting.

19 Iran's President Ebrahim Raisi dies in a helicopter accident on his way home from Azerbaijan.

20 The International Criminal Court (ICC) chief prosecutor seeks arrest warrants for Israeli Prime Minister Benjamin Netanyahu and Hamas' leader in Gaza, Yahya Sinwar, over alleged war crimes.

23 *Spitzenkandidaten* debate for the Commission presidency.

30 Former US President Donald Trump is found guilty on 34 counts in his hush money trial. For the first time, an American president is found guilty of a crime.

June

1 Final day of the general elections in India, after two and a half months of voting. The National Democratic Alliance, including the ruling Bharatiya Janata Party loses its outright majority, preserving, however, its relative majority.

6-9 European Parliament elections in all 27 EU member states. The S&D group confirms its position as the second-largest group, with 136 MEPs out of 720.

9 Federal elections in Belgium: the New Flemish Alliance remains the largest party.

Dissolution of the French Parliament by President Emmanuel Macron following his party's poor results in the European elections, making snap elections necessary.

Elections in Bulgaria, without the results allowing the formation of a government.

11 The New Pact on Asylum and Migration enters into force. A day later, the Commission adopts a Common Implementation Plan, which outlines the actions to translate the new rules into practice.

11-12 Ukraine Recovery Conference is held in Berlin; President Volodymyr Zelenskyy's address to the German Bundestag.

13-15 The 50th G7 summit convenes in Borgo Egnazia, Apulia, Italy.

14 The UEFA European Football Championship opens in Germany.

18 Russian President Vladimir Putin's two-day visit to North Korea, the first in 24 years.

23 More than 1,300 people die during the Hajj pilgrimage in Mecca, Saudi Arabia.

24 Julian Assange, WikiLeaks founder, leaves the UK after being freed from prison, following a deal with the United States.

25 The EU launches accession talks with Ukraine and Moldova.

27 European Council adoption of conclusions on Ukraine, the Middle East, security and defence, competitiveness, the next institutional cycle, and a road map for future work on internal reforms.

The EU signs a security agreement with Ukraine.

30 First round of snap elections in France.

July

1 Hungary takes over the presidency of the Council of the EU.

2 Hungarian Prime Minister Orbán's controversial 'peace mission' in Kyiv (subsequently also visiting Moscow, Beijing and Mar-a-Lago, Donald Trump's residence in Florida, causing outrage in EU circles).

4 UK general elections, with a huge Labour victory: 412 seats out of 650. Keir Starmer becomes the new prime minister.

7 Second round of French snap parliamentary elections: victory of the left-wing New Popular Front, with 180 seats; followed by President Macron's Ensemble, with 159; and the National Rally, with 142 seats.

9-11 NATO summit takes place in Washington to celebrate the 75th anniversary of the organisation.

12 The Sejm, the lower chamber of the Polish parliament, rejects a bill aiming to change the restrictive anti-abortion law.

13 US presidential candidate Donald Trump is shot in the ear during a presidential campaign rally near Butler, Pennsylvania.

13 The National Bank of Hungary issues a non-ferrous-metal collector's coin to mark the 50th anniversary of the creation of the Rubik's cube, on the 80th birthday of its inventor, Ernő Rubik Jr.

14 Spain wins the European Football Championship.

16-19 European Parliament's constitutive plenary sitting and election of the president.

17 The General Court of the European Union rules that Ursula von der Leyen was not transparent enough about Covid-19 vaccine contracts (since 2021).

18 The European Parliament elects Ursula von der Leyen as president of the European Commission.

Fourth summit of the European Political Community at Blenheim Palace in Woodstock, UK.

21 Incumbent US President Joe Biden withdraws from the 2024 presidential race, after mounting calls from Democrats.

22-25 Constitutive meetings of the EP committees.

26 G20 finance ministers' meeting in Rio de Janeiro. A final declaration refers to the proposal for a global framework for a wealth tax on billionaires.

The 2024 Summer Olympic Games open in Paris with a controversial ceremony.

31 Hamas leader Ismail Haniyeh is assassinated in Tehran.

August

5 US Vice President Kamala Harris formally secures the Democratic presidential nomination.

6 State of emergency in Russia's Kursk Oblast due to a large-scale incursion of Ukrainian regular forces.

Hamas leader in the Gaza Strip, Yahya Sinwar, becomes Hamas' overall leader and new chairman of its political bureau.

7 Nobel laureate Muhammad Yunus is named head of Bangladesh's interim government after Prime Minister Sheikh Hasina was ousted by a colour revolution and left the country.

11 Olympic Games officially close.

14 The World Health Organization declares mpox (formerly known as monkeypox) a public health emergency of international concern for the second time in two years.

17 Polish Prime Minister Donald Tusk reacts to reports on the possible perpetrator of the Nord Stream pipeline attack in 2022 by urging Nord Stream initiators and patrons to "keep quiet".

18 French film star Alain Delon dies aged 88.

23 A Syrian immigrant stabs three people to death in Solingen (Germany), triggering further debates on migration.

25 Israeli Defence Forces start their strikes in South Lebanon.

28 Opening of the 2024 Summer Paralympics.

September

5 French President Macron appoints Michel Barnier as prime minister, two months after snap elections.

9 Former president of the European Central Bank and prime minister of Italy, Mario Draghi, publishes his report "The future of European competitiveness", making

the case for EU-level industrial policy and enhanced innovation and investment capacity.

10-24 79th session of the United Nations General Assembly.

16 France's European Commissioner Thierry Breton resigns, citing "questionable governance" at the EU executive led by Ursula von der Leyen.

17-18 32 people are killed in Lebanon and more than 3,200 injured after pagers and walkie-talkies used by Hezbollah militants explode in two massive cyberattacks, presumably by Israel.

20 Hezbollah leader Ibrahim Aqil is killed by Israel.

20-21 FEPS hosts side events with international partners during the Summit of the Future Action Days in New York.

22-23 Heads of state and government meeting in New York for the Summit of the Future – convened by UN Secretary-General António Guterres – to address the question of global governance and reaffirm their commitment to the sustainable development goals.

24 Brazil's President Luiz Inacio Lula da Silva presents a plan to end the war in Ukraine developed by Brazil together with China.

25-26 Progressive Economic Policy Conference "Forging the EU new agenda" in Brussels.

29 General elections in Austria result in victory for the far-right Freedom Party. The Social Democratic Party of Austria obtains 21.1%.

October

1 Israel invades southern Lebanon.

Mark Rutte takes office as the new NATO Secretary General.

4 EU countries vote on imposing tariffs of up to 45% on imports of Chinese-made electric vehicles: ten EU member states in favour, five against, with 12 abstentions; this is a sufficient result for the European Commission to impose the tariffs and escalate a trade war with China.

5 Pro-Palestine rallies are held globally to mark a year of Israel's brutal war on Gaza, ahead of the first anniversary of Hamas' hostage-taking attack in Israel.

10 The Council of the EU adopts the Cyber Resilience Act, aiming to ensure that products with digital components are made secure throughout the supply chain and their life cycles.

11 The Nobel Peace Prize is awarded to Nihon Hidankyo, a Japanese grassroots organisation of atomic bomb survivors from Hiroshima and Nagasaki.

15 The EU opens negotiations on the fundamentals cluster with Albania.

16 Hamas leader Yahya Sinwar is killed by IDF during an operation in Gaza.

The first 16 migrants rescued at sea while trying to reach Europe through Italy are taken to the Albanian port of Shengjin, as part of an agreement between Italy and Albania to hold people rescued at sea by Italian ships, including people seeking protection, in detention centres in Albania (hence, outside Italian territory).

20 Constitutional referendum in Moldova on whether to amend the constitution to prepare for EU membership. Victory by a small margin of pro-Europeans, also supported by diaspora votes in the EU.

Italian court rules against the first asylum seeker transfer to Albania.

21 COP16 on Biodiversity opens in Cali, Colombia. It closes on 1 November.

22-24 BRICS summit in Kazan, Russia (focusing on questions of the international financial system and dedollarisation).

24 EP President Metsola announces the laureates of the 2024 Sakharov Prize for Freedom of Thought: María Corina Machado and President-elect Edmundo González Urrutia for their brave fight to restore freedom and democracy in Venezuela.

25 FEPS Call to Europe event in Budapest.

26 Legislative elections in Georgia: the ruling Georgian Dream Party wins with 54% of the votes (the validity of the results is subsequently questioned by the Georgian president and the EP).

27 General elections held in Bulgaria, as the sixth snap election since 2021. Slightly improved performance of the BSP-United Left.

Second round of general elections in Lithuania to elect the new Seimas. The election results in a significant victory for the Lithuanian Social Democratic Party.

28 Volkswagen announces plans to close 'at least' three factories in Germany, lay off tens of thousands of staff and downsize remaining plants in the country, a first in the 87-year history of the company.

29-30 Devastating floods in eastern Spain, including the Valencian Community, Castilla-La Mancha and Andalusia, causing more than 220 deaths. One of the deadliest natural disasters ever to hit Spain.

30 The European Commission adopts the 2024 Enlargement Package, providing an assessment of progress made by the WB6, Moldova, Georgia, Ukraine and Turkey on their respective paths towards EU accession.

November

3 Maia Sandu is elected to a second presidential term in Moldova.

4-12 Confirmation hearings of the Commissioners-designate in the EP. The S&D Group demands Rafaele Fitto be stripped of the executive vice presidency, while the

Spanish EPP delegation blames Teresa Ribera for poor emergency management during the flood in Valencia.

5 2024 US presidential elections, Donald Trump is elected 47th president of the United States in a second but non-consecutive term.

6 German Chancellor Olaf Scholz announces the dismissal of Finance Minister Christian Lindner (FDP), paving the way for snap elections in early 2025, preceded by a vote of confidence.

11 COP29 opens in Baku, Azerbaijan.

12 Justin Welby resigns as Archbishop of Canterbury, following a report that criticised his handling of children abuse within the Church of England.

16 Chinese President Xi Jinping meets with US President Joe Biden in Lima (Peru).

17 President Joe Biden authorises Ukraine to use powerful American long-range weapons deep inside Russia, following similar decisions by the UK and France.

18-19 G20 Leaders' Summit in Rio de Janeiro, Brazil.

20 The EPP, S&D and Renew Groups in the EP reach a deal to approve Ursula von der Leyen's team of Commissioners, paving the way for the new European Commission to take office on 1 December.

21 The International Criminal Court issues arrest warrants against Israeli Prime Minister Benjamin Netanyahu and former Minister of Defence Yoav Gallant, as well as Hamas leader Mohammed Deif – whom Israel claims to have killed in an air strike in Gaza in July – on accusations of war crimes committed during the Israel-Hamas war.

Russian intermediate-range hypersonic Oreshnik missile is fired on the Ukrainian city of Dnipro in response to long-range missile attacks deep into Russian territory.

24 COP29 deal is reached (after extending the negotiations by 33 hours) to triple finance to developing countries from the previous goal of $100 billion to $300 billion annually by 2035. Developing countries had asked for $1.3 trillion.

26 Israeli Prime Minister Benjamin Netanyahu announces a ceasefire deal with Hezbollah in Lebanon.

EU Ombudsman Emily O'Reilly blasts Ursula von der Leyen's 2023 holiday at the Cretan home of Greek Prime Minister Kyriakos Mitsotakis, saying that it revealed a 'structural shortcoming' in EU ethics rules.

27 The European Parlament approves Ursula von der Leyen's team by 370 votes for, 282 against and 36 abstentions, the lowest percentage of votes in favour of a new Commission ever.

29 Snap elections in Ireland. Fianna Fail and Fine Gael fall short of obtaining a majority by two TDs, while the Green Party is crushed. The Irish Labour Party led by Ivana Bacik is doubled, securing 11 TDs.

30 Snap elections in Iceland. The Social Democratic Alliance wins with 20.8% and 15 seats in the 63-seat Althing.

December

1 Second von der Leyen Commission takes office.

General elections in Romania. The incumbent coalition loses its majority, but PSD still emerges first; there is further fragmentation with the emergence of right-wing extremist and nationalist parties.

3 The European Parliament and the Council reach a provisional agreement on the Deforestation Law.

South Korean President Yoon Suk Yeol declares martial law during a late-night address broadcast to thwart 'anti-state forces' among his domestic political opponents.

4 SOLIDAR Silver Rose Award for a Just Transition is awarded to Women Engage for a Common Future (WECF), the Lifetime Achievement Award to Nicolas Schmit and the Legacy Prize for Social Justice to Glenys Kinnock.

5 The French government collapses after Prime Minister Michel Barnier is ousted in a no-confidence vote.

5-6 31st Organisation for Security and Cooperation in Europe Ministerial Council in Malta, with Russian Foreign Minister Lavrov attending for first time since the invasion of Ukraine (but several EU ministers leave the room in protest).

6 Romanian Constitutional Court invalidates the results of the first round of the presidential elections, pointing to infringements and suspected Russian interference in the campaign.

7 Notre-Dame in Paris is reopened (five and a half years after the devastating fire) with high-level international visitors, allowing for a trilateral meeting between Macron, Trump and Zelenskyy.

8 An international rebel army led by Abu Mohammed Al-Golani (commander of Hayat Tahrir al-Sham (HTS), formerly known as the Nusra Front, an al Qaeda franchise) seizes the Syrian capital, Damascus, unopposed, while President Assad flees to Moscow.

10 Israel invades Syria beyond the illegally occupied Golan heights and launches rocket attacks to destroy the Syrian military capacities.

12 NATO Secretary General Mark Rutte asks European citizens to "make sacrifices" to boost defence spending, including cuts to pension, health and security systems.

Indian chess prodigy Gukesh Dommaraju defeats former world champion Ding Liren in the 2024 World Chess Championship, becoming champion at 18 years and 195 days old, and so, breaking Garry Kasparov's previous record of 22 years old.

13 Macron names Bayrou as the next French prime minister.

14 South Korean MPs vote to impeach President Yoon Suk Yeol.

15 Israel announces the closure of its embassy in Dublin due to Ireland's support for the ICC.

Mohammed al-Bashir is chosen to lead a caretaker government in Syria until 1 March.

Tenth Oxford Symposium – a flagship conference of the Next Left – inaugurated by FEPS, Progressive Britain and the Karl Renner Institut.

16 Chancellor Scholz loses a confidence vote in the German Bundestag, held at his own request.

17 Teresa Anjinho, Portuguese independent human rights expert, is elected EU ombudsman, succeeding Emily O'Reilly.

Lieutenant General Igor Kirillov, head of Russia's Nuclear, Biological and Chemical Protection Troops, is killed by a bomb in Moscow.

19 EU leaders meet in Brussels to discuss Ukraine, the EU in the world, the Middle East, resilience and preparedness, migration, and foreign policy issues.

Dominique Pelicot and another 50 defendants are found guilty of the mass rape of Gisèle Pelicot over ten years. The trial raised the question of adding the notion of 'consent' in the French rape law and gained international resonance.

20 Five people are killed and 200 injured after a man drives into a Christmas market in Magdeburg.

The IMF's executive board approves a $1.1 billion disbursement to Ukraine, as part of an ongoing loan programme to provide budget support.

24 A Russian cargo ship called Ursa Major sinks in the Mediterranean Sea overnight, after an explosion.

The 2025 Jubilee in the Catholic Church begins.

25 Azerbaijan Airlines plane crash in Kazakhstan, killing 38 of the 67 people on board.

28 Russia's President Putin apologises to the Azerbaijan president over the crash of the aeroplane but stops short of saying Russia was responsible.

29 Jimmy Carter, 39th US president, dies at 100.

JAMES BOOTH and KAISA VATANEN

EUROPEAN PROGRESSIVE OBSERVATORY 2024 Lessons from Europe

In a year dominated by the political aftershocks of the cost-of-living crisis, many voters cast ballots rejecting incumbents and seeking change – including change offers from the far right. Governments were punished particularly harshly whenever they appeared distracted by abstract or ideological issues, which gave the impression of not sharing voters' priorities. The path forward requires us to focus on our positive offers, rather than tearing down our opponents; fight and win the practical economic solutions debate; neutralise concerns about immigration; and persuade swing voters, who are determining election outcomes, to cast their ballots for us.

The year 2024 was a super year for democracy – at least as measured by the number of elections. From India to the EU and the USA, billions of people had a chance to cast a ballot and have their say in their country's future.

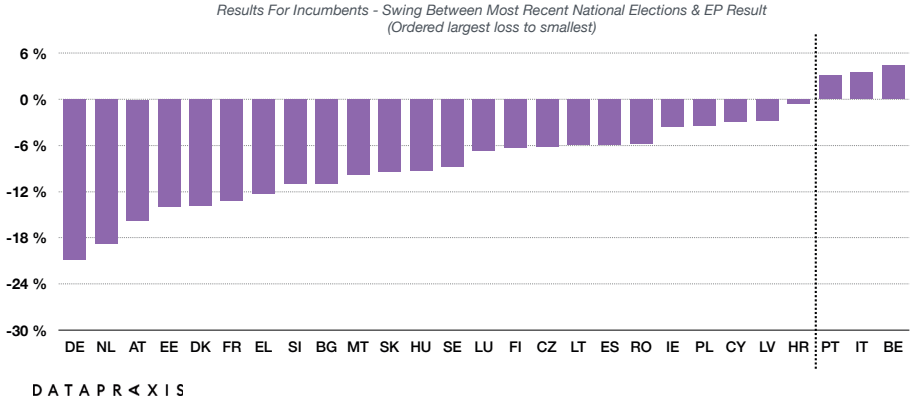
The rejection of incumbents was the standout trend across continents. From Japan's Liberal Democratic Party (LDP) losing its overwhelming majority for the first time in over a decade to Donald Trump winning back the White House and the British Conservative Party facing one of the worst defeats in its history, electorates demonstrated disappointment with the status quo and a longing for change.

In Europe, voters turned away from incumbents and towards the far right and authoritarian-leaning parties. We saw this across the continent, both in national elections and in the European Parliament elections. As we discuss below, successfully riding the anti-incumbency wave is a key part of the far right's story in 2024. At the same time, the growing strength of the far right did not begin with the post-Covid-19 anti-incumbency wave, and their success cannot be explained solely by dissatisfaction with incumbent mainstream governments.

Figure 1 shows the swing experienced by national incumbents across the 27 countries that had elections to the European Parliament in June. In all but three, incumbents could

not stem the desire for change. Many incumbents saw double-digit percentage point swings in support against them, indicative of the intensity of the disconnect between governing parties and their electorates, regardless of the incumbent's political orientation. Although EP elections are often considered 'midterm' elections in which incumbents fair badly, this year, the effect was much stronger than in the previous elections. In comparison to three governments outperforming their most recent national election result in 2024, ten governments did so in 2019 and eight in 2014.

Figure 1. In EP elections in all but three countries, parties holding national government underperformed their most recent national election result. The largest relative losses were in France and Germany.



Herein, we aim to look across the elections held in Europe this year. Our goal is to glean key lessons that progressives should build on going forward. We mostly use survey data from our own work at Datapraxis. If the source is different, we mention it in footnotes.

One of the most important findings from a close comparative analysis of this year's elections is that, although there are significant common trends that can be observed, elections are also local in precisely how they are fought, won and lost. Day-to-day issues, themes and concerns matter. Voters are demanding to be heard on these, and progressives will need to listen carefully and be responsive if they are to succeed in 2025 and beyond.

Lesson 1.
Democracy is strong, but we need to tend it in the face of threats and make good on the substance of its promise

Nearly half of the population of the globe lives in a democracy. According to the Economist Democracy Index 2023,[1] the number of countries classified as a democracy rose by a net of two in 2024 – led by Papua New Guinea and Paraguay, which were shifted upwards to the 'flawed democracy' category.

1 "Democracy Index 2023: Age of Conflict". Economist Intelligence Unit, 2024.

At the same time, the number of people living under some level of authoritarian rule has been creeping up over the last few years too. According to the Economist's Index, a "decline in the overall index score was driven by reversals in every region of the world with the exception of western Europe".[2] Meanwhile, attacks on the legitimacy of democracy have become the norm of hybrid threats – the European Commission and Hybrid CoE point to both state and non-state actors, including Russia and China, driving an increasing number of hybrid threats to European countries.

In the super year for democracy, there were a number of elections where doubts remain about the fairness and credibility of the outcome. The Russian presidential elections, the Moldovan constitutional referendum, the Venezuelan presidential elections and the Georgian election are key examples. Meanwhile, the rhetoric used by Trump's political movement about rigged and unfair elections – but only if he had not won – has been seen spreading in social media and online forums in other countries as well.

To remain fair, open and legitimate, democracy has to be trusted by voters. Respecting, defending and strengthening democracy itself will have to be a priority for all Progressives and democrats everywhere, hand in hand with our own political project. And we believe the most effective political action we can take to defend democracy is to make its substantive promise real for voters.

Lesson 2.
The voters' priorities must always be our priorities

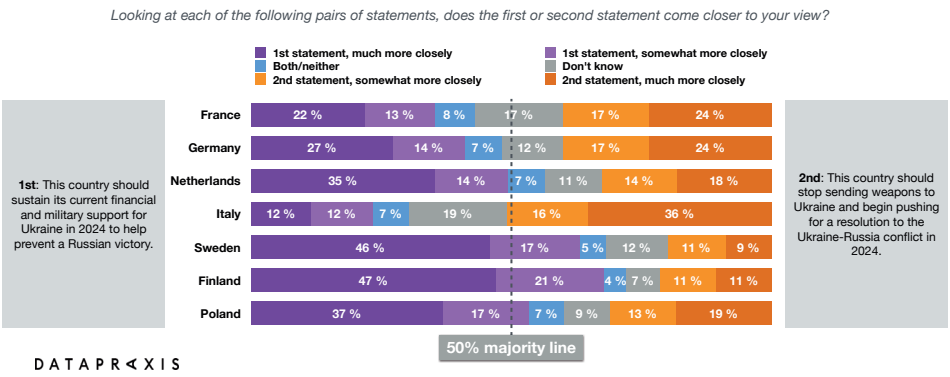
Voters around the world have experienced a painful jump in the cost of living over the last couple of years. In that context, when elites talk about higher-order goals like 'defending democracy', many struggling swing voters hear a very different message: 'we are not on your side, and our priorities are not your priorities'. This is the most dangerous political impression to create in the world right now.

Ensuring we are serving the voters' priorities – and being seen to do so – is a particularly fraught political reality to navigate when the policy and security stakes are high. Polling we conducted in the lead-up to the European Parliament elections showed significant discontent with supporting Ukraine's effort to defend itself (see Figure 2). Although the majority favoured continued support in Sweden, Finland and Poland, electorates were split in the southern and western European countries we polled.

If Progressives lose the argument on why supporting Ukraine is vital to European security, it will quickly play into the hands of the far right and other pro-Russian actors in Europe. They could easily turn an unpopular struggle into a proof point about how the 'ruling elites' are out of touch with the needs of ordinary people. The security and political stakes of keeping the perception of this issue as 'in my interests' for swing voters could not be higher. If the voters turn on the issue, the position of mainstream political leadership could easily be dragged with them, either willingly or unwillingly.

2 Ibid. p. 4

Figure 2. War in Ukraine.



Lesson 3.
The far right is learning lessons and catching the winds of change, but its rise is not inexorable

A vanguard of far-right leaders is learning from their own past mistakes. They are detoxifying themselves, especially on the international stage – searching for new alliances, building cooperation and appearing constructive.

Across the continent, far-right leaders have a well-established brand ownership in handling immigration. Now, they are expanding their priorities and rhetoric beyond this to attempt to compete on the economy and the cost of living, weaving these issues together with their own version of common sense – while framing Progressives as extreme ideologues.

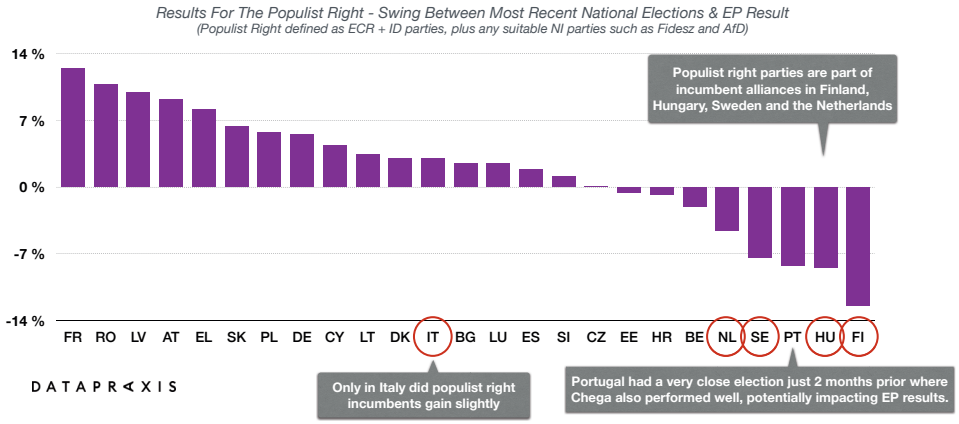
The result in 2024 was that the far right – mostly out of power nationally – was able to ride the winds of change that swept the 2024 European Parliament elections, and grow their support sharply in many countries. This included a double-digit swing towards RN in France (see Figure 3).

But the far right is not inexorably expanding its base. In all but one of the countries where they held or shared some form of national governing power, far-right parties took heavy losses, just like mainstream incumbents. The biggest losses were seen by the Finns Party of Finland, which has carried the responsibility for the gruelling austerity of the centre-right to far-right government by occupying the Ministry of Finance.

The exception to the anti-incumbent backlash experienced by the far right was Italy's Brothers of Italy party, led by Prime Minister Meloni, which grew its support (mostly cannibalising other right-wing coalition party support). Meloni may have benefited by winning the elections in 2022 when the inflation wave hitting most countries was already baked. But she has also managed to find a way to detoxify herself both at home and abroad.

One of the single most persuasive videos we tested in our research over the course of

Figure 3. In EP elections support for populist right parties increased in most countries. Countries where their support dropped are largely those where they are in government or support it, as in Sweden; Italy is the exception.



2024 was a pro-Meloni ad that Brothers of Italy deployed in the run-up to the European Parliament elections. The content is instructive and demonstrates a high degree of sensitivity to the needs of voters, wrapped in a humanising personal layer:

- *I vote for Giorgia because she is one of the people*
- *I vote for Giorgia because I can finally vote without going home. And I also save money on the ticket*
- *I vote for Giorgia because she believes in those who work in a state friendly to professionals and entrepreneurs*
- *I vote for Giorgia because she values sport and never gives up*
- *I vote for Giorgia because she made her way from the bottom*
- *I vote for Giorgia because she increased my pension*
- *I vote for Giorgia because she's one of us and hasn't let it get to her head*
- *I vote for Giorgia because she believes in the value of the land and she has always defended us, even when the Left wanted to impose absurd rules from Europe on us*
- *I vote for Giorgia because she increased funding for healthcare*
- *I vote for Giorgia because she defends women's freedom*
- *I vote for Giorgia because she hasn't forgotten about us*
- *I vote for Giorgia because she protected my job*
- *I vote for Giorgia because she helped us mothers reconcile family and work*

This ad increased support for Brothers of Italy in our survey experiment video testing by a whopping eight percentage points. It is no wonder that the other far-right leaders rally around her, aiming to learn lessons from her approach.

Lesson 4.
Go positive over negative

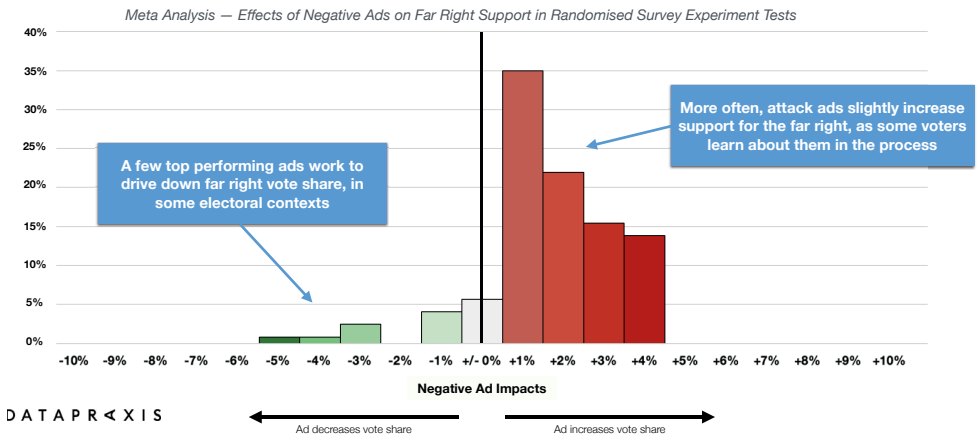
Voters are still responding to well-crafted offers when candidates and parties put in the right work and speak to their needs in the right way. This applies to offers from all political forces, as demonstrated by the unprecedented Left Party success in Finland, sealed by Li Andersson's record-breaking personal vote share, and by Geert Wilders's Party of Freedom (PVV) in the Netherlands, which grew from zero to six MEPs after winning the parliamentary elections six months earlier.

Over the past year, we at Datapraxis have conducted hundreds of survey experiments to assess the persuasiveness of different videos. We have worked with partners who have been searching for ways to hold the far right accountable for their toxic views and drive down their support. We have also worked with partners who have been testing how to present their own positive offerings most effectively.

Figure 4 summarises the results of tests of negative videos designed to drive down support for the far right. While a few worked, we have mostly found that these generate *backlash*, providing free advertising of the far right's offerings and increasing their support. Importantly, our method here is not based on asking voters what they think of these videos – in all cases, these are the results of randomised experiments that survey participants do not know they are in. Yet, exposure to the toxic aspects of the far right's offerings, and arguments for why its offerings do not solve voters' problems, usually backfires.

This counterintuitive effect stems, in part, from a simple reality: since far-right supporters are a minority, negative videos primarily reach people who were not supporting it to begin with.

Figure 4. Most efforts to drive down the far right with purely negative ads don't work.

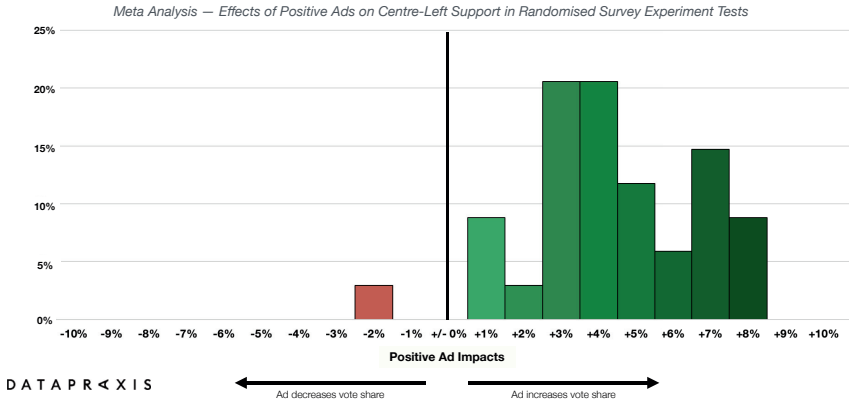


These videos can inadvertently serve as a megaphone, broadcasting far-right messaging to new audiences, while only reaching a smaller number of existing supporters.

Voters across a variety of countries are hungry for positive offerings – and in fact, highly open to being persuaded to bring their support to parties providing solutions. Figure 5 summarises the results of all of the creative content that we have tested that is positive in nature, designed to increase support for centre-left parties. Very occasionally, these videos generate backlash. But usually, the content increased support for the centre-left sharply, with a variety of results ranging from good to fantastic, depending on the particular message or issue highlighted in the content.

The lesson here reflects a fundamental political reality that, in many countries, voters are seeing a vacuum of leadership and a vacuum of offers that meet their daily needs. But voters will bring their support behind the centre-left when we bring a positive message and offer to the table.

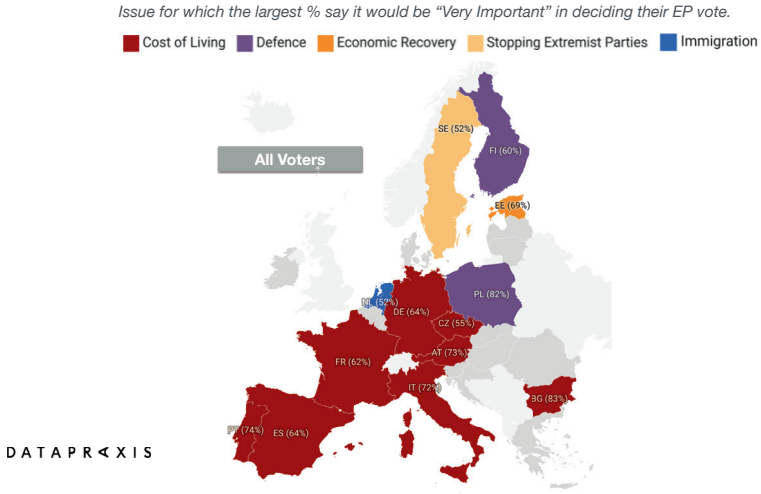
Figure 5. When we test positive ads promoting progressive party proposals, effects range from good to fantastic.



Lesson 5.
Fight and win the economic debate

The most important consideration for most voters in 2024 was the cost of living, and this was widely shared across countries and elections. Figure 6 summarises the top consideration for voters in the lead-up to the European Parliament elections, in countries we polled during this campaign. In eight of the 13 surveyed countries, the cost of living dominated, and in Estonia 'economic recovery' was the most important issue for party choice. The main exception was that for countries bordering Russia defence was, unsurprisingly, a top issue.

Figure 6. Reasons for vote choice in 2024 EP election.



We believe it remains possible for Progressives to win economic debates and that successful playbooks in this economic moment tend to involve three common elements:

(1) Acknowledging that things are tough – this is particularly important when in government, but in all cases, voters will not listen to us if we do not meet them in their daily life pain and speak to them from this starting point.

(2) Advocating for our economic solutions – in a time of economic disruption, voters are less and less wedded to old ideological left versus right positions. We need to advocate and fight for our own p ractical solutions to the cost-of-living crisis. (Getting caught up in more abstract macroeconomic debates about things like sovereign debt, instead of offering solutions to the day-to-day economic troubles of the voters, tends to be a distraction.)

(3) Giving voters a clear choice – elections are about the future, and even when voters are unhappy with the status quo, we can win when we demonstrate that our solutions provide a better way forward than the outdated approach of our opponents. Voters are in no mood for austerity right now, and we can create clear and winning contrasts with the centre-right on this.

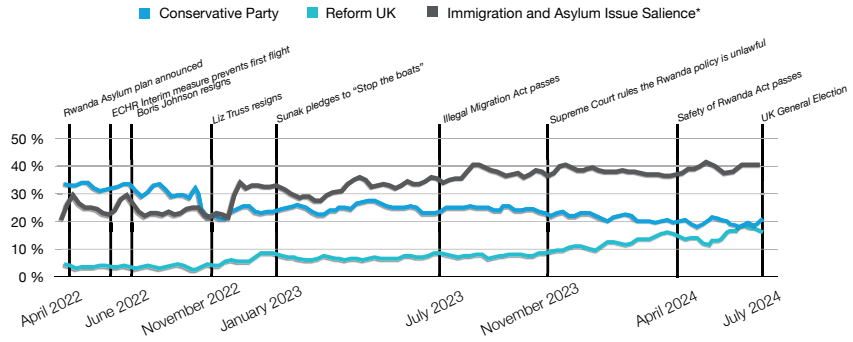
When Progressives succeed, it looks something like Spain. PSOE and Sumar managed to share a signature policy track record on the minimum wage, sell their economic approaches aggressively to voters and beat the trend of incumbents losing – despite the fact that the cost of living remained the number one issue in voters' minds.

Lesson 6.
Progressives cannot win on immigration, but we have to neutralise this issue as much as possible

In most countries, the far right has developed a dominant brand strength on the issue of immigration. Raising the salience of this issue generally helps our opponents. This was particularly visible in the UK, where the increase in immigration salience steadily tracked growth in Reform party support (see Figure 7).

To create space for a contest of ideas on broader questions, Progressives must neutralise the far right's advantage on immigration as much as possible. This does not mean adopting

Figure 7. In the UK election, Reform growth tracked immigration salience.



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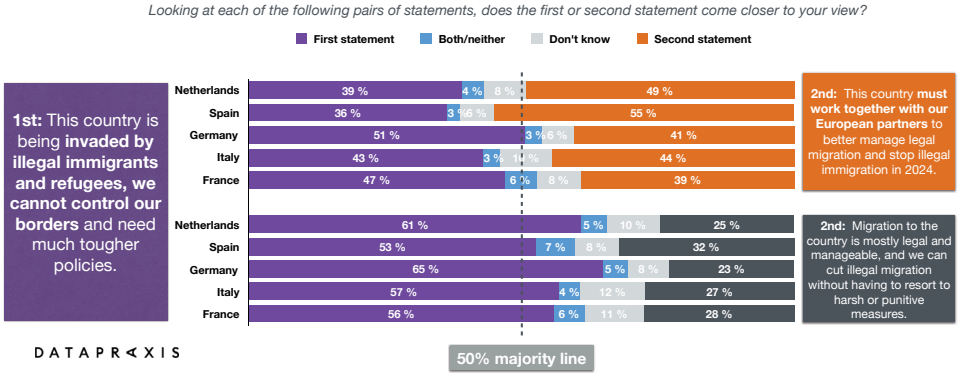
Source: Yougov vote intention and most important issue trackers *Asked as "Which of the following do you think are the most important issues facing the country at this time? Please tick up to three."

Figure 8. Immigration is a driver of populist-right support everywhere, and the far-right invasion message is powerful. Voters are looking for reassurance and strength.



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our opponents' positions. It does mean acknowledging the challenge and framing a position of reassurance and control. Most voters are particularly unsympathetic to left-wing denials of the premise of the issue. But a message that emphasises multilateralism, the rule of law and stopping irregular immigration can hold its own, including when combined with a defence of (better managed) regular migration (Figure 8).

Lesson 7.
Winning elections means persuading voters

To win elections, we must never forget that our first goal is to give voters reasons to support us, rather than our opponents, and persuade them to do so. In a 2021 paper,[3] Jonathan Mellon analysed a panel of 104 inter-election surveys covering 18 countries, including Denmark, France, Germany, Ireland, Italy, the Netherlands, Norway, Sweden, Switzerland and the UK. He found vote switching (voters supporting different parties compared with the previous election) contributed, on average, three times as much to overall changes in party vote shares than turnout (different voters mobilising to turn out and vote). In 97% of election pairs, the majority driver of change in party vote share was voters switching their support between parties.

We find similar results when conducting post-election analysis of election results and our own survey data. Even in elections with large (and favourable) turnout changes, as in Poland's 2023 election, we see significant amounts of voter switching that is at least as important for the overall changes in vote share. Ensuring our practical solutions for voters, so that they switch to us rather than our opponents, remains the most important strategic imperative we face when campaigning.

This does not mean that mobilisation and reaching out to those who are less likely to vote are unimportant. Reaching new voters, be it young people or groups that have not voted previously, is important for democracy itself and for renewing and reforming the progressive voter base. In fact, we believe the best mobilisation strategies involve offering practical solutions for voters' needs. And in a world of increased economic volatility, we must win over the voters who are changing their minds if we are to win.

Conclusions

Writing this paper shortly after Trump's re-election provided the capstone example of the potency and breadth of voter dissatisfaction with incumbents this year. We saw a similar dynamic across the European Parliament elections. It would be easy to sink into disappointment. Instead, we believe this is the time to pause for clear-eyed analysis, regroup and up the fight for progressive values, democracy and freedom. There are important

3 Mellon, J. (2021) "What drives electoral change? Evidence from 104 inter-election panel surveys in 18 countries". SSRN, 29 December. DOI: 10.2139/ssrn.3957460

elections as soon as in February 2025 in Germany, with many others to follow. Fighting the rise of authoritarian politics demands listening to what the voters say, thinking clearly about our responses to their needs and making the substantive promise of democracy real. That is a battle that cannot be lost.

* * *

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. EPO's articles can be found at https://feps-europe.eu/election-observatory/*

LÁSZLÓ ANDOR

Deconstructing Draghi: Europe's quest for investment and growth

2024 has been an election year in the EU, which is the usual opportunity for EU citizens to discuss and, to some extent, determine the political future of further EU integration. This time, the June elections were followed by particularly intense debates on the economic future of Europe. To frame the policy debates leading up to the establishment of the new European Commission, Ursula von der Leyen and Mario Draghi presented the report "The future of European competitiveness".[1] Draghi was not alone in thinking about the future of the EU economy. We should, in particular, pay attention to the reports authored by Enrico Letta and the expert group chaired by the LSE professor Andrés Rodriguez-Pose. The combined lessons of these reports should not only lead to action that aims to improve the EU's business model but also to further boost the social dimension of the EU. Here, we outline these connections in the light of EU policy evolution and in the broader context of transatlantic political developments and globalised economic warfare. Understanding the current dynamics and exploring alternatives should be important for all EU actors, but especially Progressives.

Mario Draghi's second coming

Former ECB President Mario Draghi was invited by Ursula von der Leyen to deliver a report on competitiveness. While Draghi was working on the report in the first half of 2024, his name also appeared in connection with rumours concerning some of the top posts of the EU, but eventually, other candidates were chosen. However, just as the world learned his name in July 2012,[2] when he stopped the disintegration of the euro single-handedly, now he emerged as the super-expert to drive Europe back to the path of competitiveness and, more concretely, growth and prosperity.

Competitiveness was on the agenda of the informal European Council held in Budapest in early November, and the Hungarian presidency of the Council listed among its achievements the elevation of this topic to the top of the EU policy pyramid. Even before

1 Draghi, M. (2024) "The future of European competitiveness". European Commission, September.
2 Andor, L. and D. Rinaldi (2022) "'Whatever it takes', ten years on". Social Europe, 26 July.

the new Commission entered office on 1 December, it was announced that von der Leyen would set up a new task force, sitting within the secretariat-general, to serve as a centre of action and secure the implementation of the Draghi report.

In reality, the report is primarily not about competitiveness, but about why and how the EU should engage in industrial policy. This is, of course, not a new idea either. Industrial policy was meant to be one of the 'flagship initiatives' of the Europe 2020 strategy launched in 2010. In the hands of then-commissioner Antonio Tajani (EPP), it did not develop into anything meaningful. In the black years of EU industry, the Commission published documents on an industrial revolution, or at least on industrial renaissance, but the modus operandi did not really change either at the national or EU levels.

Draghi returns to the old grievance of European economists: why do our investments in education, research and innovation not translate into higher productivity and greater business success? What Draghi identifies as a main problem is the lack of giant European companies, despite the EU having the largest single market in the world. Many further questions just remain between the lines. For example, the EU should face the fact that the European economy never really recovered from the 2008-2009 Great Recession, partly because the global financial crisis and the subsequent eurozone crisis, in particular, were misdiagnosed. In 2011, the EU was already trying to set a new direction in the pursuit of competitiveness, but at that time the focus was merely the question of cost competitiveness, meaning wages and taxes in particular.

Draghi's report was presented in September 2024 as a reaction to an acute situation, although much of the report would have been timely 10 or 20 years earlier as well. It could have already happened around 2000 to help the Lisbon Strategy to succeed, or at least in the aftermath of the Great Recession and the eurozone crisis. It also could have been presented as an EU response to the US Inflation Reduction Act (2022), a centrepiece of Bidenomics.[3]

Investment is a good example to show that Draghi is essentially returning with messages already heard before. His call for €800 billion annually to invest in sustainable and digital projects turned out to be easily quotable. But let's not forget that the EU faced the 'investment gap' ten years ago when the Juncker Plan was presented as a response, which was implemented successfully in the form of the European Fund for Strategic Investment, but then scaled down to become InvestEU, instead of being scaled up to address the critical challenges of the time.

Altogether, Draghi delivers the hard truth: Europe did not just get into trouble in 2023 or 2024. Ever since Maastricht, it has been building an incomplete system based on a flawed design. Hence, the inconvenient truth: either we move ahead and do it fast, or face disintegration. The point is that the EU must break free from its path dependency to stop the decline and avoid disintegration. Whether it is good to pursue this under the title 'competitiveness' is another question.

3 On the economic policy of Joe Biden, see Tooze, A. (2024) "Great power politics". *London Review of Books*, 21(46): 7 November.

Competitiveness: Conceptual complexity

Competitiveness is a word widely used but with a variety of meanings and, therefore, with some ambiguity. Its usefulness was questioned in the 1990s by Paul Krugman[4] (which was recalled by Draghi himself when presenting the essence of the report in La Hulpe[5] in April 2024). One could argue that the enormous trade surplus of the EU is evidence of having not a problem with competitiveness as such but rather growth, and more precisely with the long-term growth potential, especially in comparison with North America and East Asia.

The search for the recipe of competitiveness already started in the 1990s once the deflationary effects of the Maastricht Treaty (and the subsequent SGP) were detected, and eventually the Lisbon Strategy was launched in March 2000 by the EU heads of state and government. It aimed to make Europe "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion". Though this definition has often been mocked in the past two decades, by this, the EU gave a new definition to competitiveness.

Very importantly, the Lisbon Strategy was launched when European policymakers already detected a competitive disadvantage in comparison to the United States. By that time, the 'convergence' agenda of the Economic and Monetary Union (EMU) had imposed restrictions on fiscal and monetary policy, resulting in higher-than-desired unemployment in the member states committed to adopting the single currency.

In the late 1990s, it was not purely an aesthetic question, but a vital political one for the EU to go beyond the Maastricht paradigm and reconcile economic competitiveness with maintaining the European Social Model. Defining this objective was possible because, in that period, the centre-left was the dominant force in both the European Council and the European Parliament. Today, however, the political wind is blowing from a different direction.

Judith Kirton-Darling and Isabelle Barthès criticise[6] the Draghi report for the lack of an elaborate social chapter. This might be true, but the single page Draghi devotes to the question of social inclusion is significant. He stresses that due to the need for a trained workforce and because of demographic ageing, Europe is facing a labour shortage, and old-fashioned ideas pushing for the devaluation of labour are not welcome.

Perhaps surprisingly, Draghi opines that the European Social Model is a value in itself which must be defended. He quietly disconnects from the old competitiveness paradigm of the Schäuble-Rehn period, when wage restraint was a major component of the toolkit, as part of a broader internal devaluation agenda (cutting all types of public spending, including investment). He leaves space for others to elaborate further dimensions of a European reconstruction (e.g., aggregate demand management and social inclusion).

4 See Krugman, P. (1994) "Competitiveness: A dangerous obsession". *Foreign Affairs,* 2(73): 28-44.
5 On the La Hulpe conference and declaration, see Vandenbroucke, F. (2024) "The Declaration of La Hulpe: An ambitious social agenda for the next five years". *The Progressive Post*, 19 April.
6 Kirton-Darling, J. and I. Barthès (2024) "Draghi report: A social agenda is lacking". *Social Europe*, 12 September.

In the narrative of the first von der Leyen commission, the triad of "smart, sustainable and inclusive" (established by the Europe 2020 strategy) has been replaced by "smart, sustainable and resilient". The difference between inclusive and resilient is meaningful. The latter was introduced into the EU language after the eurozone crisis years, and it basically means that a country should prepare itself for adversity and shocks, without counting on the support of others. By highlighting inclusion, Europe 2020 accentuated the need for the economic and social integration of marginalised groups. Resilience, on the other hand, means dropping the progressive commitment to inclusion and downplaying the EU's responsibility to deliver social outcomes.

Further reporters: Letta and Rodriguez-Pose

Draghi's report is comprehensive, but he himself refers to the Letta report[7] as one that adequately covers the question of the single market. The Belgian presidency of the Council invited Enrico Letta to elaborate on the question of the internal market and outline opportunities. The Letta report is divided into two main sections. The first section outlines the political vision collected through Letta's diverse consultations across Europe, while the second one provides various practical recommendations.

The six chapters focus on (1) research, innovation and education; (2) financing strategic goals; (3) scaling-up companies; (4) sustainability in the single market (for all); (5) speedy and efficient enforcement of regulations; and last, but not least, (6) the single market beyond its borders. Unlike Draghi, whose inputs came almost exclusively from older member states, Letta built his report from a myriad of consultations both East and West. Once the document was ready, he travelled across Europe again like a whirling dervish to share his insights and discuss his conclusions with stakeholders of all types.

It caught the eyes of many readers and stakeholders that Letta introduced the concept of "the freedom to stay". In other words, taking advantage of the right to move freely within the EU should be an option, and people should not feel that economic pressure is forcing them out of the location where they would like to live. This would require a genuine spread of economic opportunities to each and every corner of the EU, providing quality education to young people everywhere and implementing the youth guarantee effectively to facilitate school-to-work transitions.

Letta's approach would justify those who consider the single market and cohesion policy to be the two sides of the same European coin. Therefore, it is regrettable that, compared to Draghi and Letta, it received only modest publicity that an expert group chaired by the LSE professor Andrés Rodriguez-Pose[8] was working on this very topic in 2023-2024. This expert group delivered a report on it in February 2024. This work was

7 Letta, E. (2024) "Much more than a market". European Commission, April.

8 Directorate-General for Regional and Urban Policy (2024) "Forging a sustainable future together: Cohesion for a competitive and inclusive Europe". Report of the High-Level Group on the Future of Cohesion Policy. Publications Office of the European Union, February.

commissioned by then EU Commissioner for Cohesion and Reforms Elisa Ferreira, who was personally involved in the discussions together with several other commissioners and a number of high-level Commission officials. Addressing structural inequalities to unlock untapped economic potential in all EU regions was the motto of this effort.

One needs to know that, today, 120 million EU citizens live in less-developed regions, and 60 million of these people live in regions with a GDP per capita lower than it was in 2000, while 75 million hail from regions with near-zero growth. According to this evidence, one third of the EU population lives in places that have slowly fallen behind instead of growing fast or catching up. These regions are increasingly uncertain about how to pull themselves out of these development traps, in contrast to other parts of the world. Such levels of stagnation in regions where people already feel forgotten are a breeding ground for discontent and polarisation, which more superficial political analysts attribute to cultural factors or Russian propaganda. The political risks of maldevelopment and disenfranchisement are high, since this can also lead to a loss of faith in the European project as a whole.

The report identified critical areas such as competitiveness, polarisation, lack of opportunities and turbulent global dynamics, underscoring the imperative for tailored interventions to address these complex issues. Factoring in technological disruptions, demographic shifts and environmental imperatives, it stresses the need for a future policy that continues to be place-based as much as people-based. The logical conclusion is that cohesion policy[9] should remain fundamentally concerned with its original mission of driving sustainable development and boosting competitiveness, while maintaining flexibility to address various urgencies. In other words, there can be no green transition, functioning single market, nor a more innovative or competitive EU without an efficient cohesion policy that helps the lower-income regions also to participate in such common EU actions and endeavours.

System competition and globalised economic warfare

Through his report, Draghi invites us to think about a system's competition in the world economy. He follows the tradition of benchmarking European performance against the US, which has been a standard approach for some time, even if Europe was meant to develop and maintain its own business and social models compared to other major players, namely, the US and China.

However, if we analyse the last three decades, there are three periods when the gap between the US and EU growth rates widened: (1) the mid-1990s, when the Maastricht criteria started biting and the deflationary effect of the EMU was displayed; (2) after the Great Recession, when the EU entered a second recession while the US recovered – because the EMU governance is pro-cyclical; and (3) after the outbreak of the 2022 Russo-Ukrainian war, when the EU entered headlong into global economic warfare without an impact assessment and shot itself in the foot, economically speaking.

9 For a current assessment of cohesion policy, see Schwab, T. (2024) "Quo vadis, cohesion policy? European regional development at a crossroads". Policy paper. Bertelsmann Stiftung, June.

Europeans often misunderstand the sources of US economic power and prosperity. Many buy into the Silicon Valley mythology and would push a wholesale deregulation agenda inspired by neoliberalism. Reading Mariana Mazzucato helps clarify the nature of innovation and productivity in the US. One should also consider how the rest of the world subsidises US prosperity by using the dollar. And more recently, the EU added two more subsidy channels: one is the hike in purchasing US-made weapons and the other one is the creation of a dependency on US shale gas.

In 2024, Europe entered the third year of the war in Ukraine if we count it from the 2022 February Russian invasion. Consequently, defence became a critical question for the EU, and it is given adequate space by the Draghi report as well. However, the key here is integration within Europe, which would be more important than countries increasing their purchases from non-European sources side by side. Common research and development and production (and financing) capacities are necessary. Exploiting economies of scale together, EU countries can ensure that the costs of the military do not crowd out other crucial items of public spending.

Since 2016, Europeans have lectured the British about the colossal error they were making by ejecting themselves from both the single market and the customs union. However, the EU has been risking similar errors when the integrity of its own policies was subordinated to a geopolitical agenda defined by Ursula von der Leyen, while geoeconomic and foreign policy preferences of EU countries may differ significantly. The repercussions on EU member states may also be uneven.

If there is one clear loser of the new global economic war, it is Germany. However, if Germany's economy remains in a downward spiral for too long, Europe as a whole loses its economic powerhouse. Until recently, Germany appeared to be a paragon of economic and political success. Angela Merkel was widely seen as the true 'leader of the free world', and Germany's export-driven economic model seemed to deliver prosperity. But recent events – from Germany's dependence on Russian gas to its car industry's delays in the race to electric technology – have undermined this view. The risk Germany is facing is to follow the pattern of Japan in the 1990s, that is, a decade-long stagnation, as explained in a new book by Wolfgang Münchau under the unambiguous title *KAPUT*.[10]

Current trends in industrial production (with large-scale dismissals in companies like Volkswagen, Bosch, BASF, Bayer, ThyssenKrupp and many others) give the impression that Germany would want to opt into the Morgenthau Plan with an 80-year delay. Germans not speaking out against their disastrous course might well stem from historical reasons and the belief that they are paying a price for their guilt, but equally importantly, Germany is paying a price for having figures like Lindner, Habeck and Baerbock, who all demonstrated serious deficits in preparedness for serving in such high offices, in their government.

Even if a guilt culture exists in Germany, it is not supposed to drag Europe into eternal stagnation. Even if there were a suicidal wish among Germans – and for some Germans,

10 Münchau, W. (2024) *KAPUT: The End of the German Miracle* (London: Swift Press).

especially among Green voters, having less manufacturing is surely a positive vision – Europe cannot afford such a sharp decline in its industrial heartland. Hence, another factor justifies the need for EU-level industrial policy.

Transatlantic deregulatory frenzy

In the US, the victory of Donald Trump has opened a new direction concerning the orientation of government policy, which can be characterised as an ultra-Reaganite campaign against state intervention in the economy. The visit of Argentinian President Javier Milei to Mar-a-Lago on 14 November symbolised the new spirit that imperils the US economy and society. The self-styled 'anarcho-capitalist', Milei, since his entry, has generated industrial decline and sharply rising poverty in Argentina.[11] For Trump, Milei is a MAGA person. Just like in the 1970s, Chile was the laboratory of Chicago neoliberals and their neoconservative practitioners in the US and UK; now Argentina is the testing ground for the capitalist revolution.

Trump announced the establishment of a new government office (Department of Government Efficiency or DOGE) headed by the duplicitous business and media mogul Elon Musk[12] and former presidential candidate Vivek Ramaswamy. These personalities are expected to advise Trump's incoming administration on cost-cutting, deregulation and reducing the size of the US government. DOGE will not be a federal executive department – which would require congressional approval – or receive taxpayer funds. In the past, Ramaswamy suggested dismissing 75% of all non-military government employees. Musk has pointed to government jobs related to climate initiatives that need to be eliminated. Both men have also suggested permanently ending the twice-yearly daylight saving time changes in the US.

Recently, Elon Musk came out with hostile and threatening language towards European centre-left leaders, while he has developed a friendship with post-fascist Giorgia Meloni.[13] Threats from Trump and Musk against the UK government might be explained by Labour's – otherwise timid – steps towards improving working conditions[14] and repairing relations with the EU.

What Trump has offered to the rest of the world is trade wars. In particular, he has threatened those countries which endeavour towards de-dollarisation. While this is primarily a message to the BRICS group, the EU should also be concerned, since the creation of the single currency itself, but especially the promotion of its international role, was also driven by the need to end the "exorbitant privilege" represented by the dollar.[15]

11 On the social consequences of Milei's economic policy, see Calatrava, A. (2024) "Argentina's poverty rate spikes in first 6 months of President Milei's shock therapy". *The Associated Press*, 27 September.
12 Isidore, C. (2024) "How much of Musk's wealth comes from tax dollars and government help?" *CNN*, 20 November.
13 On the relationship between Musk and Meloni, see Varvelli, A. (2024) "The new Futurism: What a Meloni-Musk alliance could mean for Europe". European Council on Foreign Relations, 22 November.
14 "Government unveils significant reforms to employment rights". gov.uk, 10 October 2024.
15 Marsh, D. (2020) "Giscard d'Estaing: Architect of euro and sdr". OMFIF, 3 December.

Ursula von der Leyen's rightward turn and the rise of the EPP-ECR policy axis pushed the endeavour of simplification, or more concretely, deregulation, higher on the EU agenda. Rekindling the paradigm once represented by a high-level group led by Edmund Stoiber[16] risks prescribing the wrong medicine again. Once it was only a slogan of the loony right in the UK to speak about the bonfire of regulations, but now it appears as von der Leyen's *Wunderwaffe* (miraculous weapon) to bring in a new "omnibus legislation"[17] to cut rule overlaps, which might fall short of boosting productivity but may help to create a smokescreen. Von der Leyen and Valdis Dombrovskis may not run around and produce social media images with a ferocious chainsaw, but the impression of pro-business action[18] in Brussels will be delivered, while the more essential points of the Draghi report may be sabotaged.

Former liberal MEP Marietje Schaake has written a remarkable book[19] about the myth of Silicon Valley and how technology companies use 'innovation' as a disguise for resisting regulation. Today, this amounts to a "tech coup" to which the Trump revolution is opening the gates wide. In Europe, as in the US, the deregulatory campaign often arrives in a geopolitical disguise: portraying deregulation as a precondition for competitiveness with China and preventing the dominance of Chinese companies in cutting-edge technologies.

In her book, Schaake also exposes the controversial world of crypto-currencies, which not only threaten the savings of many households but the stability of the global financial system as well. She stresses that regaining the primacy of democratic governance over corporate power is crucial, even if corporate interest and profit hunger dress themselves in tech utopia. This offers very important insights and warnings for EU policymakers searching for the true meaning of innovation and the right tools to boost it.

Conclusions: Choosing slow agony

When Mario Draghi presented his report in Brussels alongside Ursula von der Leyen, he tried to alarm the European audience. He actually said that the EU either embarks on the road he outlined or faces the slow agony of decline. Whether EU actors see the Draghi report as a common platform on which more can be built, or a basket from which they can cherry-pick will determine whether the EU remains an autonomous player in the global competition or not. In a new Commission dominated by the EPP, there are fears that the 'cherry pickers' will be able to define the agenda, and instead of reforming the EMU and creating a proper EU fiscal capacity, the real efforts would just aim for deregulation, financialisation and militarisation.

16 "'Stoiber prescribing the wrong medicine'". Press release. ETUC, 13 October 2024.
17 Robinson-Tillett, S. (2024) "An EU omnibus will not solve the reporting problem". Real Economy Progress, 25 November.
18 McGowan, J. (2024) "EU leadership plans to revamp business climate regulations". *Forbes*, 25 November.
19 Schaake, M. (2024) *The Tech Coup: How to Save Democracy from Silicon Valley* (Princeton: Princeton University Press).

The search for a new growth model in Europe, under the banner of competitiveness, should revive the endeavour of long-term planning with result orientation. For some, developing visions and setting targets is futile, especially in a community as complex as the EU. If a programme is announced but not followed through, the result is a loss of credibility. However, it seems life reproduces the need for such long-term programmes, and the electorate expects leaders to be strategic, forward-looking and focused on development.

Under the recent shocks, the progressive potential of the EU should be rediscovered. It can be the guide to the necessary reset of our economic governance mechanism but also a new commitment to social cohesion. To be truly compatible with such objectives, Draghi's report needs to be supplemented by other important reports of 2024, like those produced by Letta and Rodriguez-Pose, and even more, like the one delivered in 2023 by Anna Diamantopoulou.[20]

Draghi is also an ally for those who are keen to save the EU Green Deal as a policy package for climate protection and sustainability. Contrary to public perceptions, this should have been primarily an investment programme and only in second place a regulatory one. It will remain a progressive responsibility to ensure that, while its bathwater is thrown out, the Green Deal can live and deliver the necessary measures for environmental and climate sustainability.

Altogether, Draghi managed to outline a comprehensive plan, and the discourse around his report spread the news about the EU economy being in crisis and that the leadership has a revival plan. But, just like many other reports, this one has also highlighted the gap between talking the talk, on one hand, and very intense inaction on the other hand. In 2024, competitiveness has been confirmed as part of the catechism of the EU, and in the person of Mario Draghi, a pontifex has also emerged.

20 Directorate-General for Employment, Social Affairs and Inclusion (2023) "The future of social protection and of the welfare state in the EU". Publications Office of the European Union, DOI: 10.2767/35425

PROGRESS IN EUROPE

ANIA SKRZYPEK

The quarter of a century mark

It was repeated time and again that 2024 was a groundbreaking year, if not for any other reason than the number of elections, which involved half of the world's population. For all democrats across the globe, this was a reason to cheer. However, sadly, this time around, it was not a wave of euphoria that would see celebrations for succeeding in politically empowering the citizenry worldwide. Far from it: many observers watched the polls and trends with growing anxiety. Precipitously, Francis Fukuyama's old classic[1] was back at the top of reading lists – for all kinds of reasons. Ultimately, we did not reach the end of history. If anything, we seemed to have briefly reached it at the beginning of the 1990s, which, after roughly two generations, is now seeing its dawn.

The war in Europe, EU member states with authoritarians in power and the rise of the far right – these and many other aspects of contemporary life seem to indicate that, indeed, it was not the end of history but a transition. The older amongst us may wonder how that is possible, since vivid memories of the Second World War are still alive, and many remember the experiences of living on both sides of the Iron Curtain. But then – did we not say that the world is moving at a different speed? Did we not say that reality is created by the information, true or otherwise, that can travel within a split second to recipients all over the world? Did we not say that Covid-19, which was just a few years ago, would change us forever? Now, we see ourselves happily forgetting all about any precautions. It seems, indeed, that, as politically involved individuals, we should finally do better than watch the world spinning out of control, blaming all possible circumstances and disempowering whatever is left of the democratic system with notions such as a polycrisis. Colm Murphy is very correct in that sense;[2] it has become an excuse to indulge in nostalgic thinking about the reality and about us in it.

It is a time like no other when it is no longer about a few points up or down on the electoral scale. Especially while accepting that the political landscape is fragmented and polarised on the one hand, and on the other, being willing to think about ourselves

1 Fukuyama, F. (1992) *The End of the History and the Last Man* (New York: Free Press).
2 Murphy, C. (2024) "The polycrisis diagnosis and its problems", in Diamond, P. and Skrzypek, A. (eds) *Next Left Vol. 16: The Politics of Polycrisis* (Bonn: Dietz).

alongside the parameters of the reality of traditional mass parties, frankly there is not even any potential to continue offering a shred of comforting truth. It is high time to realise that a quarter of a century has passed, and that from the beginning of it, or after the electoral cycle around the previous German general elections,[3] it is far from becoming a social democratic century. Social Democracy is facing a massive predicament – which has been sealed by the 2024 voting results, with some exceptions, making it more a force of the past than of the present. If the movement is to have a future and aspire to define the remaining 75 years of this century, it will need to start by emancipating itself and thinking of a great project for the future.

The European and American elections

The key to turning the tides is to embrace another kind of thinking. History has enabled the movement to think about itself as a force able to win elections, and it would understand victory as a landslide. In the past, social democratic parties could obtain enough votes to form single-party governments or define the composition of coalition cabinets, in which they played a decisively dominant role. The political and, hence, party systems have changed so much that it seems less and less possible to hope for such results of the past. Today, a party can improve its electoral result, even finish first, and still be ousted from the government – which was the case for the Swedish Social Democratic Party in the previous elections. A party can also find itself completely out of the parliament, like CSSD (now SocDem) in the Czech Republic, whose chances of returning are small.

There are volumes written about why progressive parties are losing ground. A relatively new one, edited by Silja Häusermann and Herbert Kitchelt,[4] explains this slow and intermittent electoral erosion by quoting two streams of hypotheses – one that focuses on nostalgia (suggesting that Social Democrats have changed too much, drifting away from their core) and the other on how parties are 'stuck' (lacking the ability to adjust and face contemporary challenges). Either of the two, or both together, imply that learning lessons from the defeats is the first step in doing better. However, that alone does not seem to be enough. The challenge is to dare to imagine ourselves completely anew. There should be no fear that a proud legacy of core values or of consistency will be forgotten. These values will always be part of the DNA, especially since core values are the compass for everything – and so, by default, they are at the heart of any initiative. But what will give Social Democracy a chance today is not to dwell on how to repackage these values – but rather how to articulate a project that responds to the progressive ambitions of contemporary societies and is able to garner majorities in the new type of block politics that is emerging.

3 See: Hoffmann de Moura, K., A. Skrzypek and R. Wilson (eds) (2022) *Towards a Social Democratic Century? How European and Global Social Democracy Can Steer a Course through Crises* (Berlin and Brussels: Social Europe, FEPS and FES).

4 Häusermann, S. and H. Kitchelt (eds) (2024) *Beyond Social Democracy: The Transformation of the Left in Emerging Knowledge Societies* (Cambridge: Cambridge University Press).

Therefore, one must be honest about what happened in the 2024 European elections. Of course, as every five years, they were announced as being 'historic' – and they lived up to those expectations, but not in the way the narrative would have it.[5] Yes, the European People's Party (EPP) emerged as a winner. They undoubtedly succeeded, not only because they could claim the largest number of seats but also because they could overcome the internal crises that had been consuming conservative and Christian democratic parties just two or three years ago. But they claimed their victory on election night, promising to lead a pro-democratic coalition, which appeared to have been a hasty announcement. The narrative did not surprise, considering that only two sitting prime ministers across the 27 member states won these European Parliament (EP) elections in their respective countries – Donald Tusk (EPP) and Georgia Meloni (ECR) – so it was about making the point. But perhaps the EPP themselves underestimated the dynamics of the new EP and the Council, and perhaps, as with everyone else in Europe, they did not quite believe that they would have three competitors on their right: the European Conservatives and Reformists, the 'Europe of Sovereign Nations' group and the 'Patriots for Europe'. This has been a turning point, and the EPP crossed over it with the attitude of a cold-headed, pragmatic, power-seeking force. They would seek the votes where they could find them, which was painfully proven by the first votes of the new legislative period – to start with the law on deforestation.

This all seems to have caused cognitive dissonance among Social Democrats, leading them to rebel against the EPP for their disrespect of the rules of the '*cordon sanitaire*'. Social Democrats were relieved they still are the second-largest group in the EP, with the number of MEPs comparable to that of the previous legislature. They found themselves in a new kind of political play, without mastering its rules. Their size did not guarantee the same position as in the past. Their other traditional democratic allies noted massive losses (especially the Greens, but also liberals and the left), making it impossible to see Social Democrats as leading any type of progressive camp. They can also only count on four members out of 27 in the European Council and four commissioners. Despite the call for great rebalancing from their side, they had no possibility of enforcing the same setup as they did in 2019 (when their leading candidate, Frans Timmermans, even stood a chance of leading the new Commission). Indeed, the new Commission would not even see Nicolas Schmidt's return. And then, during the EP hearings, Social Democrats were confronted with two extraordinary developments. Their calls not to make the ECR candidate, Raffaelle Fito, vice president remained unheard, and they saw the committee's votes suspended on the question of the vice president with the argumentation that the social democratic candidate for first executive vice president, Teresa Ribeira, needed to answer a hearing at the national parliament first. The latter was to define if she, in fact, was responsible for any aspect of the disaster caused by the floods that devastated Spain last October.

5 Skrzypek, A. (2024) "The 'historical' European elections 2024: Dramatic moments, moderate outcomes". *The Progressive Post*, 20 June.

The situation at the EU level kept escalating: the presidents of EPP, S&D and ALDE met to discuss the crisis and left the meeting with a new accord, enumerating the priorities of their continuing alliance. The Commission was eventually voted on without much further delay, as there was a sense that the EU could not afford for the new college to drift away, when, on the other side of the Atlantic, US citizens – to the disbelief of so many – re-elected Donald Trump as president of the US. Surely, those like Arancha Gonzalez, who wrote that the faith of Europe should be decided by Europeans and in Europe, had a valid point, but the news still had impetus. Progressives tried to underline that there were some wins, like adding the missing 'social' to the portfolio of Vice-President Roxana Minzatu, or having, for the first time, 'Housing' as a part of Dan Jørgensen's portfolio (something they had campaigned for) and appointing Glenn Micallef as Commissioner for Intergenerational Fairness and Youth. It was also pointed out that Olivér Várhelyi's mandate had been adjusted. The new Commission was voted in with the slimmest majority in its history. This may not be, in itself, the worst thing, as it reflects, on one hand, the many tensions that emerged during the approval process and, on the other, the progressive politicisation of the process. That is a development towards the increased transparency Social Democrats have been arguing for. However, what they had not anticipated was to what extent such a dynamic would affect them and their internal cohesion.

Hardship of the new political season

This new political season sees the social democratic family as part of a game with a new set of rules. The grand coalition may be such in name only, and being the second-largest group in the EP no longer means what it used to. It is hard to weigh our political family's current leverage, given that it will be exposed to ruthless and previously inadmissible attacks, not only from the EPP – which may not be a trustworthy ally but still, in general, abides by the rules of parliamentary democracy – but even more from those to the right of ECR. The S&D Group may try to resort to calls to constrain and disallow the practices that would normally be considered as falling out of the scope of democratic politics. However, they have already been tested, as everything and anything can be included within these brackets. The unspeakable attacks and vicious allegations against Spanish Prime Minister Pedro Sánchez and his family under the shield of 'anti-corruption' are an example of such practices. And to that end, would Social Democrats have the power to re-define and re-enforce the boundaries of, for example, freedom of speech and pluralism, and to what extent do pro-Putin positions fall within them?

To make things more complex, Social Democrats are divided internally. In his outstanding lecture held for FEPS ahead of the EP elections,[6] Simon Hix argued that though S&D has been very consistent in several key votes during the past mandate, as a family, it remains internally split about the strategic issues that will define the next five years, such as

6 Hix, S. (2024) "The likely political and policy consequences of the EP 2024 elections". FEPS, 21 March.

international trade and trade agreements. These divergences can be overcome, even if the EU's national realities could suggest irreconcilable differences in national approaches. For that, the progressive family still has a network of organisations and, above all, one structure that is meant to be the place to debate, namely, the Party of European Socialists (PES). But what seems even more worrying at this point is the very emotional divide about the strategy – which is partially related to the very unequal capacity within the movement.

Coming back to the map of the EP election results, there are only two countries in which Social Democrats won: Sweden and Portugal. In both countries, progressive parties are in opposition. The PES family has been disproportionally weakened in Central and Eastern Europe, where some of the sister parties have obtained a very meagre representation (Nowa Lewica, for example, has won three instead of seven MEPs) and others have not entered the EP at all (for example, Czech SOCDEM or Hungarian MSZP). Thus, while the total number of S&D MEPs is almost unchanged, the size of the delegations is very diverse and tension-inducing. Furthermore, while this is a factor that influences how representatives engage in the European debate, sister parties still face very different dilemmas on the national front. To offer some examples, the Austrian SPÖ entered governmental negotiations driven by the sense of responsibility to prevent the winner of the September elections – FPÖ – from forming one. The French Socialists entered the Front Populaire and succeeded in resurrecting the party, but, soon after the EP elections, faced early national elections, whereby the Rassemblement National risked winning the majority within the National Assembly. In the end, the new parliament emerged as a stage for 'three-block politics' – a possibility the French political system was unprepared for and that is leading to perpetual tensions and governance crises. These are just two cases that illustrate why sister parties disagreed on whether to vote for the new Commission or not. Those who voted in favour underlined that there was hardly any chance for a better proposal. And those who voted against it claimed it was a matter of principle. Both had valid points, but such an open rupture is a potentially dangerous political liability when it comes to calling on other issues in the future. Especially, in the face of the ruthlessness, cold and calculating state of mind on the centre-right part of the hemicycle.

The composition and dynamics of the EP are not the only things that have changed. Another important aspect is the quality of politics, how it is being judged and what citizens expect. Social Democrats tend to think of citizens as clusters of voting groups and give much importance to the criterion of 'delivery'. Certainly, citizens define themselves according to certain characteristics (level of education, income, place of residence, age, gender etc.), but these are somehow becoming more and more fluid, as reflected in voters' volatility. So, Progressives have been focused on why people refrain from voting for them and have tried to appeal to them based on the tendencies identified in previous votes, hence playing mostly defence and being slightly out of touch. This aspect, if added to the 'delivery' approach, unavoidably transforms the relationship between social democratic parties and the electorate into a transactional one. That will continue being problematic because, what Progressives may consider as a show of respect and preparedness – to offer alternatives and to stick to boundaries of political correctness – may not be a competitive advantage in

the contemporary reality, when often it is not soundness but scandal that sells. Even more so, when it comes to social media, an environment where Progressives still find it hard to persevere (in spite of the fact that social media is no longer new). Progressives are told that they broadcast instead of engage. In that sense, the usual social democratic strategy – 'we may not have the numbers, but we have the competence and will strive for primacy in European politics this way' – may require some further adjustments. It allowed the lead on many dossiers and improved the lives of Europeans in the previous mandate, but it will not be effective by default now if applied in the exact same manner.

Out of gloom and doom

The previous pages may be seen as a very dark portrait of European Social Democracy, which finds itself in an unusual position. Hardly anything is what it seems or used to be. There are serious issues that will have to be faced internally and externally, and, unlike in the past, there is no return to the comfort connected to proud legacies or wisdom, as the pendulum will not turn back, making things electorally right. While this is all true, astonishingly, it may be the key impulse to finally take the movement out of the brackets where politics has put it. Maybe this is the moment to let go of nostalgia and dream big, almost in a subversive way, to conceive a new project worth being the vision of a better future for all in the 21st century.

This is a moment to shake off self-pity about the social democratic electoral standing and let go of the shy jealousy of how others, in particular right-wing radicals, master the universe of social media and attract young people. Nobody wants to adhere to the losing side and definitely not to those who forge the language poised by disempowerment. In a world that is as frightening as the current one – with people fearing not just the big picture or their kids' future, but their bills and whether they will be able to last until the next payday – it will be useless to offload on them social democratic misfortunes and the complexity of the polycrisis, or scare them with fascism re-approaching. It is not the social democratic nature to compete as doomsayers, but rather, as Donald Sassoon[7] once wrote, it is to state what is wrong, how to change it and why Progressives are the ones to be entrusted with that mission. To do so, European Social Democracy will need a new combat strategy, with a very modern arsenal of programmatic, organisational and communication tools.

Secondly, Social Democracy needs to understand what it wants to be. Certainly, it cannot remain what it used to be, and it cannot keep thinking about itself as 'the second, possibly opposition, party'. This is far too narrow. Here, there is an attempt to number the reasons why this will not work on the EU level, but it also hardly seems to be a way forward in a national context. Perhaps this is a time to accept that a new kind of block politics is emerging, whereby political fight will be defined according to very different rules, and

7 Sassoon, D. (2010) *One Hundred Years of Socialism: The West European Left in the Twentieth Century* (London: I. B. Tauris).

coalitions will have other dynamics as well. It would be unnatural for the centre-left to try and imitate the power politics of the centre-right, similarly, for the centre-right, it would be impossible to compete with Progressives when it comes to creating a real, multilayered, vibrant and intellectually critical movement. This is where the potential for renewal and reinvigorating lies. There are successful examples of that happening already: the Dutch PvdA-Groen-Links approach and investments in mechanisms of deliberative democracy inside the party; the organic work that Lithuanian LSDP completed meticulously; the path Elly Schlein's PD embarked on; the new approach to local canvassing that Austrian SPÖ mastered; and many others. The PES could help collect these experiences and build on them. There is much potential here, which can be boosted remembering the spectacular, pre-electoral consultation that PES ran with trade unions and non-governmental organisations.[8] They could be forged into fora, becoming a more permanent feature within the legislative period, as it is increasingly evident that democratic resilience will not come from rules but from participatory politics.

Thirdly, this is a time for a new, bold and ambitious project, which would bring hope, respond to both people's fears and ambitions, and be a bridge across the diverse experiences of the past years. In that sense, Social Democrats perhaps underestimated the disempowering effect that the 2007-2008 crisis had (also on them as a movement), pushing them into the rhetorics of fighting inequalities through policies of minimum rights and standards. The 'minima' are relevant to set the limits; these are times of unprecedented developments – which do not need to be described only in terms of how they harm but also how they can harness processes. From this point of view, the PES Manifesto 2024 was an excellent compendium of good policies, but ahead of 2029, the PES family and its allies will have to think more about a project, a grand vision. Assuming that digital capitalism is unavoidably the next stage of capitalism, then it must be dealt with together with the world of labour. The approach of 'I am not an expert' must be dropped, as it needs to be mastered and shaped – something the PSOE manifesto is a great example of. There is also the question of societal and demographic changes. Here, Social Democrats need to sketch what kind of community they want – bridging differences, solving distributional conflicts and empowering all. This takes the deliberation out of cultural war and places it where the debate needs to be – how to construct and enact the social contract for the new age. And in doing so, one must be more hopeful, as societies and the individuals within them are often more progressive than one thinks. This is what makes processes, such as the programmatic revision of Swedish SAP, so inspiring. It is about turning over every stone, with no prejudice – and with openness about potential new directions. One may face many detours and not always get the answers that polling agencies or spin doctors would advise, but what is known and familiar will certainly not suffice for passionately convincing citizens in 2029 – when the EU will have been profoundly changed again.

8 Skrzypek, A. and K. Konig (2024) "Ahead of the European elections 2029: Note to ourselves". Policy study. FEPS and FES, November.

And on that note, Social Democrats may, of course, look back at 2024, look at each and every election that took place, and ponder. It has been hard not to frown, but there have also been good moments: the unexpected returns of PS France, PASOK and the Irish Labour Party; the landslide of the Labour Party in the UK; and a grand victory in Lithuania. The next 12 months will see further changes of the EU political map, and especially the outcome of the German federal vote will resonate. But however hard and demanding this new legislative term will be, however out of control Social Democrats may feel tempted to see themselves – they cannot afford it. In practice, the countdown to 2029 has already started – and Progressives are still the only force that will keep the EU focused on its primary goals: a community of peace and prosperity. And that is the one responsibility that, regardless of anything else, should keep Social Democrats focused on the search for a historical page turn.

Progressive Person of the Year

The last decade, as perhaps the one before, has been a roller coaster for socialist parties across Europe. Sometimes, we experience a slow erosion of support, and at other times, outright drops, splits and falls from which it is harder to recover. Spending time in opposition may last several cycles, and it even happens in some countries that Social Democrats lose their parliamentary representation altogether. Hence, we must appreciate successful efforts to rebuild and empower social democratic parties, making them capable of leading national governments again.

The reconstruction of the social democratic party and its return to power in Lithuania is a major achievement. The Progressive Party of Lithuania (LSDP) has delivered a clear electoral victory and formed a coalition government, notwithstanding the complexity of coalition talks. LSDP's victory also shows that a revival of centre-left politics is possible in the Baltic and East-Central European region, even in difficult times, like the years of the Covid-19 pandemic and the war in Ukraine.

Forming a pro-European government in this difficult context is a collective but also individual achievement, which should inspire progressive activists, thinkers and organisations in the region and Europe as a whole.

The new government of Lithuania was formed in December 2024 by Gintautas Paluckas. He had gained experience in municipal politics and contributed massively to turning around LSDP and constructing a new coalition government. He knows the power of grassroots-level mobilisation. But he is also a prime minister with concrete objectives: stronger social solidarity, reduced inequality, and sustainable economic growth.

For us, Gintautas Paluckas is the Progressive Person of the Year. He connects the vision of a fairer, greener and more competitive Lithuania with EU policies in support of climate action, digital transformation and geopolitical resilience. He has already started to prepare Lithuania for the presidency of the Council in 2027. His achievements should receive attention, and the case of LSDP should be studied when our wider political family is looking for a robust recovery strategy, with a particular focus on East-Central Europe.

LÁSZLÓ ANDOR
interviews GINTAUTAS PALUCKAS

Reconnecting with our core values to engage with people

László Andor: *The return of the Social Democratic Party of Lithuania (LSDP) to government is the result of greater efforts to rebuild the party. What did you need to do to achieve this?*

Gintautas Paluckas: The return of LSDP to government was achieved through a combination of strategic reforms and renewed engagement with the public. Firstly, the party focused on reconnecting with its core values, emphasising social justice, equality and welfare. Listening tours and consultations with citizens helped identify the most pressing issues facing communities. Internally, the party modernised its structure, promoting new leadership, youth engagement and a clearer vision for the future. Messaging was also refined to better communicate how the party's policies would address societal challenges, such as rising inequality, public health and access to education. Finally, LSDP strengthened its ground-level presence, engaging in local elections and community initiatives to rebuild trust and credibility.

LA: *LSDP did not win the European Parliament (EP) election in June in Lithuania, but won the parliamentary election. What explains the difference?*

GP: The discrepancy between the EP and parliamentary election results can be attributed to several factors. EP elections often have a lower voter turnout and a different voter base, focusing more on European-wide issues rather than domestic concerns. In contrast, parliamentary elections have higher engagement and are shaped more by national issues, such as healthcare, education and economic policy – areas where LSDP's platform resonates more strongly with the electorate. Additionally, LSDP's strategy for the parliamentary elections was more targeted, with stronger grassroots mobilisation, clearer messaging on social welfare and a more defined leadership presence. National elections often provide a platform for parties to showcase their vision for the future of the country, allowing LSDP to emphasise its competence in domestic governance.

LA: *You used to work at the municipal level. What was the most important experience you gained in city government that will also be useful at the national level?*

GP: Working at the municipal level provided valuable experience in understanding the immediate needs of citizens and the practical realities of public administration. Key lessons included the importance of direct communication with the public, the necessity for quick but thoughtful decision-making and the value of inclusive governance. Municipal work taught the importance of flexibility, as local issues such as infrastructure, waste management and public services require pragmatic solutions. This experience will be useful nationally, where policy decisions have a broader impact but still require local relevance. Understanding how policies affect communities directly will guide the design of national initiatives that are both effective and grounded in reality.

LA: *Coalition building is always a delicate issue. What opportunities does the new governing coalition bring to Lithuania?*

GP: The new governing coalition offers Lithuania an opportunity for stability, consensus-driven decision-making and a broader representation of the electorate's interests. By bringing together different political forces, the coalition can build a stronger mandate to pursue ambitious reforms in social welfare, education and economic development. It also encourages compromise and collaboration, which may lead to more sustainable and widely accepted policies. In a rapidly changing geopolitical environment, having a unified approach to foreign policy, energy security and EU affairs will strengthen Lithuania's position on the international stage. Additionally, coalition governance allows for greater public trust, as diverse perspectives are considered part of the decision-making process.

LA: *What will your government focus on most of all? What corrections does the development of Lithuania need in the coming years?*

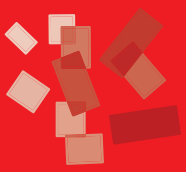
GP: The government will prioritise social welfare, reducing inequality and fostering sustainable economic growth. Key focus areas include strengthening public healthcare, improving access to quality education and ensuring affordable housing for all citizens. Addressing demographic challenges, such as emigration and an ageing population, will be essential, and the government will aim to create more opportunities for youth and families to stay and thrive in Lithuania. The green transformation and digitalisation are also on the agenda, as Lithuania seeks to align with the EU's climate and technological objectives. The new government has also vowed to strengthen national businesses by reducing the administrative burden and creating a growth-oriented tax incentive system. These priorities require policy corrections in taxation, labour market regulations and public sector modernisation. By focusing on these areas, the government aims to create a fairer, greener and more competitive Lithuania.

LA: *How do you see the EU agenda developing in this five-year cycle? This question also relates to the next Lithuanian presidency of the EU, which will take place in 2027 under your premiership.*

GP: The EU agenda over the next five years will likely focus on three key themes: the green transition, digital transformation and geopolitical resilience. Climate action will remain a top priority, with the Fit for 55 package and decarbonisation targets shaping EU legislation. Digital sovereignty and technological innovation will also be central, as the EU seeks to strengthen its competitiveness in artificial intelligence, data governance and cybersecurity. Geopolitically, the EU will aim to enhance its strategic autonomy, especially in energy security and defence, in response to external threats. Lithuania's presidency in 2027 presents a major opportunity to lead on these issues, particularly in areas where Lithuania has expertise, such as energy independence and Eastern Partnership policy. The presidency will be a chance to showcase Lithuanian leadership in Europe while advancing national priorities within the EU agenda.

LA: *The Institute for Solidarity of LSDP is a relatively new member of FEPS (as an observer). What potential do you see for future cooperation between our think tanks?*

GP: The partnership with FEPS provides significant potential for joint research, knowledge sharing and policy innovation. By working together, the Institute for Solidarity can contribute Lithuanian perspectives to broader European debates on social justice, sustainability and democratic renewal. This cooperation can produce evidence-based policy recommendations, offering fresh perspectives on shared challenges like labour rights, the green transition and digital transformation. It also provides access to an extensive network of European progressive thinkers, researchers and policymakers. Over time, the relationship with FEPS can enhance the Institute for Solidarity's visibility, influence EU policy discussions, and create opportunities for joint events, publications and advocacy on European issues that matter most to Lithuania.



BIG ISSUES

HEDWIG GIUSTO

Was 2024 historic for European migration policies?

In 2024, the EU finally equipped itself with a comprehensive legislative package on migration: the New Pact on Migration and Asylum. It happened ten years after the so-called 'refugee crisis' triggered a solidarity crisis among EU member states and exposed the inadequacy of the Common European Asylums System (CEAS) and, in particular, of the Dublin Regulation. The pact should streamline the CEAS and create a predictable migration management system, ensuring homogeneous procedures and standards throughout the EU, in addition to the application of a 'solidarity mechanism' to allow a more equitable share of responsibility – or at least of cost – among the EU member states. After the pact was finally adopted in May 2024, many European lawmakers sighed in relief, and observers called the moment 'historic'. Migration has indeed been a contentious issue for a decade, often instrumentally used by policymakers to polarise the political debate and increase their electoral appeal. Yet, whether the adoption of the pact will indeed mark a shift in both the management of migration and the debate around it will be seen only in the next couple of years. But the first signs do not bode well.

Background and genesis of the pact

It took the European Union ten years to agree on a legislative package on migration after the unprecedented surge of irregular arrivals (over a million) at the EU borders in 2015, which put a strain on the EU asylum system.

At that time, the increase in influx – the largest since World War II, according to IOM[1] – was caused by intensified conflicts and tensions in North Africa and the Middle East. A significant number of the asylum seekers came from Syria and reached Greece through the Eastern Mediterranean route or Italy via the Central Mediterranean route. The surge caught the EU largely unprepared and exposed the main weakness of the EU asylum system. Namely, the Dublin Regulation provides for unbalanced responsibilities between

1 "Irregular migrant, refugee arrivals in Europe top one million in 2015: IOM". IOM UN Migration, 22 December 2015.

the countries of first entry – mostly border states, such as Greece and Italy – which are responsible for examining asylum applications, and the non-border countries. The humanitarian crisis was initially faced with an outpouring of solidarity, epitomised by the statement of the then German Chancellor Angela Merkel: "*wir schaffen das*". This attitude, however, was quickly replaced by fatigue and intolerance.

Since 2015, the European Commission has strenuously tried to reform the inadequate EU asylum system. But to do so, it had to find an arduous compromise between the opposing interests and preferences of different EU member states, roughly divided between those that were on the front line (the Southern European border countries), those that represented the preferred destination of asylum seekers and irregular migrants (such as Germany or Sweden), and those who stubbornly refused to take their share of responsibility and allow refugees to relocate from the countries of first entry (Hungary was, together with Poland, the frontrunner of this group, even building fences on its Southern borders with Serbia and Croatia to block arrivals through the Western Balkans route).

The political debate around migration made reaching an agreement on the reform of the asylum system even more difficult, as right and far-right parties across Europe exploited the issue for their political gain, turning themselves into champions of national identities and using migrants as scapegoats for domestic problems or to divert attention from internal shortcomings. Many centre-right parties quickly followed suit, incapable of regaining control of the narrative on migration and, therefore, contributing to a surge of fear of migrants and xenophobia that reflected in electoral results in many European states.

Against this political backdrop, attempts by the European Commission in 2016 to broker an agreement on a reform of the Dublin Regulation failed. At the beginning of its mandate, the first von der Leyen Commission (2019-2024) committed to finally delivering on migration. The overall political climate, however, impacted the approach to this topic, which was increasingly treated as a security concern (that required, in particular, the strengthening of EU borders and a more control-based approach to migration management).

In September 2020, the European Commission finally presented its broad legislative proposal, which included a set of legislations introducing new instruments or reforming existing ones. The proposal triggered mixed reactions. Non-governmental organisations (NGOs) expressed deep concerns, particularly about the risks to the treatment of asylum seekers and irregular migrants and to the respect of human rights. In addition, the pact still reflected the EU's previous control-based approach to migration. Hardliners, on the other hand, considered the proposal insufficient to control and limit arrivals in Europe.

The following four years were marked by difficult negotiations, which were concluded with a final spurt in December 2023, under the Spanish presidency of the Council, when a compromise on the last, most contentious, pieces of legislation was eventually found. European legislators were under a lot of pressure to conclude negotiations before the European elections took place the following June to prove that the EU was actually

able to deliver on such difficult questions as migration.[2] On 10 April 2024, the European Parliament adopted the legislation with a weak majority.[3] A month later, on 14 May, the Council also adopted the legislative acts that reformed the European framework for asylum and migration management.[4] The adoption of the pact, however, was unenthusiastic and achieved only thanks to the call to political responsibility by the negotiators. In case of failure, reopening the files and searching again for a new compromise would have been politically risky. In any case, it would have been a task for the new European Parliament – to be elected in June – where the probably strengthened presence of right and far-right parties would have meant, in the best case, an even more watered-down compromise.

Following the adoption of the pact, the EU member states were given two years, starting from June 2024, to implement its provisions.

What is in the pact: The main new instruments

The new legislative framework was named 'pact' to reflect the fact that it was the result of complex negotiations and implied the EU member states' mutual commitment to its respect and implementation. It comprises an extremely wide range of provisions (in total nine legislations)[5] and thousands pages of text that are difficult to summarise or critically assess in their entirety.

In general, the pact's goals seem to be mostly internal. Some critics have noted that, despite its ambitions, the pact does not really deal with migration management as a whole and, in fact, does not include provisions on regular migration or on instruments aimed at addressing labour market shortages.[6] Rather – reflecting the obsession of the EU with

2 In September 2022, the European Parliament and Council agreed on a road map to conclude negotiations by February 2024.

3 The voting results of the ten legislations were as follows: Asylum Procedures Regulation 301 votes in favour, 269 against and 51 abstentions; Crisis, Instrumentality, and Force Majeure Regulation 301 in favour, 272 against and 46 abstentions; Regulation for the Management of Asylum and Migration 322 in favour, 266 against and 31 abstentions; Regulation Establishing a Border Return Procedure 329 in favour, 253 against and 40 abstentions; Regulation on Screening 366 in favour, 229 against and 26 abstentions; Regulation on the European Criminal Records Information System 414 in favour, 182 against and 29 abstentions; Regulation on Eurodac 404 in favour, 202 against and 16 abstentions; Regulation on the New Resettlement Framework with 452 in favour, 154 against and 14 abstentions; Regulation on Qualifications 340 in favour, 249 against and 34 abstentions; Directive on Reception Conditions for Applicants for International Protection 398 in favour, 162 against and 60 abstentions. Baccini, F. (2024) "The EU Parliament unenthusiastically approves Migration and Asylum Pact. PD and FdI votes to the antipodes". *EUnews*, 10 April.

4 Hungary and Poland voted against the entire package. The Czech Republic and Slovakia abstained in the majority of files. Austria voted against the Crisis Regulation. However, the pact could be approved by qualified majority; hence, the votes against did not compromise its adoption. Liboreiro, J. (2024). "Europe completes reform of migration rules despite Poland and Hungary voting against". euronews, 14 May.

5 The nine legislations were divided into two batches. The first one was agreed upon in 2018 but not formally adopted. It comprised the Qualification Regulation, the Reception Conditions Directive, the EU Resettlement Framework and the regulation transforming the European Asylum Support Office (EASO) in the European Union Asylum Agency. The second batch of legislation comprised the Screening Regulation, the Asylum Procedure Regulation, the Asylum and Migration Management Regulation, the Crisis and Force Majeur Regulation, and Eurodac.

6 González Enríquez C. (2024) "The EU Pact on Migration and Asylum: Context, challenges and limitations". Real Instituto Elcano, 28 May.

irregular migration, which constitutes only roughly 6% of the overall migration to Europe – it is mainly geared to curbing the arrival of those irregular migrants.[7]

Among the many provisions of the pact, several 'innovations' can be singled out.

The *Screening Regulation* and the *Asylum Procedures Regulation* aim to harmonise controls at the EU's external borders and create "seamless migration processes and stronger governance". The Screening Regulation, therefore, establishes uniform procedures to register asylum seekers and irregular migrants. It entails health and vulnerability checks, identity verification, registration of biometric data, and a security check of people intercepted after an unauthorised border crossing or those rescued at sea. The main goal of the Screening Regulation is to identify – in just seven days (!) – the 'false' asylum seekers: those trying to enter the EU irregularly not to flee violence or persecution but mostly for economic reasons. In fact, the checks under the regulation are meant to decide the destiny of these migrants: either the claim is considered admissible, and the normal asylum procedure will be applied, or it is considered unfounded or inadmissible (migrants who may pose a security threat, who have tried to mislead or deceive the national authorities, or belong to a nationality with a recognition rate below 20%), and those concerned will be treated according to a new accelerated border procedure; the aim is to dismiss the invalid claim within 12 weeks, using a 'legal fiction of non-entry', that is, the claimants are considered as not having set foot on European soil.[8] At the end, when the request for asylum is denied, the candidates – who, according to the non-entry fiction, have never legally entered the EU – can be ordered to leave, avoiding the usual lengthy procedures.

NGOs have highlighted how the provisions of the pact may strongly undermine migrants' rights. Firstly, accelerated procedures risk being hasty and based not on the asylum seeker's individual story but on geographical considerations; they can also lead to an increase in expulsion in violation of the principle of *non-refoulment*. Secondly, the pact fails to acknowledge that motivations to migrate are blurred and cannot always be ascribed to a single cause. Thirdly, the legal fiction of non-entry lowers people's access to legal support (even if legal counselling will be provided), increases the risk of detention and degrading treatment, and compromises the integration process.[9] Last, but not least, there are risks of racial profiling at EU borders and of the digital surveillance of migrants.[10]

Another novelty in the system is introduced by the *Asylum and Migration Management Regulation* (AMMR),[11] which provides for the creation of an 'annual migration management

7 Maunganidze, O. A. (2024) "Migration: It is time for a paradigm shift!". *The Progressive Post*, 26: 52-54.

8 For a thorough analysis of the Screening Regulation and the border procedure, see: Tsourdi, E. (2024) "The new screening and border procedures: Towards a seamless migration process?" Policy study. Foundation for European Progressive Studies, Friedrich-Ebert-Stiftung and European Policy Centre, Brussels, June.

9 "Requiem per il diritto di asilo in Europa. Con il patto si smantella un diritto fondamentale". ASGI, 11 April 2024.

10 "The EU Migration Pact: A dangerous regime of migrant surveillance". PICUM, 11 April 2024.

11 For a broader understanding of the AMMR, see: De Bruycker, P. (2024) "The new European solidarity mechanism: Towards a fair sharing of responsibility between member states?" Policy study. Foundation for European Progressive Studies, Friedrich-Ebert-Stiftung and European Policy Centre, Brussels, September.

cycle', which will be used to determine whether member states find themselves under pressure due to a significant increase in arrivals. While the new system assigns a strengthened role to the European Commission and responds to the need to devise mechanisms to prevent emergencies, it does not move away from the spirit of the Dublin Regulation. The criterion of the country of first entry is, in fact, maintained, leaving the main responsibilities related to border control and asylum procedures to the member states located at the border. To make up for the Dublin system's dysfunctionality, though, the AMMR creates a new flexible solidarity mechanism under which member states must contribute to the system in three ways: relocation, financial contributions or in-kind contributions.[12]

The lack of solidarity among member states has been the most contentious issue of the last decade. And the fact that the European legislator has not been able to fully repel the Dublin Regulation is due to the opposition of those member states who reject the very idea of solidarity. Hence, it remains to be seen whether the mandatory flexible solidarity introduced with the pact will be able to overcome the reluctance of some member states to contribute to the system, or if the political tensions that have prevented the adoption of other voluntary forms of solidarity in the past will persist. Also, in general, it is still unclear whether the mechanisms provided will be sufficient to support those member states that find themselves under migratory pressure. In essence, the regulation has not managed to find an equitable balance between responsibility and solidarity, which makes its success uncertain.

In light of the 2015 experience and to overcome the perpetual emergency mode that has characterised the European approach to migration since then, European legislators have decided to introduce a brand-new instrument that should allow the EU member states to derogate from the Asylum Procedure Regulation if exceptional circumstances arise. This new instrument is outlined in the *Crisis and Force Majeure Regulation*, which establishes a set of rules to define if and when a member state faces a crisis (such as a situation of mass arrival, to be also defined in proportion to the size, population and capacity of the respective member state). The regulation also considers the case of 'instrumentalisation' which can emerge when a third country or another non-state actor tries to destabilise an EU member state or achieve economic or political goals by using migrants' movements across the EU's external borders as a means of coercion, as did Belarus in 2021-2022.[13]

While this regulation responds to the actual need to prepare the Union and its member states for the possible emergence of exceptional situations, the definitions that are used remain ambiguous, and its provisions still present uncertainties that risk impacting the application of the rules. Also, many observers point to the fact that member states may try

12 Member states can receive an annual quota of asylum seekers, pay €20,000 for each non-admitted asylum seeker or spend this same amount on migration projects.

13 For an analysis of the regulation and its implementation, see: Neidhardt, A. H. (2024) "The Crisis and Force Majeure Regulation: Towards future-proof crisis management and responses?" Policy study, Foundation for European Progressive Studies, Friedrich-Ebert-Stiftung and European Policy Centre, Brussels, June.

to abuse its application to derogate for longer periods from the EU's common rules, leading to uncertainty in the application of the EU rules.

What is next?

The New Pact was approved after years of EU member states' erratic migration policies, and it was the result of long and troubled negotiations. Obviously, trying to question it again would mean opening Pandora's box. Yet, while the pact was presented as the panacea that would 'solve migration', the truth is far from it. The EU member states have two years to implement it, which means that it will only really enter into force in 2026. And many things can happen in the meantime. Besides, from the very moment of its approval, some countries have shown signs of aversion to rules that they contributed to establish but consider too soft. Already in September, the Netherlands submitted a request to the European Commission to obtain an (improbable) opt-out clause from the pact.[14] Other member states seem to be moving randomly. Germany has re-introduced controls at Schengen borders.[15] Poland has asked for and obtained the right to suspend asylum rights temporarily.[16] And Italy is trying to push for even more restrictive measures, while trying to operationalise the contested Memorandum of Understanding with Albania, which provides for extraterritorial migration and asylum management (including detention and asylum processing) in Albania, and seems to conflict with European regulation, particularly concerning the protection of the fundamental rights of the individual.

Against this concerning background, with EU member states' attempts to undo what they have agreed upon, and despite the pact's many shortcomings, even strong opponents of the new legislation are now convinced that the application of the law and the strict enforcement of the pact's provisions are the only viable way forward.[17] Certainly, persisting imbalances will need to be corrected. But the Commission will have to monitor the correct implementation of the new regulations, while resisting the pressures by those member states that will try – one way or another – to obtain derogation or go their own way. At the end of the day, the most relevant innovation of the pact is the attempt to define a comprehensive set of rules that are meant to offer certainty to member states and migrants. What is certain, however, is that, despite the promises, migration will remain a contentious issue in Europe for the years to come.

14 Liboreiro, J. (2024) "Netherlands requests opt-out clause from EU asylum rules, a bold move with low chances of success". *euronews*, 18 September.
15 Riegert, B. (2024) "Germany begins expanded border controls to control migration". *DW*, 16 September.
16 "EU says asylum rights can be suspended for migrants 'weaponized' by Russia and Belarus". *AP News*, 11 December 2024.
17 Wollard, C. (2024) "Irony overload: Turning against the Pact". Editorial. ECRE, 10 October.

ALAN MATTHEWS

The farmer protests in the EU

The farmer protests across Europe in 2023 and 2024 had a local flavour in each country, but there were certain common themes. These included low prices, unfair trade competition and burdensome environment regulations. Changes in the political composition of the Council and in the positioning of the largest political group in the Parliament resulted in growing opposition to Green Deal legislation relevant to agriculture and food, while the Commission facilitated the erosion of some of the higher green ambitions in the new Common Agricultural Policy. The need for a transition to more sustainable agriculture is more urgent than ever in the new political cycle. The Strategic Dialogue report on the Future of Agriculture tries to chart a way forward. We now wait for the new Commission to show its hand when it publishes its Vision for Agriculture in spring 2025.

Why farmers were angry: Factors behind the farmer protests

Farmer protests erupted across Europe in 2023 and 2024 due to various national and regional grievances. Protests in the Netherlands were driven by EU nitrate regulations requiring a reduction in nitrogen emissions, which farmers argued would lead to massive herd reductions and threaten their livelihoods. Farmers in Germany opposed reductions in tax breaks for agricultural diesel proposed by the government as an emergency measure to help fill a budget hole following a decision by the German Constitutional Court. Farmers in Poland and Central Europe were mostly concerned about imports of cheap grain from Ukraine; farmers in France were protesting against supermarket prices and the Mercosur free trade agreement; farmers in Italy were angry at the removal of an income tax exemption, while Spanish protests were amplified by drought-induced restrictions on water use.

While the farmer protests had a local flavour in each country, there were certain common themes. Farmers have complained that farm prices are too low to provide a fair income, imports not produced to European standards are undermining their markets and the growing burden of environmental regulations has become intolerable. Farm unions also used the Russian invasion of Ukraine to re-emphasise the importance of food production

as a guarantee of EU food security, and thus, the need to rebalance priorities between production and environmental objectives.

The farmer protests took place following a period of great market and price instability, fuelled by a resurgence of consumer demand as Covid restrictions were eased, and later by the consequences of the Russian invasion of Ukraine in February 2022. Energy, fertiliser and feed prices rose very significantly. Producer prices, notably for cereals and dairy, also rose dramatically, and total farm income in the EU reached a record level in 2022, although not all farm systems and countries benefited. Prices fell back in 2023, leading to a sharp drop in profitability for many farms, exacerbated in many countries by extreme weather conditions, which made sowing and harvesting difficult. Farmers were clearly nervous about their income prospects towards the end of 2023.

It is not only the trend in incomes, but also their level that has been a source of frustration. There is no doubt that many smaller farms are struggling to earn a decent income. Here, it is important to underline that the great majority of food in Europe is produced by a minority of larger farms (according to EU data, the largest one fifth of farms produce nearly four fifths of total agricultural output). These farms benefit from economies of scale and lower costs and can adequately remunerate the resources they use at current prices. Conversely, many of the remaining four fifths of farms are not able to adequately support a family and are hardly viable at their current scale in the longer term. Many of these farms will not find a successor. The ongoing process of structural adjustment, however necessary and inevitable, causes frustration, resentment and anger among those involved and is no doubt a deeper factor behind the recent protests.

The focus of the protests on the burden of environmental regulation reflected, in part, the introduction of new Common Agricultural Policy (CAP) regulations in January 2023. The conditions farmers must observe to be eligible for CAP payments – the Good Agricultural and Environment Conditions or GAEC standards – are somewhat strengthened. Member states are required to protect wetlands and peatlands (GAEC 2). Crop rotation should be implemented on arable farms over a certain size to improve soil health (GAEC 7), rather than just crop diversification, as under the previous CAP. Arable farmers were originally also required to set aside a minimum of 4% of their agricultural area for non-productive features to support biodiversity (GAEC 8), whereas a greater number of options were available under the previous CAP, including production on this land. Despite these more demanding requirements, there was a significant reduction in the value of the direct payment support that farmers received, and this was further eroded by the high inflation in recent years.

Perceived unfair competition from imports was also a common factor behind the protests. Farmers in those Central European countries bordering Ukraine, particularly Hungary, Poland, Romania and Slovakia, faced greater competition from imports of Ukrainian farm products under the ‘autonomous trade measures’ introduced to support Ukraine following the Russian invasion. For farmers elsewhere in the EU, their argument is that trade agreements encourage imports of products from countries whose farmers are not required to meet the same standards as EU producers, thus putting them at a competitive disadvantage. For trade in general, the demand is that higher environmental standards

should be accompanied by mirror clauses, essentially a requirement that imports into the EU should meet the same standards as those demanded of EU farmers.

Political responses to the farmer protests

The farmer protests took place just a few months before the elections to the European Parliament in June 2024. The argument that food production should be given greater priority in the wake of the Russian invasion of Ukraine, as well as the burden of environmental regulation, were already used to justify opposition to several legislative initiatives proposed by the Commission to pursue targets set out in the Green Deal Farm to Fork and Biodiversity Strategies. The major political group in the European Parliament, the centre-right European People's Party (EPP), decided to reposition itself as more farmer-friendly in the light of several national and regional election results, which highlighted growing support for far-right parties in rural areas.

The rollback of Green Deal legislation, including the Sustainable Use of Pesticides Directive, which would have set member state targets for the reduction in pesticide use, was voted down in the European Parliament and subsequently withdrawn by the Commission. The Nature Restoration Law was eventually passed in Parliament, as EPP MEPs were divided on this issue, but several targets relevant to agricultural ecosystems were removed or diluted. It was only finally approved in the Environment Council because the Austrian Minister (a Green) voted against her own government's declared position. The Commission also decided not to bring forward a proposed Framework Law on Sustainable Food Systems, intended to mainstream sustainability in all food-related policies, during its current mandate.

In response to the protests, the Commission proposed a series of amendments to the CAP regulation implemented since 2023, which also undermined some of the higher environmental ambitions agreed in that reform. A significant change was the removal of the obligation to maintain a minimum of 4% of arable land as non-productive areas from GAEC 8. Instead, member states are now obliged to introduce an eco-scheme that will pay farmers to take on this obligation. Small adjustments were also made in other GAEC standards. In addition to these responses at the EU level, individual member states introduced measures, including reinstating tax reliefs and providing additional financial aid.

Another tangible outcome was the announcement by Commission President Ursula von der Leyen of a strategic dialogue initiative in her State of the Union address in September 2023. She elaborated on this initiative in December 2023, announcing that she would convene a group of stakeholders with the intention of overcoming the polarisation that characterises agricultural policy discussions. The Strategic Dialogue launched in January 2024 consisted of 29 stakeholders in their individual capacity, who succeeded in producing a consensus report in September 2024. President von der Leyen subsequently promised that the incoming Commission would produce a response to this report – a Vision for Agriculture – within the first 100 days of entering office.

Tackling farmers' issues in a sustainable way

The Commission's objective for agricultural policy in the coming political cycle, according to the Commission President's mission letter to the Commissioner-designate for Agriculture and Food in September 2024, should be "to strengthen the competitiveness, resilience and sustainability of the agricultural sector". These objectives are likely to be broadly acceptable to most farmers, though some would want to see 'inclusiveness' added to the list to reflect the desire to address issues of power and governance, as well as ensure more equitable access to resources. Nonetheless, there can be major disagreements over how these concepts are interpreted and how they should be pursued.

Larger industrial farms are likely to emphasise investing in advanced technologies, such as precision farming, automation and biotechnology, to increase yields and reduce costs, while also expanding farm size to benefit from economies of scale and lower costs. Other farmers might put the focus on implementing practices that enhance biodiversity, soil health and ecosystem services, while leveraging certification and local supply chains to add value and increase the return to resources employed. Given the well-documented evidence of the negative environmental footprint of EU agriculture, the need for a transition to more sustainable agriculture is more urgent than ever in the new political cycle.

A common refrain is that more must be done to strengthen farmers' position in the food chain to ensure that prices paid reflect production costs. The mission letter underlined that farmers should have a fair and sufficient income by protecting against unfair trading practices, notably, to ensure that they are not forced to systematically sell their products below production costs. Relevant steps include greater support for farmers to join producer organisations, as well as greater market transparency to be delivered by the newly established Agri-food Chain Observatory in terms of prices, the structure of costs, the distribution of margins and emerging trading practices.

The use of written contracts has been encouraged through the Common Market Organisation legislation, while the Directive on Unfair Trading Practices (UTP) prohibits certain abusive behaviours by buyers. Farmers call for the inclusion of automatic price indexation mechanisms in written contracts that could facilitate the timeliness of price transmission and ensure better risk sharing along the supply chain. Enforcement of the UTP Directive could also be strengthened by making it easier to address cross-border enforcement when the buyer behaving unfairly is not located in the same member state as the affected supplier.

Some farm groups have called for parity pricing, where prices paid to farmers would be explicitly linked to their production costs. Legislative initiatives pointing in this direction have been implemented in countries like France and Spain but apparently with limited effect. Part of the problem lies in the multiplicity of market channels and practices, but the major issue lies in the heterogeneity of farmer suppliers with very different costs of production. This variation in production costs would be even greater across the EU than within a member state. A fundamental flaw is that raising prices above the market-determined level gives a much bigger benefit to larger suppliers, who may well be

competitive at the existing price, while doing little for smaller suppliers who are the ones currently struggling with income.

Another demand by farmers is that measures they take to improve their environmental sustainability should be recognised and rewarded by the supply chain. This is difficult in an open economy. True cost pricing principles means that all external costs, such as environmental damage and health impacts, should be incorporated into the price of farm and food products to reflect their true economic cost. Applying this polluter-pays principle would raise production costs for farmers, but in a closed economy, it would also raise farm prices.

In an open economy with international trade, however, it is more difficult for farmers and the food sector to pass on the higher costs of more sustainable farming to consumers if farmers in other countries do not face the same obligations. One solution to this is to introduce mirror clauses or reciprocity provisions that require imports to meet the same standards and regulations as those that apply to EU farmers. The EU already proposes prohibiting the import of animal products where antibiotics have been used as growth promoters or where antibiotics reserved for human use have been used in the production of the imports, rules that already apply to EU farmers. A ban on imports produced with the aid of certain neonicotinoids (used as an insecticide but harmful to pollinators and banned in the EU) will be introduced from 2026.

But mirror clauses may not be appropriate in all cases. Other countries may use different instruments from the EU to achieve the same objective, or may not have the problem that EU regulations are designed to address. Unless there is a clear link with a global health or environmental issue, the EU may be vulnerable to retaliatory action by affected exporting countries. An alternative approach is to ignore the polluter-pays principle when it comes to agriculture, and instead, pay farmers to farm more sustainably on a voluntary basis.

We saw this earlier when the Commission eliminated the GAEC 8 requirement for eligibility to receive CAP payments and instead required that member states introduce this measure as a voluntary eco-scheme. The voluntary approach is also favoured by the Strategic Dialogue. It calls for effective enforcement of existing environmental, animal welfare and labour legislation, but recommends that further measures should be incentivised through a system of environmental payments. It calls for a substantial annual increase in the share of the CAP budget allocated to agri-environment schemes throughout the next two CAP periods. Moving from a regulatory to a voluntary incentive-based approach will clearly find favour with farmers, but whether relying on a mainly voluntary approach will be sufficient to reach ambitious environmental and climate targets remains an open question.

This will depend, in part, on the scale of resources that are made available. The Strategic Dialogue recommended the creation of a nature fund, in addition to the CAP, to support farmers to restore and manage habitats at the landscape level. It also supported the creation of a temporary Agri-Food Just Transition Fund to support investments in making the transition to more sustainable land use activities. But given the many competing demands on the EU's medium-term budget, there must be a question mark over whether additional funding for farmers can be realised. Some hope that the private sector may be

willing to purchase carbon or nature credits, which might provide an additional stream of income for farmers.

Another potential source of funding could come from repurposing existing resource transfers to farmers under the EU's CAP. The CAP's resources are allocated through two main channels. Pillar 1 consists primarily of direct payments, and Pillar 2 covers agri-environment measures, aids to farmers in areas of natural constraints, investment aids as well as funding broader rural development measures. Direct payments are mainly linked to land and reflect the skewed distribution of land management. Although smaller farms get proportionately more support from CAP payments, the bulk of these payments continue to be allocated to the largest farms unrelated to need.

The Strategic Dialogue recommended that the CAP continue to provide income support for certain active farmers but in a more targeted way. It advocates that financial support should be based on a farmer's economic viability, recommending that an independent task force should be established to evaluate the most appropriate mechanisms and criteria. The report itself envisages measures such as redistributive mechanisms, capping, degressivity, eligibility criteria and new distribution mechanisms inspired by social policies. However, previous efforts to redistribute farm payments have failed due to opposition by several countries in the AGRIFISH Council.

The Strategic Dialogue report tries to chart a path forward between the competing demands of farmers fearful that the green transition will impose additional costs, while also acknowledging the imperative that a transition to more sustainable agriculture is needed. We now wait for the new Commission to show its hand when it publishes its Vision for Agriculture in spring 2025.

PATRICK DIAMOND

The UK-EU relationship after Brexit: What difference does Labour make in power?

In its first term, the UK Labour government's approach to the EU is likely to be cautious and little different in substance to that of previous administrations. The Labour government has come to power without having fundamentally resolved the core terms of its European policy. As of today, ministers would struggle to agree on whether the priority in future Brexit negotiations is to widen access to the EU single market, safeguarding jobs and promoting economic growth, or maintain restrictions on EU migration and borders that 'honour' the outcome of the 2016 referendum. That difference of view reflects the cleavage within Labour's electoral coalition between those in affluent regions of the UK, who favour measures that will ensure a rapid uptick in economic growth, and those in post-industrial communities for whom tackling uncontrolled migration is the central political priority.

After nearly a decade of unrelenting Brexit trauma, it would be tempting to believe that the election of a Labour government in London under Prime Minister Keir Starmer is bringing a long period of uncertainty and instability in UK politics to an end. Moreover, the defeat of the British Conservative Party at the election, the main architects of the original Brexit referendum and Withdrawal Agreement, allows the UK to turn the page, moving back towards the European orbit on trade, economics and security.

And there are indeed compelling reasons why it is in Britain's strategic interest to seek a closer alignment with the EU. The economic harm inflicted on the UK economy by withdrawal from the EU single market has been serious and is set to become even more damaging as the Trade and Co-operation Agreement (TCA) is fully implemented. Moreover, geo-political uncertainty compounded by Donald Trump's victory in the United States, the ongoing war against Vladimir Putin in Ukraine and continuing conflict with President Xi Jinping's China reinforce the case for the UK to strengthen relations with its EU partners to navigate turbulent times ahead. There is substantive evidence that

a majority of the UK electorate believe Brexit was an error and wish to move closer to Europe again. And there is the reality that the British Labour Party itself remains, at its core, an avowedly pro-European party.

So far, so good? Strengthening diplomatic ties with Europe

Prime Minister Starmer has gone to considerable lengths to improve diplomatic ties with the EU during his first 100 days in office, supported by his Foreign Secretary, David Lammy. The British premier expressed his desire to forge a significantly improved relationship with Britain's European allies in the wake of his election victory. The party's 2024 election manifesto stated: "We will reset the relationship [with the EU] and seek to deepen ties with our European friends, neighbours and allies". Within weeks of the election, Starmer had flown to a number of European capitals, including Paris and Berlin, and hosted a meeting of the European Political Community in the UK with nearly 50 leaders, where he made the case for more effective co-operation on migration, border controls and energy security.

So far, so optimistic. Yet, there is every reason to believe that in its first term, Labour's approach to the EU is likely to be cautious and little different in substance to that of the previous administration under Rishi Sunak. In fairness to Sunak, his government sought to establish more constructive ties with the EU by signing the Windsor Framework, designed to overcome the political impasse in Northern Ireland. Sunak's approach was to move the UK gradually closer to the EU, without any fundamental alteration in the institutional arrangements encapsulated by the TCA. Labour's manifesto similarly affirmed that a new relationship with the EU must not reopen the divisions of the past. There will be no return to the single market, the customs union, or freedom of movement. Instead, Labour will work to improve the UK's trade and investment relationship with the EU, by tearing down unnecessary barriers to trade.

Labour's negotiating stance

The party's 2024 manifesto contained three specific proposals on the EU relationship: (1) to seek a compromise on UK musicians and touring artists being able to move freely in the EU; (2) mutual recognition of qualifications to help open markets for UK service exporters; and (3) a veterinary agreement that would reduce customs checks, bringing down food prices for hard-pressed British consumers. The aim was to take the rough edges off the Withdrawal Agreement, even if, in truth, these reforms are modest and will only modify Brexit at the margins. Disappointingly for key figures in the new administration, Keir Starmer hastily rejected the EU Commission's proposal for a youth mobility scheme, even if the Commission's timing may have been less than ideal, just a few months before the British election.

The Labour government has come to power without having fundamentally resolved the core terms of its European policy. As of today, ministers would struggle to agree on whether the priority in future Brexit negotiations should be to open selective access to the EU single market, safeguarding jobs and promoting economic growth, or whether to maintain restrictions on EU migration and borders that 'honour' the outcome of the 2016 referendum. That reflects the cleavage within Labour's electoral coalition between those in more affluent regions of the UK, who favour measures that will ensure a rapid uptick in economic growth, and those in post-industrial communities for whom tackling uncontrolled migration is the central political priority.

In fairness, the question of what constitutes the most propitious post-Brexit deal for the UK is not easy to resolve. As Charles Grant from the Centre for European Reform highlights, a Norway-style arrangement akin to the UK joining the European Economic Area is unlikely to be acceptable in Great Britain. British governments would have to accept rules imposed on their financial services sector in the City of London by EU member states over which they had little formal influence, while they would need to embrace the principle of freedom of movement. More selective, deeper UK-EU alignment in key sectors would appear to be a more promising approach, but it is likely to be messy and negotiations would be protracted.

An alternative model for Great Britain would be to re-enter the EU single market for goods and not services, effectively the current arrangement for Northern Ireland under the Windsor Framework, which is not presently available to the rest of the UK (the basis of Theresa May's deal, previously rejected four times by parliament). Last year, 55% of all UK imports of goods came from the EU, while 47% of UK exports went to the EU, underlining the importance of free trade in goods with the EU. Yet that approach would still require the Labour government to accept the European Court of Justice's jurisdiction, pursuing deeper alignment with the EU in key sectors.

There are other spheres where it may be possible for Keir Starmer's administration to make more rapid progress, not least on European security. The party's manifesto states that,

> Labour will seek an ambitious new UK-EU security pact to strengthen co-operation on the threats we face. We will rebuild relationships with key European allies, including France and Germany, through increased defence and security co-operation. We will seek new bilateral agreements and closer working with Joint Expeditionary Force partners. This will strengthen NATO and keep Britain safe.

A new UK-EU 'security pact' would enable the UK to improve relations with its European partners and continue to build trust, while security does not require the UK to compromise on 'red lines' over free movement and regulatory alignment. Moreover, security is of mutual interest to both sides: European defence capabilities need to be rebuilt, not least given the existential threat posed to NATO and the Western alliance by a Trump presidency.

A long, tortuous history

The Labour government's approach to the EU needs to be understood through a historical lens. It is important to recognise that British uncertainty and prevarication over the EU are nothing new. The wartime prime minister, Winston Churchill, viewed the UK as at the centre of three 'majestic' circles of influence: the Commonwealth of countries that formally comprised the British Empire, the special relationship with the United States and closer engagement with Europe.

Yet, there was continuing reluctance among governments of the left and the right to fully embrace European integration. The post-1945 Labour government under Clement Attlee chose not to engage with the European Coal and Steel Community in the late 1940s. Labour governments in the 1960s dithered over membership of the European Community, while it required a Conservative prime minister, Edward Heath, to negotiate the original terms of membership in 1973.

The party has approached the issue of European integration cautiously. Labour's stance had historically been defined by 'Euro-caution' rather than 'Euro-fanaticism'. The leadership adopted a 'realist' view centred on power relationships and strategic influence in the EU due to the party's ambivalence about the Community and awareness of the electoral constraints under which Labour was operating.

The central issue for Labour leaders over the last 70 years has been whether socialist internationalism should entail full participation in the European project, or whether it requires the UK to remain apart from the EU, engaging in various international alliances, particularly with the Commonwealth. In the aftermath of World War Two, Attlee and his Foreign Secretary, Ernest Bevin, were adamantly opposed to the UK joining any federal association that was intended to bolster the political unity of Europe. As the historian John Callaghan has noted, the post-war Labour government, "wanted nothing to do with a customs union that would compromise the UK's imperial role".[1] Bevin insisted that the UK was "not just another European country". After 1945, the Labour leadership was committed to the UK playing a global, not merely a European, role, acting as a 'third force' between the United States and Soviet Russia where, "the British would assume a position of leadership because of their special characteristics as a people".[2]

In the late 1950s and 1960s, Labour's leaders Hugh Gaitskell and Harold Wilson began to develop a more constructive approach to British participation, although they maintained misgivings about European integration. Gaitskell warned about the European Community subjugating "a thousand years of British history". Wilson railed against the terms of entry negotiated by Harold Macmillan in 1961, infamously denouncing the Community as, "an arid, sterile and tight trading bloc against the East".

Yet, ultimately, Wilson endorsed the UK remaining in the EEC, having himself sought membership as prime minister in 1967. Labour's then leader argued that the European

1 Callaghan, J. (2007) "Pivotal powers: The British Labour Party and European unity since 1945". *Capital & Class*, 3(31): 203. DOI: 10.1177/030981680709300112

2 Ibid, p. 205.

continent would form a powerful trading bloc, rivalling the US and the USSR. If the UK remained outside, further relative economic decline, Wilson believed, was inevitable. He argued that, if the UK decided, "to take our bat home […] sinking into an off-shore mentality", the consequences for the British economy and the UK's world role would be devastating. Subsequent Labour leaders have been similarly hard-headed.

Starmer's European policy: Brexit dilemmas?

Meanwhile, resolving Labour's approach to the EU is likely to remain testing for the Starmer government. The forces that exacerbated uncertainty and instability in UK politics after the 2016 referendum have not disappeared. Labour has not resolved the existential dilemma on Europe confronting the party: it remains a strongly pro-European party in its core beliefs (after the Brexit referendum, most leading politicians and the vast majority of party members wanted a second plebiscite). Yet, to become once again a serious contender for power, Labour has been compelled to broadly accept the terms of Brexit and the Conservative vision of EU withdrawal.

The strength of belief in Europe among many on the left in the UK is almost religious in its intensity. For one, EU membership enabled the left in the UK to erect an effective bulwark against Thatcherism. While British trade unions, for example, were routinely ignored by conservative governments in the 1980s and 1990s, they acquired a seat at the table in Brussels. The rights enshrined in the EU Social Chapter made it more difficult for subsequent conservative governments to weaken social and employment regulations, as long as the UK remained an EU member. For many on the centre-left, leaving the EU risked exposing the UK to a further wave of quasi-Thatcherite reforms.

Moreover, the EU is of existential significance for many, as faith in the project of a unified Europe supplanted the ideological certainties of traditional Socialism after the fall of the Berlin Wall in the late 1980s. As intellectual confidence in the socialist belief in collective ownership of the means of production and state control of the economy waned, it was replaced by a renewed sense of commitment to the European project. Europe promised both a revived internationalism, as well as a model of welfare-state Social Democracy that was instinctively appealing to many on the left. Brexit has not only made the UK worse off, but it has undermined core tenets of Labour's aims and purpose as a party of power. As Jeremy Corbyn, Keir Starmer's predecessor, realised, no Labour leader can afford to be perceived as deliberately marginalising the UK from the EU, a stance that ultimately put Corbyn on a collision course with many of his own party members.

After the EU: Brexit surrender?

Nevertheless, after Brexit was ratified, Labour inevitably faced a fundamental choice. To stand a credible chance of winning a future election, the party had to accept the terms of Brexit. Any indication that it would attempt to re-run the divisive 2016

referendum risked inflicting irreparable damage on its support among key groups in the electorate. It has to be said that not only working-class voters supported Brexit in the 2016 referendum (there were many who voted for Brexit in the affluent South-East of England, for example), nor is hostility to immigration wholly determined by economic status or class identity. It is virtually impossible for Labour to adopt a nativist agenda (even if it wished to do so politically) because, in reality, socially liberal voters in the UK outnumber those hostile to diversity, immigration and Europe, as Professor John Curtice has highlighted.[3] Nonetheless, the divides in Labour's support base are self-evident: in the 2016 referendum, two thirds of Labour voters supported Remain, yet 70% of Labour-held constituencies voted to leave, underlining the fragmentation within the party's electoral coalition.

The alternative for Labour would have been to continue to contest the terms of Brexit, the favoured stance of its former leader, Tony Blair. Yet, doing so ran the risk of delivering further conservative victories and an even more damaging form of Brexit. Keir Starmer made his choice to accept the Brexit settlement. Even so, as the political scientist Harold Clarke and colleagues have written: "Brexit has strong potential to destabilise what is already a fragmenting and shaky party system". The Conservatives were often perceived as the party most fundamentally divided over Europe. Yet Labour has been at least as torn in the wake of the referendum.

Where do we go from here?

Labour may pretend to itself that, now it is back in power, the party is well-placed to make Brexit work more effectively. A key strand of economic thinking, even within the party's moderate wing, is increasingly hostile to globalisation, comfortable with adopting a more protectionist stance. EU market liberalisation is portrayed as a barrier to the pursuit of an active industrial policy and the cultivation of resilient national supply chains. The future is a state-led investment programme inspired by so-called 'Bidenomics'.

Meanwhile, the lack of clarity in the British government understandably breeds frustration in Brussels. EU diplomats and political leaders have priorities other than Brexit, not least given the fact that the new EU Commission has only just begun to work on 1 December. The EU has to manage strategic challenges from migration to energy security and the rise of populist nationalist forces in electoral politics. From the European Commission's perspective, the advantage of the TCA was its clarity, as well as underlining to member states the costs and risks inherent in leaving the EU.

It might now be tempting for Labour to wait until a second term to comprehensively address the question of the UK's relationship with Europe. Yet, surely, the new administration does not have the luxury of time. Storm clouds are gathering over the European continent, while the UK growth rate has been severely constrained by the trade friction imposed by

3 Curtice, J., E. Clery, J. Perry et al. (eds) (2019) *British Social Attitudes: The 36th Report* (London: National Centre for Social Research).

Brexit. Labour is learning the hard way that enacting Social Democracy in a low-growth era is politically fraught.

Against the backdrop of such uncertainty, Britain is presently marooned disconcertingly between the EU and the US, at risk of appearing marginalised and isolated in an ever more dangerous, volatile world. As Professor Andrew Gamble has written: "Britain is likely to end up once more stranded uneasily between Europe and America in a new era of trade wars and protectionism".[4] Whatever the short-term partisan interests of the Labour Party, structural forces associated with the inherent weakness of the UK political economy and the instability of global geopolitics are propelling the UK closer to the EU. The danger for Keir Starmer is that the tentative, cautious stance exemplified by the 2024 election manifesto looks increasingly anachronistic, as if he is fighting the last war, not the battle ahead. Worst of all, his party is increasingly in danger of sowing discontent among those who fear that not enough is being done to move the UK back towards the European sphere of influence.

4 Gamble, A. (2017) "British Politics After Brexit", *Political Insight*, 1(8): 4-6. DOI: 10.1177/2041905817702715

NATIONAL FOCUS

KAROLINA LEAKOVIĆ

Croatia: No country for the working class

2024 in Croatia was marked by two elections, parliamentary and European, and both confirmed that the Social Democratic Party (SDP) was still on the path to establish itself as a party of and for the working people. Before that, however, SDP needs to find out whether it wants to represent people who feel (and really are) left behind. That remains the greatest challenge for this generation of social democratic leaders in a country whose current governing political class's horizon is rather narrow. Heavily dependent on the service economy, tourism and EU funding, Croatia remains underdeveloped, and its politicians have proven unable to deliver public services and organise social, political and economic life in the interest of the majority of its people. Against that backdrop, opposition Social Democrats must regroup, organise and deliver.

"There is no democracy here. Here, people still have their say"; this is what one of the most popular Serbian vloggers was told by a resident, while filming an afforestation activity in the country's south. It is not that difficult to imagine hearing this kind of statement elsewhere; it could have been in the Netherlands or in Greece. It is not uncommon for people to see democracy (as a concept, as a value) as being so remote and irrelevant to them that they intuitively confront it with an expression of their free will. One can witness that repeatedly every electoral cycle. We have seen that in Croatia twice in 2024, during the parliamentary and the European elections. While I write this text, preparations for presidential elections are underway, and by the time you read it, Croatia will have voted for its fifth president. In April 2024, we headed to the polls for the parliamentary elections. Two months later, we elected 12 MEPs from Croatia. In terms of voter turnout, European elections confirmed their status as elections that literally only a handful of voters care about. Slightly over 20% of Croatians voted for their European Parliament representatives, making it, by far, the lowest turnout among EU countries. On the other hand, 62% turnout in parliamentary elections was a significant increase, fuelled by the Croatian Democratic Union (HDZ) government's abuse of power in the months leading up to the elections, especially in the case of electing the public prosecutor. However, this was not the only reason for this increased turnout –

current Croatian President (former Social Democratic Party (SDP) leader and prime minister) Zoran Milanović announced his candidacy for the prime minister post on behalf of the SDP-led coalition. That certainly gave a significant boost to the electoral prospects of SDP. But, ultimately, the outcome could be a paraphrase of Gary Lineker's famous statement "Football is a game […] where Germany always wins": elections in Croatia are a game where the HDZ always wins.

In government since 2015, HDZ will soon have been ruling for more than a decade. First-time voters in 2024 were only third graders the last time this country was led by Social Democrats, and it would not be a surprise if a schoolkid soon posed the question, 'Mum, could anyone but Andrej Plenković become prime minister?' (as allegedly happened in Finland after the more than a decade-long presidency of Tarja Halonen). In other words, it would not be that unorthodox to claim that in Croatia a variety of stabilocracy has been implemented since 2016. Stabilocracy is a term often used in the context of the accession of the Western Balkan countries to the EU, to describe a system of governance "that provides stability externally, but domestically oscillates between democracy and autocratic tendencies".[1] Rather than following the existing Western Balkans stabilocracy rulebook, HDZ rewrote it, offering guidelines for a 'Captured State 2.0'. One of the most important components, obviously, is a strong leader. From a weak, unknown and colourless bureaucrat, the current prime minister evolved into a power holder able to do whatever is necessary to remain in the driving seat. And he has been rather successful so far. Right before the European elections and the European People's Party announcements of establishing the *cordon sanitaire*, a centre-right/right-wing government was inaugurated in Croatia, without much attention at the EU level from the media or decision-makers. Now it looks like a precedent for what we saw happening in the European Parliament recently. A legitimate coalition with right-wingers that openly promote discrimination against women and national minorities (Serbian, that is), advocate against diversity in culture and media, and would limit the scope of work for civil society organisations that they do not find patriotic enough.

Fortunately, none of their policy priorities have been implemented so far, but we are only roughly eight months into the mandate. Internal fights, dissolution and power plays within the junior coalition partner might be the reason for this inefficiency. The majority in parliament is stable and, unless a major scandal occurs, it will remain so throughout the mandate.

In that context, what is the perspective for Social Democrats?

Although we lost the third parliamentary election in a row, it looks like we have still not figured out what needs to be done to reverse the trend. As in many other EU countries, Social Democrats struggle with basic questions: who votes for us, who does not (or who no longer votes for us), and why?

In the 2024 elections, the SDP-led coalition was the first choice for more than half a million voters (540,000), which was half the number of votes for the SDP coalition in

1 Primatarova, A. and J. Deimel (2013) "Albanien: Demokratsicher Reifetest bestanden?" *Südosteuropa Mitteilungen*, 3-4(53): 56-71.

2011, and about 100,000 votes less than in 2016. It comes as no surprise to anyone following the dynamics of Croatian society in the last decade or so. Around 400,000 people have left Croatia since 2013, migrating primarily to other EU member states. Migration is, in the majority of cases, economically driven. The median monthly net salary in Croatia in August 2024 was only €1,134. Every fifth person aged 18-64 considers themself poor, while the number increases to every third person over the age of 65. Nearly 80% of all young adults (aged 18-34) live with their parents, a percentage significantly higher than in any other EU country. This has to do with the labour market, wage policies, childcare and education, healthcare, and housing costs – it became impossible for a young person to plan a life in a place with no affordable housing, rising costs of living and low, stagnating wages. For example, the net minimum wage in Croatia in 2025 will be increased to €970 (but still among the lowest in the EU), while the average rent for a two-bedroom flat in Zagreb is currently not less than €1,200. There is no optimistic view towards 2025, the year that will be marked by local and regional elections in May. Recently, the government proposed legislation aimed at introducing a sort of property tax that will – however – be the responsibility of local and regional governments. Ahead of the elections, one can predict a zero-response rate to that proposal from mayors (unless they wish to lose the elections, right?).

Is Croatia then a 'country for old men'? A territory with institutions designed to favour the accumulation of capital (mostly property) and based on a rentier economy? Those who have been able to accumulate wealth (property in Zagreb or along the Adriatic coast), have lived and will live relatively well, and others can always leave for Germany.

With an 18% share of the country's GDP, tourism is the largest economic sector. One does not need to be too imaginative to understand how easy it is (or rather it was) to live and prosper as the owner of one or two apartments in Dubrovnik or Istria, and what the consequences have been for the overall social fabric.

The Croatian variety of rentier capitalism produced inequalities on a large scale and of a great proportion. Our society is, as shown by a recent study on social stratification in Croatia, dominated by the working class (57%), with around 30% of the middle class and 12% of the upper class. The system, however, works, unsurprisingly, for the benefit of the last two, as a participant in the research herself said: "we now live in capitalism, where one has to take care of everything oneself, no more security, no more guarantees […] capitalism is life-threatening, Socialism is not". That is the statement no mainstream politician in a post-socialist country wants to hear. Although there is much evidence pointing at the failures of the capitalist project in Central and Eastern Europe, it is unpopular to acknowledge, especially among Social Democrats. During both SDP-led governments in Croatia (2000-2003 and 2011-2015), the party acted as an accelerator of EU integration and – in the first mandate – a promotor of structural economic reforms of the World Bank and the International Monetary Fund. Milanović's government followed the EU austerity rulebook at the time (frankly, not much else could have been done), accessed the EU, but finished its mandate by introducing a bold policy towards banking institutions. Unfortunately, it was *too little, too late* by a Social Democratic government for voters not to divert to HDZ. Surprisingly

enough, ten years later, the only person from our camp that has learned a lesson from that defeat seems to be the current president, then Prime Minister Milanović. Rightly perceived as the leader of the opposition and the most credible contestant for the prime minister's office, Milanović managed to transform himself from an elitist into a sort of ombudsman of the people. And by 'people', I mean those members of the working and lower-middle class that predominate in our society. Precisely what SDP, as the strongest party on the centre-left, should have tried to do: to reconnect with the people the HDZ government ignores, those without a safety net when old, sick, alone and poor. A system of social, elderly, child and healthcare becomes established in which one ends up only being able to participate if, on one hand, one is loyal to the dominant political project, or, on the other hand, financially independent and benefiting from privatised services, of which healthcare is by far the most important.

Affordable housing and quality public healthcare, childcare and education, cost of living, wages and pensions – 'bread-and-butter' issues – are what Social Democrats should focus on in the next period. The truth is no one would claim otherwise, as this would mean neglecting the issues most people care about. For our party, 2025 will be the year of transformation. After a decade of soul-searching and try-and-fail exercises, after a long eight-year opposition period, there comes a period for organisational and programmatic innovations and rebuilding of the political organisation. Once a party of 35,000 members, we now face a sharp decline in active membership – only about 8,000 members voted in the leadership elections in September 2024. Belonging to a political party was never really a thing in Croatia: besides SDP, the only other mass party was (and still is) HDZ. This disinterest in active participation, however, was never addressed by the SDP leadership. Now, with an ageing population, ageing members and ageing voters, it is high time for a very traditional political organisation to transform itself into a social and political space and offer services no longer accessible to many of our people. In a small rural community, this could mean a place for a late afternoon get-together, where school children could do their homework and spend time with friends, while in a mid-size town, it could be free legal advice. This is what research data point to: our voters are interested in concrete deliverables and tangible results.

As a small EU country, with limited influence, Croatia has already proven it is not able or willing to act as an independent, self-conscious actor in both EU and international affairs.[2] In the next few years, this is hardly going to change: the government will continue to follow the EU's lead without any attempt to establish itself as, for example, a focal point for issues that arise in our immediate neighbourhood, armed conflicts included. The Croatian experience might be valuable for EU investments in rebuilding, reconciliation and the healing that must happen. This is especially true for civil society organisations, but also for public service professionals, be it in post-war reconstruction, peace and trust building, humanitarian assistance, post-conflict resolution, or institutionalising minority rights.

2 Knezović, S. and M. Estevec Lopes (2019) "Croatia as a small state in contemporary international relations". Hanns-Seidel-Stiftung.

As in many other peripheral EU countries, Social Democrats in Croatia must embrace the task of self-renewal more seriously. More oriented towards and overdependent on services provided by PR and communication professionals, the leadership of our party (and other sister parties alike), neglect the emotional and inclusive aspects of political organising. What can we do with those remaining members, how can we motivate them for political groundwork and what is that really in 2025? To figure out the answers will be a lifesaver not only for Croatia, but for Social Democrats in general. If we can reimagine our parties again, we might be able to reimagine our societies.

In that sense, the next year or two will be decisive: either we will alter this negative trend and put an end to a series of defeats, or we will slowly but steadily advance towards political and social irrelevance. From my point of view, three points need to be achieved: (1) transforming the party into *a tool* for political and social engagement (ranging from community activism that improves lives in our immediate neighbourhood to a forum for political education); (2) building a platform for new research on the future of our societies, with an emphasis on inclusive social and economic development; and (3) implementing progressive policy solutions locally, in communities governed by Social Democrats.

It is true that – at the moment – Social Democrats are, even at the EU level, not in a position to set the political agenda. Precisely in times like these, it is necessary to take a step back and regroup, innovate and act, and not to settle for anything less. It is about fighting, more than about winning. And if we keep on, we will win.

CHRISTIAN KRELL

German politics in 2024: (Even more) turbulence ahead

Openly discussed plans of 'remigration', rising polarisation and a crumbling infrastructure indicate severe challenges in EU's biggest country. Both Germany's economic model and its political system are under pressure. Lacking public investment, decreasing competitiveness and growing populist factions within the parliaments challenge the self-image of German citizens. Growing polarisation makes coalition building more complex and the once stability-loving consensus country faces a snap election. The traffic-light coalition broke up because of different ideas of state and state financing. Structural changes in the party system and a blockage over major political projects will lead to even more turbulence during the next months and cause a period of German absence at the European level.

Alive and kicking? German civil society in the face of 'remigration'

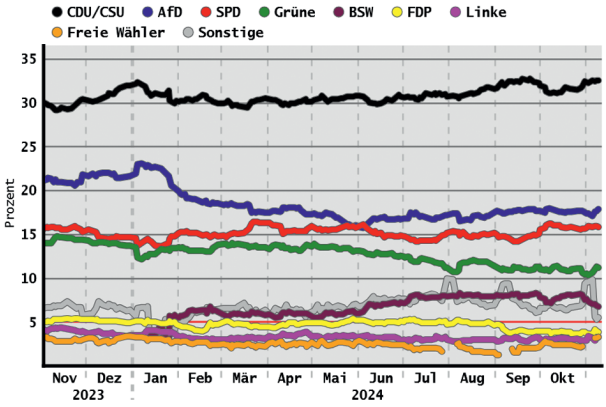
The political year in Germany started with a bang. In mid-January, it was made public that politicians of the far-right Alternative for Germany (AfD), some members of the conservative Christian Democratic Union (CDU) and other figures of the far right discussed a 'masterplan of remigration' inspired by the Austrian right-wing extremist Martin Sellner. During the meeting, it was discussed how refugees, foreigners with residence permits and 'not-assimilated' Germans could be deported from Germany.

The meeting and the corresponding network of politicians and right-wing extremists did cause a public outcry. It was not news to those who followed the leading figures of the AfD and the constant radicalisation of this party that the level of hostility towards migrants and people with a background of migration reached a new dimension within this party. It started in 2013 as a merely Eurosceptic project but has become an extremist party. Even though the broader public was shocked by the frankness with which the far right mused about mass deportation.

The following weeks marked new heights of public engagement towards right-wing tendencies. Almost throughout the whole country, rallies mushroomed by the end of January. Not only politicians, but also football stars, authors, church leaders and celebrities, called the people to the streets to make a stand against the far right. Carrying signs with 'no place for nazis' or 'never again is now', roughly 1.4 million marched on the streets during the height of the rallies. In Munich, the organisers had to ask people to leave the place for safety reasons. In several places, it was the largest public gathering since the end of World War Two.

What was the effect? In the short term, one could hear a sigh of relief from those who had been engaged against right-wing extremism for a long time and had witnessed growing public and electoral support for AfD during the last decade. President Frank Walter Steinmeier said that the protestors "give us all courage", and Josef Schuster, head of the Central Council of Jews, said that the demonstrations did "restore trust in democratic conduct". And, in fact, the polling figures of the AfD declined significantly (Figure 1). From heights of 23% by the beginning of January, it dropped to figures as low as 15% in May (which is, of course, influenced by other factors as well).

Figure 1. Opinion polling German (federal election), November 2023-November 2024.



Source: DAWUM.

The long-term effect may be more sinister. Whereas democratic political parties could see a small influx of people, the mass rallies did not translate into a structural change for organised civil society in Germany. Many organisations engaged in political education, civil rights and so forth are still lacking funding and members. And the term 'remigration', even though named as 'unword of the year', has become a more common expression in the language of the far right. AfD now openly calls for "remigration instead of mass immigration" and pushing 'remigration', and it benefitted from its ambiguous stance in 2024.

A not so super 'super election year'

It has become fashionable to call almost every political year in Germany a 'super election year'. Due to the complex federal political system, elections are more frequent than in most other European countries. Elections can take place on the local and regional levels, on the state level (*Bundesländer*), the federal level, and on the European level. Even though elections did not take place on the federal level, at least three important levels of decision-making were touched by elections in 2024: local, state and European level.

The election year started in June 2024 with the European elections. The conservatives benefitted from the governing coalition's poor approval ratings (Table 1). The SPD, Greens and Liberals, building the so-called traffic-light coalition, lost in the election. The Greens lost almost half of their electorate. The SPD's campaign centred on building peace and standing strong against the far right. It ended in the worst result the SPD has ever faced in a European election.

Table 1. Results of the European election in Germany.

Party	Vote share (%)
Christian Democrats (CDU/CSU)	30.00
Alternative for Germany (AfD)	15.90
Social Democrats (SPD)	13.90
Greens (Die Grünen)	11.90
Alliance Sahra Wagenknecht (BSW)	6.20
Liberals (FDP)	5.20
Left (Die Linke)	2.70
Freie Wähler (FW)	2.70
Volt Deutschland (Volt)	2.60

Elections also took place in the federal states of Saxony, Thuringia and Brandenburg. A common feature of those states is that they are – 35 years after the fall of the Berlin Wall – still branded as 'new *Bundesländer*'. They are located in eastern Germany, and thus, represent a political culture and a party landscape that differ from most western states. Established links between certain groups of voters and parties are much weaker than in the west, and volatility is much higher.

Despite those common patterns, the three states did vary in the given power settings before the elections. In Thuringia, Bodo Ramelow has been minister-president since 2014. He has a background in western trade unions and joined politics on a ticket of Die Linke, a party of the left, dating back to the ruling party of the German Democratic Republic (GDR). He was able to run a minority government with the support of a 'red-red-green' coalition, consisting of the Left, Social Democrats and Greens.

In Saxony, Michael Kretschmer of the conservative CDU is minister-president. During his first term, he was able to form a so-called grand coalition between CDU and SPD; during his second term, he had to rely on the support of CDU, SPD and Greens to form a majority. Brandenburg, which surrounds Berlin, has been governed since 1990 by SPD.

The current minister president, Dietmar Woidke, has been in office since 2013, governing with a coalition based on SPD, Left and Greens.

Table 2. Results of state elections in 2019 and 2024, in %.

		SPD	CDU	Greens	Liberals/FW	Left	BSW	AfD
Brandenburg	2019	26.20	15.60	10.80	5.05	10.70	–	23.50
	2024	30.90	12.10	4.10	2.60	3.00	13.50	29.20
Saxony	2019	7.70	32.10	8.60	–	10.40	–	27.50
	2024	7.30	31.90	5.10	–	–	11.80	30.60
Thuringia	2019	8.20	21.70	5.20	5.01	31.00	–	23.40
	2024	6.10	23.60	–	–	13.10	15.80	32.80

Three common patterns became visible in the aftermath of the elections in the eastern *Länder*.

(1) The German party landscape is becoming more fragmented. The effective number of parties in the political system is growing. In addition to the relatively new AfD (founded in 2013), the 'Sarah Wagenknecht Alliance' (BSW) became a relevant figure within months of its establishment as a political party in January 2024. With a melange of redistributive social policies and a hard stance on migration and law and order, the party did successfully occupy a niche in the German party system. Political parties centred around a person, as much as BSW is staged around the former Left MP Sarah Wagenknecht, are relatively rare in the German political context, but in times of growing personalisation of party politics, this strategy seems to be paying off. The three mentioned cases do not speak for Germany as a whole, but they clearly signal a general trend.

(2) Populism is on the rise even further. In all cases, AfD was able to mobilise even more voters than in the previous elections, up to one third of the Thuringia electorate. This is even more staggering, given that the Thuringia branch is regarded as one of the most extreme factions within the party. It is classified by the Federal Office for the Protection of the Constitution as clearly extremist and its leader, Björn Hocke, was sentenced for using slogans of the Nazi SA. In some regions, it has become a true people's party, not merely despite its extremist stance but because of it. In contrast, BSW is not regarded as extremist, but as a clearly populist movement. Their combined share of the vote was between 42 and 48% in the abovementioned elections, making it effectively impossible to form a coalition without one of those parties. Even if it were possible to form coalitions excluding AfD, the effect on the political system is already significant, for instance, when it comes to nominating judges.

(3) Coalition building becomes even more ambitious. Germany is considered a consensual political system, since its mainly proportional electoral system forces the parties to work together in coalitions. Minority governments are possible but regarded as shaky and, in the German stability-loving political culture, still very rare. Due to the mentioned fragmentation and the fact that no major party is, so far, willing to build a coalition government with AfD, the remaining parties have to form broader and more and more unlikely alliances to

build a government. In the cases of Thuringia and Brandenburg, the CDU and SPD have built a coalition including BSW. In both cases, Russian-friendly BSW is putting pressure on foreign policy issues. Among other things, during negotiations for the coalition, they discussed formulations on diplomatic efforts in the Ukraine war and the stationing of US medium-range missiles in Germany. In fact, the German *Bundesländer* have almost no competences in foreign policy and the Two Plus Four Treaty – the 1990 treaty between the Federal Republic of Germany, the GDR, France, Russia, the UK and the US that defines the foreign policy aspects of reunification – rules out such a stationing in East Germany anyway, but it shows the new challenges and irrationals in German coalition building.

Crumbling infrastructure and collapsing coalitions

The European Football Championship was a welcomed change in July 2024 for troubled Germany. Comparisons were drawn to the summer's tale of 2006, when Germany hosted the World Cup. The weather was perfect, and Germany came third. But 2024 was different. It was pouring, Germany left in the quarterfinals and instead of praising German hospitality like in 2006, international media was worried about German infrastructure. Especially the Dutch team made it into the headlines with its ambition to travel through Germany by train. And, of course, they had to take an emergency flight to take part in the semifinals after their train to Dortmund was cancelled.

Beyond the anecdotal potential of stories like that, they highlight a dramatic underinvestment in infrastructure. Public buildings, schools, the famous *Autobahn* and its bridges, and the railway, once famous for its punctuality, suffer from three decades of heavy underinvest. Public investment declined in the 1990s and has, since then, barely been enough to maintain substance. Germany was frequently near the bottom of advanced economies in public investment and the sudden collapse of the Carolina bridge in Dresden became a 'petrified' symbol of this.

The underlying pattern of this development is an unresolved conflict within the German public and party system. Whereas Greens, SPD and the Left want to mobilise resources to invest in infrastructure and the green transition, either via expanding public debt or raising taxes, conservatives, liberals and AfD focus on cutting expenditure. Given that both camps were represented in the traffic-light coalition, it is no surprise that tensions were implicit in the government.

The tensions were fuelled by a decision of the federal constitutional court in December 2023. The coalition included €60 billion in its budget that was meant as a credit authorisation in the 2021 budget to combat the pandemic. However, the intended loans were not called up but were transferred by the traffic-light coalition to the so-called energy and climate fund, today's climate and transformation fund. The money was intended to support measures for energy efficiency in buildings and investment in railways. The conservatives spoke out against this and turned to the court. The judges declared the procedure unconstitutional. The result: the €60 billion transferred to the fund was not available to the federal government

and caused severe problems for fixing the budget. From then on, coalition meetings looked more like an ongoing wrestling match than teamwork.

However, the coalition was able to push through some significant reforms. Probably most striking: the expansion of wind energy has made significant progress. The share of renewable energies in the electricity mix was above 60% in the first half of 2024, while it was around 44% when the coalition started. The Hartz IV system, which was implemented during the Schröder years as a social minimum level and troubled the SPD ever since, was replaced by the slightly more generous and target-oriented *Bürgergeld* ('citizens' money'), the minimum wage was raised as well as BAFÖG, a grants and loan system for students.

But public support for the governing parties crumbled even faster than German infrastructure in the face of the growing public split between coalition partners. Quarrels, especially between the Greens and the liberals, became frequent, while the chancellor defined his role merely as moderator, bridging between the diverging partners again and again. This not only damaged the reputation of the government severely, but also left the public wondering what Olaf Scholz and his SPD were standing for. The SPD's profile suffered.

Troubled waters

"A week is a long time in politics" – the catchphrase, attributed to British Labour Prime Minister Harold Wilson, seemed outdated on the late evening of 6 November 2024. On this very evening, a day seemed to be a long time in German politics. While rumours concerning a breakup of the coalition floated around political Berlin by October, most commentators were sure that a new Trump administration, and the successive challenges in international politics and transatlantic relations, would bind the traffic-light coalition together, it was different. The head of the liberals and Minister of Finance, Christian Lindner, was not able or willing to agree with Olaf Scholz on a strategy to secure the budget and realise investments. Instead, he suggested to dissolve the parliament, which led to his subsequent suspension by the chancellor. It turned out that the liberals had been planning to leave the government since at least late summer, calling the date 'D-day' in their simulation games.

The schedule became clearer over the next days. Olaf Scholz would ask the parliament for a vote of no confidence. This is one of the very few ways to realise snap elections in the stability-oriented German constitutional system. In February, a new Bundestag will be elected. While the outcome is open, it seems likely that populist parties will benefit from this.

In the meantime, Germany's tendency to revolve around itself will intensify further, lacking a significant contribution to strengthening Europe. Even more troubles are ahead, not only for Germany.

GLOBAL FOCUS

MARIA JOÃO RODRIGUES

A UN Pact for the Future against national retrenchment and global disorder

A forward-looking agenda to reform the UN was launched by the UN Secretary-General, starting with a summit on sustainable development goals and a Summit of the Future to reform global governance and to adopt a Pact for the Future, with commitments to global objectives and the solutions to deliver them. These will be followed in 2025 by the World Summit on Social Development, the annual COP on Climate, a World Summit on the Information Society and the UN Conference on Financing for Development. This unique political sequence provides a once-in-a-generation opportunity to change the global order for a progressive direction, which is a daunting but compelling task.

The problematic Trump effect on international cooperation is already being assessed in all corners of the world, and a compass is needed to sail in these uncharted waters. A UN Pact for the Future, recently adopted by a large worldwide majority of countries, provides a beacon of hope, but much stronger political engagement is needed in practice.

The current global order is under a larger-scale transformation: existential challenges emerging for humankind; increasing inequalities within and between countries and generations; competing global strategies between great powers; major military conflicts; and the fragilities of the multilateral system. There is a clear gap between the global challenges in front of us and the current global governance system. This multilateral system now has a frustrating performance, even in the face of glaring emergencies such as the climate, pandemics, hunger, absolute poverty, artificial intelligence without rules and hard military conflicts where basic rules, such as territorial integrity, are not being respected.

Despite several and spreading difficulties – notably Trumpism in the US and other countries, effects of and recovery from the pandemic, many armed conflicts and the wars in Ukraine and the Middle East – a forward-looking agenda, led by the UN Secretary-General,[1]

1 United Nations (2021) *Our Common Agenda: Report of the Secretary-General* (New York: United Nations Publications).

to reform the UN was launched, starting with a summit on sustainable development goals (SDGs) last year and, in September 2024, a Summit of the Future to reform global governance and to adopt a Pact for the Future with commitments to global objectives and the solutions to deliver them. These will be followed in 2025 by the World Summit on Social Development, the annual COP on Climate, a World Summit on the Information Society and the UN Conference on Financing for Development.

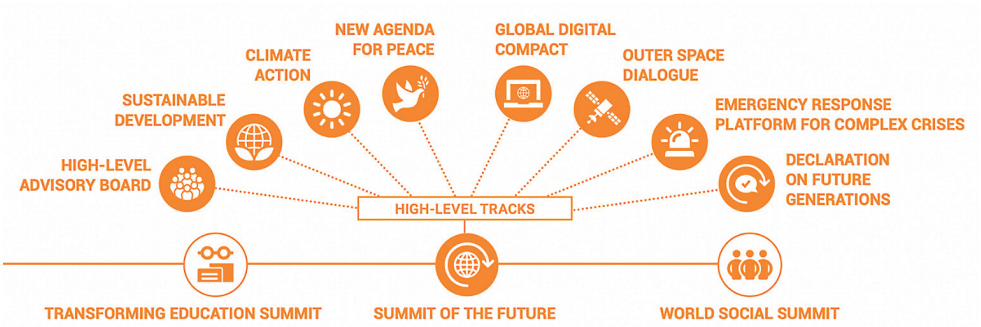
This unique political sequence provides a once-in-a-generation opportunity and should be fully capitalised on by all actors who want to change the global order for a progressive direction – certainly a daunting but compelling task. These mixed feelings were also visible in the last G20 summit, skilfully conducted by Brazil, but where the ghosts of Putin (not attending) and Trump (recently elected but not yet in office) were present. This is the vivid perception I got when representing FEPS, with its UN-ECOSOC status, during the UN Summit of the Future in New York, and with its T20 status at the G20 summit in Rio de Janeiro.

The Summit of the Future: A window of opportunity for a new global deal

Let us first recall the recent story of the UN plan to reform global governance. In 2020, ahead of the UN's 75th anniversary, Secretary-General António Guterres launched a Global Conversation, which spurred on more than 3,000 civil society dialogues worldwide and surveys involving some 1.5 million people in 195 countries. The UN75 Office reported that the conversation showed "overwhelming public support for international cooperation" and a more people-centred multilateralism.

These civil society-led consultations fed into and shaped intergovernmental negotiations on the UN75 Declaration, adopted during High-Level Week, at the start of the General Assembly's 75th session in September 2020. With this UN75 Declaration, governments renewed their commitment to tackle global challenges such as climate change, the Covid-19 pandemic, extreme poverty, armed conflict, the arms race and disruptive technologies. At the same time, the declaration asked the Secretary-General „to report back" within a year „with recommendations to advance our common agenda and to respond to current and future challenges".

In September 2021, *Our Common Agenda* was released. Emphasising ways to accelerate the SDGs and the implementation of the Paris Climate Agreement, and benefiting from four tracks of consultations (which sought inputs from young people, thought leaders, civil society and governments), the report outlined some 90 distinct recommendations across four pillars: a renewed social contract; a focus on the future; protecting the Global Commons; and delivering global public goods and an upgrade to the United Nations. Recommended ideas for this agenda include three global summits, seven high-level tracks and the High-Level Advisory Board on Effective Multilateralism.



Source: *Our Common Agenda*, p. 7. ©2021 United Nations.

Triggered by *Our Common Agenda*, presented by the UN Secretary-General for his second mandate, a preparatory process for the Summit to the Future started with a High-Level Advisory Board on Effective Multilateralism of personalities from all continents and mobilised a plethora of contributions that will come from UN member states, regional organisations such as the EU, civil society stakeholders, non-governmental organisations, business, trade union, think tanks and academia.

Afterwards, on 30 August 2023, the scope of the Summit of the Future was defined by Resolution A/77/L.109 in the following terms:

> The General Assembly, reaffirming the Charter of the United Nations, and recalling its resolution 76/307 of 8 September 2022 on the modalities of the Summit of the Future, in which it decided that the Summit of the Future would adopt a concise, action-oriented outcome document entitled "A Pact for the Future", agreed in advance by consensus through intergovernmental negotiations:
>
> (a) Decides that the scope of the Summit of the Future will encompass the following elements, and that these elements will be reflected in the outcome document, entitled "A Pact for the Future", comprising a chapeau and five chapters, as follows:
>
> (i) Chapter I. Sustainable development and financing for development;
>
> (ii) Chapter II. International peace and security;
>
> (iii) Chapter III. Science, technology and innovation and digital cooperation;
>
> (iv) Chapter IV. Youth and future generations;
>
> (v) Chapter V. Transforming global governance[.]

The negotiations for the Pact for the Future were long and complex in multiple areas, but they were skilfully led by the German and Namibian governments and ambassadors. Their outcomes and shortcomings are the visible face of the turbulent confrontation of political forces on different fronts: developing countries trying to upgrade their voice and representation; emergent countries, such as India, Brazil and South Africa, raising the stakes of these negotiations with richer countries, notably using the G20 club that they

have been chairing; the geostrategic competition between the US and China, visible on all fronts, notably the digital one, where both prefer a bilateral framework negotiation to a multilateral one, particularly when dealing with the great game-changer emerging now, namely artificial intelligence.

Last but not least, it was painful to see how Russia had decided to block several accepted agreements with the tactical purpose of paving the way for its longer-term strategic objectives. But it was also remarkable to see that this position was contested by the group of African countries in the first place and then isolated by a large majority of 143 member states voting in favour of adopting the Pact for the Future.

The EU was represented by the president of the European Council, Charles Michel, as a speaker at the Summit of the Future, as well as by the High Representative, Josep Borrell, at G20 Foreign Affairs, which fell under the Brazilian presidency. The latter adopted a remarkable Declaration on Global Governance[2] to show that the G20 can and should support the multilateral approach. The EU maintained a constructive position, but the visibility of its positions remained low-key, also reflecting the current situation of transition towards a new political leadership after the June European elections.

The Pact for the Future: Achievements and shortcomings

The adopted Pact for the Future[3] is quite a comprehensive and consistent document, where several relevant priorities and mandates are defined, but where some shortcomings are also visible.

As the SDG agenda – the only current consensual multilateral agenda – is lagging behind its 2030 objectives, a higher commitment was agreed, counting on a larger toolbox of financial instruments. Nevertheless, a real process to implement national strategic plans supported by stronger global initiatives is still to be organised.

A historic agreement was reached to define a UN tax convention, but the way to protect tax resources to invest in sustainable development and in poverty reduction is still unclear, adding to a dramatic debt burden, which is crippling many developing countries, particularly in Africa. Without this, the current dilemma between investing in climate action or poverty reduction in many developing countries cannot be solved.

In the face of the climate emergency, the objective of phasing out carbon emissions and particularly carbon fuels was retained, but a stronger multilateral body to conduct the ecological transition is still to be defined, overcoming the ineffectiveness of current COPs. Access to knowledge, education, science and technology is recognised as key leverage for development, but there was not an agreement on the reform of intellectual property rights

2 "Second G20 Foreign Ministers' meeting call to action on global governance reform". U.S. Department of State, 25 September 2024.

3 "Pact for the future, global digital compact and declaration on future generations: Summit of the Future outcome documents". United Nations, September 2024.

and on the way to promote technological cooperation and co-creation at a much larger scale, starting with green industrialisation and job creation in developing countries. A global digital agenda started – finally! – to be defined, not only to shape its potential for sustainable development but also to control its risks for freedom and democracy. Nevertheless, there is clear resistance to building up multilateral bodies in charge of governing the digital transition.

Stronger European progressive voices should be heard on this global stage in open dialogue with many other stakeholders worldwide. It was with this purpose that FEPS brought a delegation of high-level experts to New York to launch the book *A New Global Deal: Reforming World Governance*[4] at several side events of the 200 complementing the Summit of the Future. This book has also been a reference for several preparatory events in Europe, Latin America and Africa and will be used to implement the Pact for the Future.

The Pact for the Future and the implications for future generations

As an annex to the pact, a Declaration on Future Generations was also adopted, calling for systematic concern for those who have not yet been born, and proposing a transformation of the decision-making process to a new methodology with foresight and long-term strategic thinking at its core.

Let us conclude with a simple illustration of this new way of thinking to assess some implications for political decisions.

How will future generations live on planet Earth?
Two different stories for the 2050 horizon

Key transitions for sustainable development	A negative story, the most likely so far	A positive story, still possible
Food	Malnutrition and unhealthy diets remain very visible.	Hunger is being eradicated and diets are improving everywhere, in connection with the diversification of agriculture and nature-based solutions.
Energy	Renewable energy resources spread slowly and are unaffordable for many.	Renewable energy resources become dominant and more affordable, and consumption patterns have become more frugal.
Climate, natural resources	Climate disasters become very frequent everywhere. Forest and biodiversity destruction goes on to produce food and energy.	Climate disasters become less frequent, and carbon emissions start declining.

4 Rodrigues, M. J. (ed.) (2024) *A New Global Deal: Reforming World Governance* (Brussels: FEPS et al.).

Jobs and social protection	Traditional industrialisation goes on to meet the demand for more jobs and a young population. As the jobs created are low-paid, they do not enable the financial basis for social protection rights to be built up.	New jobs are being created by a new kind of low-carbon industry and infrastructure for low-carbon energy, transport and housing. Higher-skilled jobs provide the financial basis to build up social protection rights.
Education	Universal high-level education is no longer required.	There is a growing requirement for universal high-level education.
Digital	The dominant digital platforms use data to build up algorithms and solutions that are not adapted to different regional needs.	The digital transformation is driven by sectorial platforms – on health, education, transport, environment, housing – and by algorithms adapted to regional needs.
	Global enablers	
Technological cooperation	Technological cooperation remains hindered by high intellectual property rights and imbalanced partnerships.	Technological cooperation is multiplied by long-term partnerships based on new knowledge co-creation.
Trade	Trade agreements and the framing of global supply chains hinder capacity building, which is necessary to meet better standards in many countries.	New trade agreements enable the upgrading of capacities in all regions to improve standards and diversify activities.
Finance	Many countries remain hindered by a lack of fiscal space and the lack of international coordination on taxation, high indebtedness reprofiling and financing global public goods.	International coordination of taxation and high indebtedness reprofiling increases the national fiscal space for investment and public services. This is also complemented by higher international financing of global public goods.
Governance	The multilateral system is weak and global governance is divided.	Multilateralism is more effective and inclusive, improving global governance.

What are some of the possible triggers to move from the negative story to the positive one?

- Big climate disasters in developed countries increase the public perception that climate change is an existential and collective threat, which can only be advanced with higher political and financial solidarity;
- Big climate disasters in developing countries make some regions impossible to inhabit, impacting regional and global migration dynamics;
- Digital interactions between companies and people step up the dissemination of more capacities and better solutions;
- Reforming the international tax system (less tax evasion and avoidance, more coordination on corporate taxes and wealth taxes, more progressive taxation) generates the public revenue needed to complement and channel private investment in the right direction of the green, digital and social transitions.

Nevertheless, a central question remains: will rising social inequalities and injustices drive the majority of people to push for higher international coordination – as during the pandemic – or rather to push for more inward-looking defence and retrenchment? This question will define the political colour of the times ahead. In my opinion, the current problem is not the lack of well-defined solutions, but rather the lack of capacity to communicate them and to get stronger public support for them. Progressives will have a lot to do.

VASSILIS NTOUSAS

A Trump encore: The United States and the transatlantic bond

America has chosen. Following one of the most tumultuous campaigns in memory and two assassination attempts directed at him, former President Donald J. Trump was successful in his third presidential bid. He is now re-elected to his country's highest – and arguably, the world's most powerful – office and will soon reoccupy the White House. In a nation as narrowly divided as the US, the results are likely to herald an era of remarkable political density and intensity, with the decisive right-ward turn that Trump represents having severe repercussions, spanning the whole domestic political agenda. And for a country that has traditionally seen its foreign policy role as indispensable to global affairs and outcomes, the election result will certainly drive significant shifts to what the US does beyond its borders. Europe's deep-seated fears that a second Trump administration could prove more alarming than the first will soon face the test of reality. The forecast presages turbulence ahead, and given how fundamental the transatlantic bond has been to Europe's progress in the past few decades, the EU's future trajectory is also – while not exclusively – still closely tied to whether and how it manages to weather the fast-approaching storm.

What just happened?

Trump won again.

His victory may be narrower than the first grand pronouncements allowed, but it was emphatic nonetheless.

His support grew almost across the board, his Electoral College total margin was much more commanding than in 2016 and he won the popular vote for the first time. This mirrored a devasting loss for Democrats, who are now all but ejected into political wilderness. Riding country-wide momentum, Republicans may have done worse than Trump in key states, but they did manage to flip the Senate and retain control of the House of Representatives, effectively giving Trump and the party claim over an incredibly broad mandate and unified power to pursue it.

An avalanche of books, commentaries, social media threads and podcasts explaining why all this happened is about to hit us. Hard data will be infused with political opinion, and many analysts will inescapably recast the Harris campaign as one marred by a lack of spark or foresight, while affording the Trump campaign a higher degree of professionalism and shrewdness than is perhaps warranted by the facts. This is how the history of most presidential campaigns is written.

Did Biden deal Kamala Harris an unwinnable hand by holding on for too long? Would having a primary or even a messy contested convention have allowed Harris – or any other Democratic candidate selected – to connect with voters better? Was the Harris campaign too focused on appealing to centrist Republicans instead of energising her base? Was it the Biden administration's stance on foreign policy issues like Ukraine or Israel and Gaza? Was it all because of the directly partisan conservative media ecosystem that Trump was so keen on leaning into? Or was it the Democratic party's progressive shift on social issues that distanced critical Hispanic and Black male voters?

There can be no single 'it' behind the outcome of an election as complex and impactful as this. Yet, three sets of factors worth analysing mattered in this election. They may not paint an exhaustive picture, but offer vital insights that can help us understand the results.

Firstly, the political tides.

Trump's victory is based on the largest coalition he has ever assembled before. From swing states to deep blue areas, from suburbs to college towns and from Latino to Black voters, the incredible range[1] of geographies and demographics that swung towards him suggests a political environment that superseded any strategic or tactical choice either of the two campaigns made. And while presidential elections are not decided by the popular vote, the fact that the Democrats' wipeout was paired with a Trump popular vote win – the first for any Republican candidate since 2004 – is another strong indicator of where the mood of the country was moving.

John Burn-Murdoch from the *Financial Times*[2] made the very interesting point that "The incumbents in every single one of the 10 major countries that [...] held national elections in 2024 were given a kicking by voters. This is the first time this has ever happened in almost 120 years of records".

If this was a year of a post-pandemic, post-inflation wave of anti-incumbency across the world, 5 November showed that the US was not immune to this trend. Stubborn inflation and a lingering cost-of-living crisis that still stung, President Biden's low approval ratings still stuck in the upper 30s,[3] and the share of Americans saying the country was heading in the right direction still pinned to less than a third[4] – a position from which no

1 Meko, T., A. Steckelberg, L. Shapiro et al. (2024) «How Trump built his victory, vote by vote». *The Washington Post*, 8 November.
2 Burn-Murdoch, J. (2024) "Democrats join 2024's graveyard of incumbents". *Financial Times*, 7 November 2024.
3 "How (un)popular is Joe Biden". *abcNews* polls.
4 "Cross-tabs: Late October 2024 Times/Siena Poll of the likely electorate". *The New York Times*, 25 October 2024.

party retained control of the White House in the past decades – collectively proved to be structural currents that were too strong for the Harris campaign to swim against.

In this hostile, if not insurmountable, climate for incumbents, the vice president's woes were compounded by the simple fact that she was precisely that: a sitting vice president. This made it very difficult for her to succeed in separating her new promises on the stump from the record of a still unpopular administration in just over 100 days of campaigning.

Secondly, even if the electoral climate was favourable to Trump, he never missed a chance to create the weather. This played out in a number of significant ways, from his relentless focus on migration and the border, which clearly resonated with the public, to successfully harnessing the anger and frustration huge swaths of the electorate felt about the status quo and the institutions underpinning it.

But it was the economy where the political instincts of the Trump campaign proved the most fruitful. In many significant ways, the 2024 one was an election where it was perhaps less about "the economy, stupid" – paraphrasing Jim Carville's famous quip from back in 1992, which emphasised the huge importance of economic issues to voters – and rather more about 'the perception of the economy, stupid'.

Indeed, the macroeconomic story heading into the election had been largely strong: unemployment had not been this low for this long since the 1960s; credit spreads were at historical lows; inflation was close to the lowest levels of the past few years; GDP growth was above trend; there were historic highs for the stock market; and so on.

But there was still too much pain felt by too many Americans. And Trump was both quick and adept at understanding the upside of amplifying these economic hardships and fears. His, he claimed on repeat, was "the greatest economy in the history of our country", contrasting it with a Biden-Harris-overseen economy that was "horrible", "destroyed", marked by "the worst inflation crisis in 40 years". Looking ahead, his message was equally straightforward: "Kamala Broke It. Trump Will Fix It".

In this, he did not differ from past presidential races, where contrasting economic visions and competing verdicts about the state of the economy had served as central campaign battle lines. But, in an almost visceral way, Trump understood that in this year's climate, there was tremendous value in drilling down a message of damning condemnation for the present and prosperity promise for the future. And he did so, bombastically yet consistently, regardless of whether hard economic indicators were telling a different story.

As we also saw in key European countries like Austria, France and Germany, during June's European Parliament elections, to many US voters, any reservations they had about Trump's leadership or agenda, seemed to matter less than the simple, yet convincing, things he had to say about how he could be their economic champion, again. This afforded him an advantage where it mattered most for voters – their economic prospects. And it also gave his campaign the opening they needed to effectively turn the vote into a referendum on a still unpopular administration, rather than the candidate's own conduct or democratic credentials.

Finally, Trump's win showed in crystal-clear terms how far more comfortable and efficient he is in tapping into the deep polarisation that characterises modern America. And this mattered mightily in the campaign.

Take the striking gender gap everyone expected to see in this cycle, for example. Instead of attempting to offer a unifying message, as the Harris campaign tried at times, Trump's instincts were not just to lean into this but to organise much of his campaign around it. Time and again over the past few months, Trump embraced a hypermasculine image, engaged heavily in 'macho talk', and deployed a range of themes that align with views about unapologetic male confidence and traditional male authority. His first campaign appearance following his criminal conviction was an Ultimate Fighting Championship event. The Republican National Convention that renominated him this summer featured songs like James Brown's *It's a Man's Man's Man's World*[5] and figures like Hulk Hogan ripping off his shirt.[6] His campaign spent little time booking him for mainstream media interviews; instead, Trump recorded a series of shows with bro-type hosts, like his three-hour podcast with Joe Rogan, which gathered more than 45 million views on YouTube.[7] On election day, Stephen Miller, one of Trump's closest advisors, transparently posted on X (formerly Twitter): "If you know any men who haven't voted, get them to the polls".[8] And men did go to the polls overwhelmingly supporting Trump, especially younger, disillusioned, 'low-information' male voters, who proved powerfully receptive to this message.

Gender was only one of the areas that the former president's penchant for both exploiting and entrenching divides applied on the campaign trail – religion, immigration and civil rights were all part of the repertoire. Yet, instead of denting or narrowing his overall appeal, this approach galvanised many parts of his winning coalition.

Ultimately, Trump's charisma and impulse to use his personal brand of politics – brazen, divisive and abrasive – in a bitterly divided nation was a defining piece of this election. It played a big role in sustaining his appeal and allowed him to rehabilitate his political prospects. As a commentator aptly put it, "This is like Nixon successfully running a second campaign after Watergate".[9] Trump ran the race as a twice-impeached, four-times indicted, convicted felon, and millions of Americans voted to rehire him.

What does this mean?

In the past, Trump's 'unpredictability' and 'bluntness' meant that his comments were all too often reported as off-the-cuff, one-off remarks that should be taken with a grain of salt. For too long, the thinking routinely went that many of the things the former president said or promised – in rallies, speeches or ALL-CAPS posts on social media – should rather be disregarded as rhetorical fireworks or empty bluster. The record of the first Trump presidency strongly contradicts this reading. His pledges during his 2016 campaign, packaged within

5 "Trump arrives at convention". *abcNews*, 17 July 2024.
6 "Hulk Hogan hypes up Donald Trump and tears shirt off at Republican national convention". *The Guardian*, 19 July 2024.
7 Singh, K. (2024) "Podcaster Joe Rogan endorses Donald Trump for president". *Reuters*. 5 November.
8 Tweet, Stephen Miller (@StephenM), 5 November 2024.
9 Sullivan, A. (2024) "Sam Harris on the Trump threat, Harris, Wokeness". *The Weekly Dish*, 25 October.

his 'America First' agenda, served as a very accurate blueprint of the policies and priorities he pursued while in the White House.

Trump's 2024 campaign was equally candid. Unlike in 2016, though, the former president now has a clearer plan of governing and the accumulated experience on how to execute it. Despite protests, many of the specifics of Trump's presidential bid this year,[10] and most of his personnel choices[11] at the time of writing, largely align with the content of Project 2025 – an 887-page document unveiled by the pro-MAGA Heritage Foundation, which offers multiple ideas that could shape a second Trump administration, from immigration to education policy and from economics to civil rights.

Moreover, there will likely be very few adults in the room to keep Trump in check in his White House encore. Indeed, the more entrenched, establishment-like figures that surrounded him during his first term are not only gone now, but are expected to be substituted mostly by loyal supplicants, or true believers, eager to double down on turning stated goals into actual policy. The few exceptions to this rule, like Chief of Staff Susie Wiles or Secretary of State nominee Senator Marco Rubio, will also be forced to operate in an environment that is far more duty-bound to the next president rather than their own ideas or ideology.

On the domestic front, this likely implies a singular focus on pursuing a sweeping expansion of presidential power to his advantage and deployment of the full government machinery to align with his political objectives.

Trump has repeatedly said the quiet part out loud in this regard. Over the past few months, he escalated threats to use the US Department of Justice to investigate or harass his political enemies and critics, weakening checks and balances that were put in place following the Watergate scandal in the 1970s.[12] He offered similar threats about settling personal scores, targeting voices he felt have crossed or criticised him, including in the courts, the press and Congress. He suggested that Special Counsel Jack Smith, who is currently investigating the former president's conduct, should be immediately fired.[13] He described the 6 January riot as a "day of love". He enthusiastically argued for further tax cuts to richer Americans[14] and bragged about his role in ending Roe v Wade,[15] which eliminated federal abortion rights. He stated that he would apply ideological tests to determine which public schools receive federal funding[16] and suggested he might penalise

10 "What is Project 2025 and why Trump distance himself from it during the campaign?" *The New York Times*, 6 November 2024.
11 Khanum, M. (2024) "Trump puts Project 2025 contributor in charge of deportations: 'Nobody better at policing and controlling our borders'". *The Latin Times*, 11 November.
12 Rohde, D. and K. Dilanian (2024) "Would Justice Department and FBI officials carry out Trump's prosecutions of his rivals?" *NBC News*, 31 October.
13 Merica, D. and E. Tucker (2024) "Trump says if he takes office, he'll fire special counsel Jack Smith 'within 2 seconds'". *AP*, 6 November.
14 Rosenbaum, E. (2024) "What to expect when President Trump tries to make tax cut promises reality, even with GOP sweep in Congress". *CNBC*, 11 November.
15 Rinaldi, O. and S. Mizelle (2024) "Trump brags about role in overturning Roe v. Wade but urges GOP caution on abortion". *CBS News*, 11 January.
16 Grumbach, G. (2024) "Trump won the presidency. Here's what he's said he'll do". *NBC News*, 6 November.

blue states by withholding disaster relief.[17] He ominously spoke of the 'need' to turn the military on the 'enemy within'.[18] He described immigrants as "poisoning the blood of our country",[19] promising to move quickly to round up and deport millions of people residing in the US, even without legal permission.[20] The list goes on and on.

And on foreign policy, a domain traditionally reserved and afforded broad authority for presidents, Trump's agenda, unshakeable beliefs and desired modus operandi have also been laid starkly bare. A Trump-led US will likely combine all critical elements behind his America First agenda: transactionalism; a deeply held contempt for multilateralism in favour of brinkmanship and bilateral deals; a zero-sum worldview of international politics; disdain for the international, liberal, rules-based order; at minimum, a pivot to countering China above other adversaries; disregard for values and human rights; and few good words about America's democratic allies, yet ample admiration towards adversarial autocrats, such as Vladimir Putin, and the power paradigm they represent.

Also making a likely comeback will be Trump's limited appreciation of the established networks of alliances and partnerships that served as foundations of American leadership and vital US national interests in the preceding decades. The former and new president has reserved some of his clearest language about vital US allies, such as Japan and South Korea – traditionally seen as force multipliers – which he has called "freeloaders", and has even implied willingness to defend Taiwan in case China attacks.[21] And as he did during his first administration, when he openly lambasted NATO and even questioned the United State's commitment under Article 5 of NATO's founding treaty,[22] Trump's approach could also serve to undermine the Atlantic Alliance – a bedrock for American leadership and European security both during and since the end of the Cold War.

Where does this leave Europe?

Unsurprisingly, applying such a policy mix will fundamentally rattle many of the certainties of the transatlantic bond. Europeans were clearly blindsided by the 2016 US election result, but tried their best to trace synergies and ways of cooperation during the former president's years in the White House, before gritting their teeth waiting for the next election.

Prior to 5 November 2024, the question in most of the EU, therefore, was not whether but where a Trump presidency would cause the most pain for the bloc. The past months

17 Milman, O. (2024) "'Vengeful' Trump withheld disaster aid and will do so again, ex-officials warn". *The Guardian*, 13 October.
18 Stracqualursi, V. (2024) "Trump suggests using military against 'enemy from within' on Election Day". *CNN*, 14 October.
19 Gibson, G. (2023) "Trump says immigrants are 'poisoning the blood of our country.' Biden campaign likens comments to Hitler". *NBC News*, 17 December.
20 Flores, R., J. Vargas Jones, A. Killough et al. (2024) "Donald Trump has promised a closed border and mass deportations. Those affected are taking action now". *CNN*, 11 November.
21 Dress, B. (2024) "Taiwan braces for US election as China tension rise". *The Hill*, 11 February.
22 Gray, A. and S. Siebold (2024) "What did Trump say about NATO funding and what is Article 5?" *Reuters*, 13 February.

saw senior officials in Brussels and EU capitals race to draw up assessments to prepare for the possibly dramatic shifts Trump's return to the White House could bring.[23]

Of the biggest short-term worries, there are four that stand out.

In the economic field, Brussels is first and foremost concerned about Trump's threat of launching a barrage of blanket tariffs on all incoming goods, a move that could reduce EU exports to the US and could, therefore, pose severe risks for the European economy.[24] This, of course, could spark a trade war with the EU, which, put simply, would leave neither side of the Atlantic unscathed. Amidst a moment of tremendous economic insecurity for societies in both the EU and the US and intensifying competition at the global level, the logic behind such spectacular infighting between transatlantic partners may look questionable, but it could soon prove a painful reality.

Secondly, Europe's apprehensive outlook is also based on the question of whether Washington would continue providing, or sever, critical support for Ukraine.

With Russia placing its economy on a war footing, North Korean troops already on the ground and Kyiv struggling to maintain its defensive lines, a sudden cut-off of US aid for the country – an idea Trump has toyed with repeatedly – would have huge repercussions for the battlefield and beyond. Europe simply lacks the aggregate wherewithal and, therefore, cannot conceivably plug the massive gap the US would leave in such a scenario. This would not only put Ukraine's back against the wall, but would also thrust European security into crisis: a defeated or severely weakened Ukraine could mean far greater exposure of the EU's and NATO's eastern flank to Russian aggression.

Worse yet would be the former president's repeated musings about negotiating a super quick 'peace deal', which could imply a willingness to pressure Kyiv into accepting Moscow's terms to end the war or conceding key Russian demands. Under this scenario too, Vladimir Putin would be granted the victory that has so far eluded him on the battlefield, while Ukraine's integrity and Europe's security will both be existentially undermined or at least threatened.

Thirdly, Europe's fears are compounded by Trump's aforementioned aversion to NATO and his past public musings about leaving the Alliance. This may technically no longer be possible, after Congress enacted a law last year explicitly barring the president from withdrawing the United States from NATO without congressional approval. But Trump does not need to officially leave NATO to undermine it. He can easily do so by cutting funding, reducing the number of troops dedicated to NATO or questioning further the mutual defence clause – or at a very basic level by failing to nominate an ambassador or skipping NATO summits altogether. This would be nothing short of an electroshock for the security order Europe is still so dependent on and the US is so vital in – a shock that would arguably be extremely difficult, expensive and complex for Europeans to reverse and recover from.

23 Brady, K., A. Faiola and E. Francis (2024) "How Europe is preparing for a possible second Trump presidency". *The Washington Post*, 2 November.

24 Cingari, P. (2024) "Why Trump's plans for tariffs could be bad for Europe's economy". *Euronews*, 4 November.

Finally, while not an immediate security or economic concern, a less expressed but equally important fourth headache for the EU concerns the European project itself. This is linked to the simple fact that most of the bloc was haunted by the prospect of Trump's return, but not all of it.

Hungary's Viktor Orbán is the clearest example of a still tiny minority of European leaders who rejoiced at his win, seeing natural linkages to him and his MAGA movement. Other potential sympathisers may now also be emboldened to be more vocal about their support. And given the intra-bloc fissures this may create, conditions might also appear for jockeying among leaders as to who can better sway or flatter Trump, or at least play the transactional, bilateral game he prefers. Similarly, the former president's victory will also be seen by many far-right and populist parties across Europe – such as Austria's Freedom Party, Alternative for Germany or Marine Le Pen's National Rally in France – as a vindication of the fundamentals of the political creed they share with Trump, a reassurance that they now have an ally in the White House and encouragement for more resolute action.

It is not difficult to see how such a galvanised populist and far-right front, along with the centrifugal Eurosceptic agendas it often espouses, would bode further ills for a Union now facing fewer certainties and more crises than, perhaps, ever before.

What now?

A second Trump presidency is upon us.

The degree to which American presidential power and the span of US domestic politics will likely be reshaped in the next four years will only be matched by how much the country's global orientation and behaviour also changes. If past is prologue, the combined impact of all factors mentioned above also underscores that the bumpiness of the road ahead not least for EU-US ties may prove unprecedented.

For Trump's White House ambitions, his third time running was a charm. For the United States, the EU and the world, the next four years will reveal whether, and to what extent, that 'c' at the start of the word 'charm' was truly needed.

The views expressed herein are those of the author and not necessarily those of the German Marshall Fund of the United States.

TOMÁŠ PETŘÍČEK

The Middle East in 2024: A test of progressive principles and values

The Middle East in 2024 stands as a critical test for progressive principles, such as human rights, international solidarity and peacebuilding. The region's escalating crises, particularly the Israeli-Palestinian conflict, have highlighted the inconsistency of the West's responses to global conflicts, challenging its credibility and moral leadership. The contrasting reactions to the wars in Ukraine and Gaza have fuelled mistrust, especially in the Global South, where nations like India, Brazil, Nigeria or South Africa are increasingly questioning the West's commitment to existing international law and norms, respect, and equality of states. The humanitarian catastrophe in Gaza and broader regional instability, exacerbated by Iran's influence and tensions with Hezbollah, underscore the need for a comprehensive, multilateral approach to peace. For Progressives, these crises offer both a profound challenge and an opportunity to reaffirm their commitment to justice, equality and the protection of human dignity. Addressing the Middle East's challenges requires global cooperation, a consistent application of international law and a vision for peace grounded in respect for all peoples.

The world is navigating a geopolitical landscape marked by deepening complexities and interwoven crises. 2024 saw the return of Donald Trump to the US presidency, heralding a renewed era of unilateralism and unpredictability. His approach, characterised by brinkmanship and a transactional view of international relations, has heightened tensions on multiple fronts, including the already precarious US-China relationship, where competition over trade, technology and security continues to intensify. Against this backdrop, the brutal war in Ukraine entered its third year, serving as a stark reminder of the fragility of European security.

Meanwhile, the Middle East has become a focal point of instability, marked by escalating tensions, devastating conflicts and a profound humanitarian crisis. These developments challenge the resilience of progressive principles, such as respect for human rights, international solidarity and the pursuit of sustainable peace. Perhaps most critically, they

raise questions about the West's consistency in upholding a rules-based international order. The stark contrast between the decisive and united response to the Russian aggression in Ukraine and the more fragmented and ambiguous approach to the Middle East has fuelled debates about how these principles are applied in practice. This inconsistency threatens to undermine the credibility of these values at a global level.

The situation demands urgent reflection on three interconnected dimensions. Firstly, the Israeli-Palestinian conflict – reignited by Hamas' horrific terrorist attack in October 2023, which claimed the lives of 1,300 Israelis, and Israel's subsequent military campaign – has led to an unprecedented humanitarian disaster in Gaza. The violence has also highlighted the absence of any meaningful political process capable of delivering a just and lasting peace. Secondly, the broader regional implications of the conflict, including the risk of escalation with Hezbollah and Iran, threaten to destabilise the region further and derail fragile efforts for normalisation between Israel and Arab states, such as those fostered under the Abraham Accords. Finally, the crisis has global ramifications, particularly for the dynamics between the West and the Global South and the future of multilateralism. Perceptions of double standards in the West's responses to Ukraine and Gaza have deepened mistrust and strained international cooperation. These tensions risk eroding the credibility of multilateral institutions and further complicating efforts to address pressing global challenges, such as climate change, inequality and global security.

For Progressives, who have long championed dialogue, cooperation and partnership based on mutual respect, the unfolding events in the Middle East present a profound test that can have long-term implications for the future of progressive policy in the region itself. However, there are potential repercussions for relations with countries and societies in other parts of the world – Africa, Latin America or Asia – where many observe how we live up to our normative positions, especially when it comes to adhering to key principles of international law, but also to principles of equality, solidarity and true partnership. They compel us to critically assess how our principles can be effectively upheld amidst overlapping crises and whether they can guide us toward meaningful and inclusive solutions that uphold human dignity, strengthen multilateralism and address the root causes of instability.

A grim outlook for Israeli-Palestinian peace

The unfolding humanitarian crisis in Gaza stands out as one of the most profound tragedies of our time, with civilian casualties reaching unprecedented levels and essential infrastructure devastated. Tens of thousands of lives have been lost, and millions are displaced, enduring conditions that are increasingly untenable. The sheer scale of suffering underscores the urgent need for immediate humanitarian aid and a long-term strategy to address the root causes of this protracted conflict. At the same time, the deepening instability in the broader region, marked by clashes with Hezbollah in the north and rising tensions with Iran, exacerbates the situation, making the risk of instability and resulting

humanitarian consequences in other areas of the Middle East also relevant, including the reignited conflict in Syria, or instability in Lebanon.

Apart from the humanitarian crisis, one of the most significant takeaways from this year is the continued erosion of prospects for a long-term resolution to the Israeli-Palestinian conflict. The extreme-right Israeli government, under Prime Minister Benjamin Netanyahu, has pursued a military campaign aimed at eliminating Hamas's operational capabilities. While this objective is framed as necessary for ensuring Israel's security, it has also intensified international scrutiny and criticism. And put a large question mark above the long-term prospects of Israeli-Palestinian relations and the settlement of the almost eight-decades-long conflict. Even if Israel succeeds in eliminating or significantly weakening Hamas, the future of Gaza remains deeply uncertain. The hardline Israeli leadership, under Netanyahu, lacks a clear plan for achieving lasting peace, focusing instead on short-term goals, such as securing a cessation of violence and providing humanitarian aid. While these priorities are understandable given the immediate context, they fail to address the root causes of the conflict or lay the groundwork for a negotiated settlement, leaving fundamental questions about the region's future unresolved.

Compounding this is the growing polarisation within Israeli society itself. Many Israelis, including a number of high-profile figures, have criticised Netanyahu's approach and conduct, particularly his failure to bring all hostages home and his lack of a coherent vision for peace. Simultaneously, the influence of extremist settler movements and far-right elements within the government has intensified, perpetuating a divisive and dehumanising narrative about Palestinians. This approach not only undermines internal cohesion but also exacerbates tensions in the region, even with some potential partners of Israel, making the prospect of meaningful dialogue even more distant. On the Palestinian side, the enduring presence of militant groups, coupled with the political divisions between Hamas and the Palestinian Authority, continues to hinder any credible push toward a two-state solution too.

The situation is further complicated by accusations of double standards from both sides. Israelis often point to the international community's inconsistent criticism, arguing that, while their military actions are scrutinised, groups like Hamas and Hezbollah face inadequate condemnation for their roles in perpetuating violence and instability. On the other side, Palestinians perceive double standards in the strong global support for Ukraine's resistance against occupation, compared to what they view as limited solidarity with their struggle against decades of Israeli occupation. This parallel sense of unfair treatment fuels distrust, deepens divisions and makes constructive international engagement even more challenging.

As Progressives, we must stand firm in rejecting violence as a means of addressing injustice, whether it is inflicted on Palestinians or Israelis. To move forward, both sides require courageous leadership that prioritises the protection of human lives, respects international norms and commits to addressing the root causes of this protracted conflict. Without such leadership, peace will remain elusive, and the cycle of violence will continue to deepen.

Regional interconnections: The broader Middle East context

The Israel-Hamas conflict underscores the deeply interconnected nature of violence in the Middle East, where local disputes often reverberate across borders, exacerbating broader instability. The region's conflicts are shaped by intricate alliances, sectarian divisions, and the competing interests of regional and global powers. Iran's role in financing and arming militant groups like Hamas and Hezbollah has intensified hostilities, not only in Gaza and Lebanon but across the region, heightening Sunni-Shia tensions and destabilising countries such as Syria and Iraq. This dynamic has revealed the need for a more focused assessment of Iran's destabilising influence, which has perhaps been underestimated in Western policy frameworks in the past.

The situation in Syria offers a striking example of these interconnected dynamics. In just two weeks, the long-standing conflict between Assad's regime and Sunni rebel groups reached an unexpected climax. With remarkable speed, the rebels overran the country, the Syrian army collapsed and Bashar Assad fled after 24 years in power. While internal factors largely explain the rapid downfall of the Assad regime, which had long relied on Russian and Iranian support, both militarily and economically, the dire social and economic conditions played a key role in eroding public support for the regime. The army's unwillingness to fight further exacerbated the situation.

Externally, broader geopolitical shifts have also contributed to the regime's collapse. Russia, overstretched by its involvement in Ukraine, could no longer provide the necessary support to its Syrian ally. Iran, meanwhile, has redirected its focus to other hotspots, particularly Lebanon, Gaza and its escalating confrontation with Israel. Additionally, Hezbollah's position in Syria has weakened due to its engagement in the Israeli conflict.

These changes created new opportunities for rebel offensives, underscoring Syria's fragile state. The fall of Assad's regime highlights the ongoing instability in Syria, which remains a flashpoint for broader regional tensions, with frequent clashes, a persistent humanitarian crisis and a fractured political landscape. The crucial question now is whether the change in power in Damascus will lead to greater stability in the region, or whether it will contribute to the ongoing pattern of violence and instability throughout the Middle East. This situation underscores how the outcomes of conflicts in one area, such as Gaza, can ripple through the region, reshaping power dynamics and security in profound ways.

Moreover, the normalisation of relations between Israel and several Arab states – a process made possible by the Abraham Accords – faces new challenges in light of these crises. The outcomes of these normalisation efforts will be pivotal for the future of the Middle East, determining whether diplomatic ties can weather the escalating violence or if the region will fall back into entrenched hostility. Strengthening these relationships could provide a pathway for broader regional cooperation, fostering stability and mutual economic benefits. However, the fragility of these agreements has become evident, with some countries expressing hesitations and criticisms amid rising violence and civilian casualties.

As Progressives, it is crucial to recognise these complexities and advocate for policies that address both immediate humanitarian needs and the deeper structural issues fuelling conflict. This means prioritising a comprehensive approach that includes holding all actors accountable, addressing Iran's destabilising activities and supporting initiatives that promote inclusive peace agreements. Focusing on long-term stability and the equitable resolution of grievances – across national, religious and ethnic lines – is essential to break the cyclical nature of violence and forge a more secure and just Middle East.

Global implications: The Middle East in a changing world order

The escalating crises in the Middle East have profound implications for global geopolitics, particularly in relation to the West's interactions with countries in the Global South — or, more accurately, the so-called 'global majority'. Nations such as India, Brazil, South Africa, Indonesia, Nigeria and other regional powers, which collectively represent the majority of the world's population, are increasingly demanding greater influence on the global stage and greater respect from the West. How the West handles the Middle East crisis will significantly shape perceptions in these parts of the world. For the United States and the European Union, the situation underscores the challenge of maintaining credibility and moral leadership on the global stage. The EU has attempted to balance its approach by emphasising diplomacy and humanitarian assistance, yet this strategy has faced scepticism, particularly in the Global South, where many perceive Western actions as inconsistent and self-serving. This scepticism is amplified by the region's deepening humanitarian crises and the West's struggle to offer cohesive, effective responses and prevent the escalation of violence at the same time.

A glaring example of these perceived double standards and inconsistencies lies in the contrasting responses to different global conflicts. While the West has united in its strong condemnation of Russia's aggression against Ukraine and provided unwavering support for Ukrainian sovereignty, its approach to the Israeli-Palestinian conflict appears more ambivalent and flawed, with divisions between European member states. The plight of Palestinians, enduring decades of occupation, is seen by many as receiving insufficient attention or inconsistent advocacy from Western powers. This perception not only undermines Western influence in the Global South but also complicates the ability to build coalitions on other critical global issues, such as climate change, sustainable development, international security or responses to major geopolitical tensions in other parts of the world.

Furthermore, these perceptions of inconsistency strain relationships with key nations and blocs in Africa, Asia and Latin America. For countries in the Global South, Western rhetoric about universal human rights and international law often rings hollow when it is perceived as selectively applied. A stark example lies in the ambivalent response to the decision by the International Criminal Court (ICC) to investigate alleged crimes committed

by representatives of the Israeli government and Hamas leadership. While many EU member states, as strong supporters of the ICC, applauded the Court's decision to prosecute Vladimir Putin for war crimes in Ukraine, the coherence of this stance has been questioned in other contexts. For instance, France recently declared that, while respecting its obligations under the Rome Statute, it would not act on ICC decisions against Israeli officials, revealing significant discrepancies in the application of international justice.

Such dynamics risk alienating potential allies in the Global South, especially when these issues are raised by the emerging powers representing the global majority like with South Africa in the case of the ICC, where many view these inconsistencies as evidence of double standards, further weakening trust in the multilateral institutions necessary for addressing global challenges. These tensions are compounded by growing frustration over perceived Western prioritisation of its geopolitical interests at the expense of broader, impartial commitments to international law. The erosion of the ICC's perceived neutrality could undermine its legitimacy and the broader credibility of the rules-based international order.

To restore trust and credibility, the West must address these perceptions head on by committing to an equitable and consistent application of its principles, regardless of geopolitical considerations. This entails supporting the ICC and other multilateral institutions in a manner that transcends national or political interests, reinforcing their independence and impartiality. It also requires fostering dialogue with the Global South to rebuild partnerships based on mutual respect and a shared commitment to upholding international norms, ensuring these principles are not just espoused but applied universally.

Conclusions: Opportunities for progressive leadership

Progressive leaders have a unique role in addressing these challenges. They must take the lead in reaffirming a steadfast commitment to universal human rights and international norms, regardless of the geopolitical context. This means advocating for justice and peace in the Middle East with the same vigour as in Ukraine, and recognising the importance of engaging with the Global South on an equal footing. By doing so, Progressives can help rebuild the trust necessary to strengthen global partnerships and tackle the complex crises of our time.

Amid the grim realities, there are opportunities for Progressives to lead with values-driven approaches to the Middle East's crises. Firstly, Progressives must advocate for a reinvigorated multilateral effort to address the humanitarian catastrophe in Gaza and to lay the groundwork for a sustainable peace process. This includes championing initiatives that emphasise human rights, reconstruction and inclusive governance in Palestinian territories. At the same time, we must remain attuned to the legitimate security concerns of Israeli society, recognising that lasting peace is unattainable without ensuring safety for all communities.

Equally crucial, and not exclusive to the Middle East but having repercussions for progressive global policy, is the need to confront and reject any kind of hate speech and dehumanising rhetoric, wherever it arises and whoever is using it. Silence is not an option when elements of the Israeli government undermine Palestinian rights or deny the very existence of the Palestinian nation. Conversely, we must also unequivocally condemn antisemitism and any rhetoric that questions the legitimacy or existence of the state of Israel. Both are antithetical to the principles of justice and coexistence that should guide our vision for the region.

Secondly, Progressives should work to bridge the growing divide between the West and the Global South. This involves acknowledging legitimate grievances about Western double standards and promoting a more equitable and inclusive global order. By leveraging soft power, fostering dialogue and investing in development, Progressives can build partnerships that advance both stability and justice in the region.

Lastly, Progressives must challenge the notion that resilience and security are inherently competitive. Instead, they should champion cooperative frameworks that prioritise shared prosperity and mutual respect. This approach aligns with the broader progressive vision of a world where security is achieved not through domination but through collaboration and the rule of law.

The Middle East in 2024 serves as a stark reminder of the challenges facing progressive principles in a world marked by conflict and division. Yet, it also offers an opportunity to reaffirm those principles by addressing the region's crises with compassion and solidarity, but also with realism and pragmatism. It is also the opportunity to demonstrate our unwavering commitment to peace. For Progressives, the path forward lies in embracing multilateralism, fostering inclusivity and demonstrating that our values are not just ideals but actionable solutions to the world's most pressing problems.

PREDICTIONS 2025

LUCY KINSKI and GILLES PITTOORS

Working towards a more democratic and decisive EU: With or without treaty change?

The current institutional setup of the European Union faces significant challenges. Crucially, since its establishment in the Maastricht Treaty, the EU's decision-making capacity has been strained by the addition of new member states, making agreements harder to reach, leading to more complicated and oftentimes protracted decision-making processes. Enhancing this capacity is critical for addressing urgent issues like economic crises, climate change or global conflicts such as the wars in Ukraine and the Middle East. The reliance on unanimous agreement, precisely in crucial areas such as foreign and defence policy or EU finances, often results in stalemates, where national interests diverge significantly, slowing responses to geopolitical, ecological and socio-economic challenges. These institutional weaknesses are likely to become even more harmful with the rise of nationalist sentiment across the EU and the participation of radical parties in member state governments.

Moreover, concerns about legitimacy and representation within the EU are growing. Smaller or newer member states may feel overshadowed by larger nations, leading to a sense of marginalization. Citizens across the EU are increasingly dissatisfied with their perceived lack of influence on decision-making, feeling that the EU's complex processes do not reflect their needs. This disconnect has opened the door for the EU to be criticized for a lack of transparency and a decision-making process that is dominated by distant institutions and 'unelected' officials. As a result, there is a growing demand for reforms to enhance the democratic accountability of the Union.

It is thus crucial to make the EU institutional setup both more democratic and more decisive. Democratic backsliding, the rise of Eurosceptic forces, ongoing ecological and socio-economic crises, and geopolitical shifts demand an EU that is both democratically legitimate and institutionally robust, capable of responding swiftly to maintain stability and influence.

One possible avenue for tackling these issues is through treaty reform. This can certainly enhance the EU's capacity to act and improve decision-making processes. A pressing

issue is the reliance on unanimity in the Council of the EU in sensitive and critical policy areas, as mentioned above. Expanding EU competencies and shifting to qualified majority voting in these policy areas could allow for quicker and more efficient responses to urgent challenges, such as war, economic disruption, natural disasters or, indeed, pandemics. In addition, granting the European Parliament (EP) a right of legislative initiative, potentially alongside a "green card" for national parliaments, formally acknowledging trilogues in the Treaties, making the Commission more explicitly accountable to the EP and introducing functioning mechanisms for EU-wide citizen participation would increase democratic legitimacy and ensure better representation of citizens' voices.[1] Enhancing transparency and accountability within EU institutions by improving mechanisms for scrutinising executive actions, including holding non-majoritarian institutions like the European Central Bank to account more effectively, could also further strengthen public trust in EU governance.

However, reforming the Treaties is challenging, and the EU's very institutional shortcomings make their resolution through treaty change unlikely. The requirement for unanimity among member states means that any single country can veto proposed changes, often leading to stalemates, especially because of rising nationalist sentiments. The complexity of the revision process, which involves lengthy negotiations and multiple stages, further complicates efforts for reform. Domestic politics in member states frequently lack the stability necessary for such bold changes, not to mention the reluctance among member state governments to call for a convention and to cede further powers to EU institutions.

Therefore, for the immediate future, it is worth looking into what can be done without treaty reform. For one, even without an expansion of formal powers, the EP could take on a more proactive role and maximise the use of its existing powers in areas such as digital policy, climate action and social rights, driving forward legislation that addresses the needs and aspirations of the European populace. Additionally, improving inter-institutional cooperation can lead to more cohesive and effective governance. By fostering better collaboration between the Commission, the EP and the Council, the EU can ensure that policies are more thoroughly vetted and supported across different branches of governance. This could involve regular joint sessions, enhanced communication channels, and more integrated policy-planning processes from the start. Such measures would help create a more unified and responsive EU, capable of tackling contemporary challenges with greater agility and coherence.

Beyond institutional efficiency, the EU could make important progress in tackling the disconnect between citizens, even without treaty reform.[2] One effective approach could be strengthening the European Citizens' Initiative (ECI), which allows citizens to propose legislation directly to the European Commission. By revising the ECI regulation to simplify

1 For a recent discussion of the experience with citizen participation in the Conference on the Future of Europe, see: Borońska-Hryniewiecka, K. and L. Kinski (eds) (2024) *The Parliamentary Dimension of the Conference on the Future of Europe: Synergies and Legitimacy Clashes* (Abingdon: Routledge).

2 For a recent discussion of the EU's struggle with democracy, see: Bremberg, N. and L. Norman (eds) (2023) *Dilemmas of European Democracy: New Perspectives on Democratic Politics in the European Union* (Edinburgh: Edinburgh University Press).

the process and lower the thresholds for participation, more citizens can engage in shaping policies that affect their lives. Additionally, establishing transnational citizens' panels on key issues citizens care about can foster a closer dialogue between EU institutions and the public, ensuring that diverse perspectives are considered in policy formulation. In line with progress in recent years, publishing member-state negotiation stances could potentially enhance transparency in decision-making processes.

Overall, switching from the EU's traditional top-down perspective on democracy towards promoting bottom-up democratic practices through local governance initiatives and civil society involvement would empower citizens to participate actively in the democratic process.[3] Crucially, national parliaments and parties must live up to their roles as transmission belts to European citizens, acknowledging the inescapable European dimension of their domestic agendas, and thereby, reinforcing the EU's legitimacy as a multinational and multilayered representative democracy.[4] The European Parliament, in turn, could be more accommodating to national parliaments as its 'natural allies', for example, by offering national parliamentarians attendance and speaking rights in committee meetings, as is the case in quite a few national parliaments for members of the EP. None of these elements require treaty change to be implemented or at least initiated.

Indeed, the most likely evolution of EU institutions in the near future will occur through a combination of incremental reforms and enhanced cooperation among member states, rather than immediate treaty amendments. To be sure, there is a growing call to expand qualified majority voting in decision-making processes to allow for quicker responses to crises, reflecting a need for more flexible governance structures. Additionally, proposals for greater citizen engagement and participatory mechanisms, such as EU-wide referendums, indicate a desire for more democratic governance. Still, given the hurdles to treaty reform and the current political climate, the EU will most likely focus on addressing its institutional challenges through operational improvements and collaborative efforts, rather than formal treaty changes.

3 See also: Oleart, A. (2023) *Democracy without Politics in EU Citizen Participation: From European Demoi to Decolonial Multitude* (Cham: Palgrave Macmillan).

4 See also: Pittoors, G. (2024) "Everything everywhere all at once? Introducing a field-theoretic model for party politics in the European Union". *JCMS: Journal of Common Market Studies*. DOI: 10.1111/jcms.13662

GIACOMO BENEDETTO

The future of the EU budget, 2028-2034

In 2025, the European Commission will publish its proposals for the EU's next Multiannual Financial Framework (MFF), the long-term budget package that will last from 2028 until the end of 2034. Unless there is a transformational decision, the shape of the MFF is unlikely to change significantly compared to that of the current package agreed for the years 2021-2027. As Table 1 shows, the headings for natural resources (mostly for agriculture) and cohesion are set at around one third of the budget, while collective investment in the single market, including matters like scientific research, amounts to about one eighth. Concerning the MFF for 2021-2027, in 2018, the Commission had proposed larger sums for the collective investment themes of the single market, migration, borders, security and defence. The final agreement saw these figures much reduced, while those for cohesion and natural resources were protected. The same trend to reduce ambition in collective goods to favour traditional expenditure occurred when negotiating the previous MFF packages in 2013 and 2006. It may reoccur in 2027.

Table 1. Commitments in the MFF of 2021-2027 and in NGEU. Prices of 2018.[1]

Heading	Commission proposal, 2018, billion €	MFF, 2021-2027, billion €*	% MFF	NGEU 2021-2024, billion €	MFF + NGEU, billion €*
1. Single market, innovation, digital	166.3	132.6	12.3	10.6	143.2
2. Cohesion, resilience, values	392.0	377.8	35.0	721.9	1099.7
3. Natural resources	336.6	355.7	33.0	17.5	373.2
4. Migration, borders	30.8	24.7	2.3		24.7
5. Security, defence	24.3	14.5	1.3		14.5
6. Neighbourhood, world	108.9	101.1	9.4		101.1

1 Proposal for a Council Regulation, COM/2018/322 final – 2018/0132 (APP): Annex; Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020: Annex I; Council Regulation (EU, Euratom) 2024/765 of 29 February 2024 amending Regulation (EU, Euratom) 2020/2093: Annex I; Council Regulation (EU) 2020/2094 of 14 December 2020: Article 2(2).

7. Administration	75.6	73.1	6.8		73.1
TOTAL	1134.6	1079.5	100	750.0	1829.5
% of GNI	1.11	1.06			
Ukraine reserve*		17.0			17.0

*as amended in 2024.

The major change in 2020 was the agreement of the temporary EU recovery instrument, known as NextGenerationEU (NGEU), in the wake of the pandemic. It is set at €750 billion in 2018 prices and financed through the markets, repayable until 2058.

Looking at the MFF for 2028-2034, much of the language has stayed the same. During the build up to the previous proposal of 2018, the Commission had launched a consultation process for a "Budget Focused on Results". After her re-election in 2024, Ursula von der Leyen called for "a policy-based budget". There is talk of a new European Competitiveness Fund, but it is unknown if this will be included within the single market heading of the MFF, or if it will emerge as a fund outside the budget. Before 2020, the old name for the single market heading was "competitiveness for growth and employment".

The budget's size, at little over 1% of gross national income (GNI), is difficult to increase for political reasons (frugal member states want to limit the budget's size) and insufficient to meet the policy demands of Europe. In the context of 2024, with the right and centre-right dominating the European Council, it is impossible to imagine a more expansive budget. However, there is room for some creativity. Since the financial crisis of 2010, past solutions had been to expand the proliferation of funds outside the budget but related to it, when the budget has provided total or partial guarantees to funds based on lending by the financial sector. The most significant of these is NGEU, but others have included the competitiveness-oriented European Fund for Strategic Investments, at up to €500 billion during 2015-2020, and its successor, InvestEU, worth €372 billion, both of which received a guarantee for lenders worth around 6%. Guarantees from the budget for further investment funds for competitiveness and for supporting Ukraine and the defence sector are likely.

Compared to the previous negotiation of 2018-2020, the current debate is even more focused on achieving policy goals, particularly for security and energy challenges presented by the conflict in Ukraine. It is likely that the tight conditions applied under NGEU for the payment of grants through the Recovery and Resilience Facility (RRF) will be carried into the MFF. There is also talk of increasing flexibility in the new MFF. At present and within limits, underutilised funds inside the budget may already be carried over into future years. This may extend to those amounts that are allocated nationally, so that EU expenditure may vary upwards for a particular member state but not for others, to reflect unforeseen challenges limited to one geographical area of the EU. The MFF's rules already contain some flexibility instruments. These cover general flexibility and emergency aid for EU member states and third countries; they act as reserves and are only paid out if they are needed. They could be increased. Their total of €22.7 billion (during 2021-2027) is not included in the MFF's figures.

When a new MFF comes into force, an amendment is passed to the EU's revenue base, known as own resources. A larger EU budget would require agreement on untapped sources of revenue. Otherwise, the fallback is that any increase is financed merely from the member states' GNIs. An interesting paper for the European Parliament[2] lists potential new own resources to help fill the gap. It also proposes more flexible rules to allow borrowing through the MFF, fully supported by own resources. A budget that can incur temporary debt could intervene more rapidly when required.

The conflict in Ukraine, the security implications of Donald Trump's re-election, and the need for preparedness against the unexpected in terms of pandemics, climate change, energy or food supply require a budgetary system that can respond with sufficient speed. If the MFF is kept at 1% of GNI, it is to be hoped that greater flexibility and growth in complementary EU funds outside the core budget, supported by borrowing, will be able to meet the challenges that lie ahead.

2 Thöne, M. (2024) "European Public Goods and the 2028-2034 Multiannual Financial Framework". Policy Department for Budgetary Affairs, PE 766/.171. European Parliament, October.

MOHAMMED CHAHIM

The future of the Green Deal: Stability, coordination and investments

The transition to a sustainable green economy is no longer a distant aspiration for the European Union; it is an urgent necessity. With the framework for this transformation already laid out in the European Green Deal and the Fit for 55 package, the EU is now entering the critical implementation phase. While the groundwork has been established, it is now time to deliver, because these policies can bring the changes required to meet climate goals and secure the EU's industrial future. For that to happen, the EU will need more than just good intentions – it will require regulatory stability, coordinated industrial strategies and a significant increase in funding in line with the Draghi report.

Regulatory stability: The key to (green) investment

The success of the Green Deal hinges on a stable and predictable regulatory environment. The European Commission has made considerable strides in setting out the climate roadmap, and many businesses have already responded with concrete investments in clean technologies. However, these investments are not risk-free. The transition to a carbon-neutral economy requires industries to have confidence in the long-term viability of the regulatory framework guiding them.

Companies are looking for stability, not just in the short term, but for the entire duration of the Green Deal's implementation. Any sign of regulatory uncertainty could deter investment and undermine the progress already made. The EU must, therefore, maintain a consistent and predictable approach to climate and energy policy, providing businesses with the confidence to continue their investments in green technologies.

A fragmented approach, with individual member states pursuing their own industrial policies, would be counterproductive. The strength of the European single market lies in its unity, and that unity must extend to industrial policies as well. The EU must act as a collective bloc, with coordinated policies that prevent fragmentation and enhance the EU's competitive position in the global green economy. In a world where both China and the United States heavily invest in green technologies, the EU cannot afford internal divisions

that could undermine its ability to compete on the global stage. There is no room for backtracking, but there is a need for acceleration.

The need for an Industrial Transition Fund

While regulatory stability provides the foundation, financial resources are essential to achieve the Green Deal's ambitious goals. The EU must create a funding mechanism that can support the scale of investment needed for the green transition. The Industrial Transition Fund is one proposed solution to address this gap, aiming to increase EU investment capacity to at least €200 billion annually for the next five years. This fund would enable the EU to accelerate its green industrial transformation, support innovation and strengthen its economic resilience.

The current funding landscape, which includes mechanisms like the Innovation Fund, Horizon Europe and InvestEU, is a start, but it will not be enough to meet the scale of investment required. Estimates suggest that the EU needs to invest around €650 billion per year to meet its climate and energy targets. While private sector investment will play a key role, public funding is essential to stimulate private capital and de-risk investments in innovative green technologies.

Bridging the investment gap

Currently, the EU falls short of meeting the necessary scale of investments. Europe's competitors, particularly the US and China, are investing far more heavily in green technologies, supported by large government subsidies. To stay competitive, the EU must follow their example to avoid playing a long game of catch up.

Even with a clear regulatory framework in place, the financial challenges are substantial. Estimates suggest that the EU will need €650 billion annually to achieve its climate and energy objectives. Public funds, while critical, will not be sufficient on their own. Private sector investment must be mobilised, which requires de-risking and financial support from the EU.

A flexible state aid framework, like the one introduced under the Temporary Crisis and Transition Framework, may provide short-term relief, but it has also highlighted disparities between member states with differing fiscal capacities. To avoid undermining the single market, the EU needs to ensure that funding is allocated fairly and efficiently across the Union, based on a shared vision. A common budgetary instrument, with targeted green and social conditionalities, will ensure a level playing field for all member states, regardless of their fiscal position.

Geopolitical realities and strategic autonomy

The geopolitical landscape has changed dramatically in recent years, with rising tensions, the Covid-19 pandemic and the war in Ukraine highlighting Europe's vulnerabilities. In this context, reducing the EU's dependence on external energy sources is crucial – not just for

climate reasons, but for security and economic resilience. The Green Deal's goals are intrinsically linked to enhancing the EU's strategic autonomy in the green economy.

Europe must take control of its energy future, focusing on increasing the share of renewable energy in the energy mix, and reducing reliance on fossil fuels, particularly from unstable regions. Renewable energy technologies, such as wind, solar and energy storage, are at the heart of this transition. Achieving carbon neutrality by 2050 will require a comprehensive, integrated energy strategy, with interim targets like the 2040 emissions reduction goal serving as crucial milestones.

The Green Deal also presents an opportunity for the EU to assert its leadership in global green innovation. By building up its technological capabilities in renewable energy and clean technologies, the EU can not only reduce its energy dependence but also become a world leader in the green economy. This will require significant public and private investment and a strategic focus on sectors where the EU can take a global lead. The business case for an autonomous EU speaks to parties on the right as well as on the left.

A unified approach for a green future

In addition to advancing the industrial pillar of the European Green Deal, it is crucial to reflect on and protect what we have achieved together in the previous mandate. It has become clear that certain lobby groups and right-wing forces in this Parliament are attempting to undermine the Green Deal and roll back policies we previously agreed upon. However, these forces must understand that the Green Deal is designed to last and that the path towards climate neutrality is crystal clear.

As Progressives, we will never support any regression on the European Green Deal. Both industry and citizens require predictability and clarity, and meeting climate targets is essential to safeguard our planet and its people. To ensure the EU's competitiveness, we must uphold the Green Deal and develop robust European green industrial policies. Anyone ready to work towards this vision will find a reliable partner in us.

DAPHNE HALIKIOPOULOU

The endurance and stability of the far right in Europe

During the 2024 'mega election year', far-right parties made significant electoral gains at the local, national and European levels: the Alternative for Germany in German federal states such as Thuringia and Saxony in September 2024; the National Rally in France's snap parliamentary election a couple of months earlier. The June 2024 European Parliament elections witnessed the rise of the far right across many – if not most – member states. The examples do not end here. In late 2023, Geert Wilders' anti-Muslim far-right Party for Freedom (PVV) won the Dutch parliamentary election, following a decade-or-more surge that has witnessed the rise of far-right parties from every corner of the continent. In fact, looking at a map of Europe, one struggles to find a country with no far right. Even in cases formerly considered 'immune', such as Spain and Portugal, Vox and Chega are now making the headlines. Outside Europe, Donald Trump's recent victory in the US emboldens the far right, while the recent victories of far-right leaders such as Argentina's Javier Milei and El Salvador's Nayib Bukele suggest this is fast becoming a global phenomenon.

The bigger problem is not just the vote share but also the entrenchment of far-right parties in the system and their access to power. Many have held in the past – or continue to hold – government positions, including the Lega and the Brothers of Italy in Italy, the Austrian Party for Freedom, Orban's Fidesz, the Finns Party and the Polish Law and Justice (PiS). This emboldens them and makes them increasingly politically relevant, as they can implement policy and influence the programmatic agenda of other parties.

In other words, the far right is the new normal. Should we be surprised? Not necessarily. This phenomenon has been brewing for decades. A look at the longer term, at least in Europe, reveals a stark picture: in national elections last year, 32% of European voters opted for an anti-establishment party compared with 20% in the early 2000s and 12% in the early 1990s. About half of anti-establishment voters support far-right parties – and this is the vote share that is increasing most rapidly. If 2024 already saw the far right emerge victorious in a series of elections across Europe and beyond, 2025 will likely witness an intensification of this phenomenon.

This is largely the result of the normalisation of the far right: a rhetorical streamlining and a conscious window-dressing strategy of distancing from fascism and extremism.

Most successful European far-right parties frame exclusion not along ethnic but along civic nationalist lines. While at their core is a purported distinction between in-group and out-group (natives versus immigrants), they justify this distinction on ideological rather than biological criteria of national belonging. Geert Wilders' PVV builds its exclusionary Islamophobic agenda using a purportedly inclusive narrative that centres on democratic values along the lines of 'we must not tolerate those who are intolerant of us'. This narrative is much more difficult to counter than traditional racism. Other parties in the party system contribute to this far-right normalisation. Competing on far-right issues legitimises and emboldens the far right, but does not win the mainstream parties any votes.

Normalisation makes these parties more broadly appealing to voters. Indeed, the far-right voter base is much more diverse than we might initially assume. Immigration is one factor driving voters to support the far right, but it is not the only one. In addition, immigration itself is a multi-faceted concept: while some voters may oppose immigration for cultural reasons, others are driven by economic concerns, fearing immigrants as competitors in the labour market. Far-right parties link immigration to a broad range of societal problems. Those voters with strong cultural concerns – the far right's core ideological voters – are numerically a relatively small group. The largest group of far-right voters are protesters: peripheral voters driven by discontent. Their concerns range from material insecurity to a lack of access to welfare, declining social status and a distrust in institutions.

What should we expect?

Far-right parties are both willing and able to compromise liberal institutions. Once in power, they introduce constitutional changes to undermine the judiciary and media, which are designed to outlast them. A good example is Viktor Orbán's Fidesz, which gradually radicalised while in government. Orbán has used his constitutional majority to fundamentally change the Hungarian political system and transform the country into an 'illiberal democracy'.

Should we be worried? Yes! Although some of these developments have been stalled or overturned – PiS, for example, was outvoted in Poland during the most recent election – the far right remains powerful and entrenched in many countries across Europe and the globe. Many of these parties are now in power, meaning they can implement policies that hamper democracy and long-term political stability and societal prosperity.

We expect this to impact a broad range of policy areas, including attacks on abortion and women's reproductive rights; the adoption of 'refugee response plans' sending asylum seekers abroad; the de-prioritisation (at best) of a climate agenda and economic policies that give rise to significant medium- and long-term economic costs, contributing to the creation of a vicious circle for democracy as austerity and deteriorating economic conditions, which further feed the far right. Another extremely important policy area is education. Far-right parties actively adopt education policies aimed at directly targeting science, academia expertise and gender equality by seeking to cut billions of euros from research, shrinking

and/or closing down academic departments and discouraging international students – the cases of the UK, the Netherlands and the Central European University are pertinent. In their attempts to copy the far right, many centre-right governments are following suit, for example, in France. This is extremely worrisome, as we consistently observe a correlation between lower levels of education and far-right party support.

Contestation domains

This means that there are now multiple domains in which the far right should be fought. Firstly, in elections, with competitors developing viable campaign strategies in their rhetoric and narratives. Secondly, in the media, to counter the normalisation of hate in communication. Thirdly, in the institutional domain to contest democratic backsliding instigated by far-right incumbents. Fourthly, the policy domain, to stall or block specific far-right policies through judicial activism and other mechanisms.

As we enter 2025, important elections are ahead in countries such as Germany and Poland. The far right is already in power in many European countries. This is worrying for the future and prosperity of our democracies. The ability to develop an effective and multi-faceted resistance is more important than ever.

CHRISTOS KATSIOULIS

Will the war in Ukraine end in 2025 and under what terms?

If President-elect Donald Trump keeps his promise to end the war in Ukraine within 24 hours, you can skip this article for more relevant reading. However, there are serious doubts that the war in Ukraine can be ended just like that, at the pleasure of the president of the United States. The matter is too complex, and there are too many actors and levels involved. Nonetheless, since Washington is playing such a pivotal role in the defence of Ukraine, the new administration will bring about some changes.

I will go out on a limb and predict that Donald Trump will be able to impose a ceasefire in the war, the fighting will simmer down and nearly stop early in 2025. This will be done through direct communication between the White House, the Kremlin and the Ukrainian government. The diplomatic follow-up of the ceasefire, aiming to achieve a political settlement of the conflict and stabilise the situation, will, however, get stuck. Ukraine will thus remain at the brink of war, caught in a 'no-mans-land' between fighting and rebuilding, without having the means for either.

Let us look at how we got there. The current trends are not very promising. Russian troops are making incremental gains, trying to secure a better position before the winter freezes movement at the front. Ukraine, on the other hand, is hampered massively by a lack of personnel. On top of that, the nearly three years of war with relentless attacks by Russia on civilian and, specifically, energy infrastructure have taken a toll on the Ukrainian population. War fatigue has set in, and the resolve to continue the war is weakening. The Western support coalition of Ukraine is also affected by war fatigue. In the US, the incoming government was partly carried into office by the feeling that the attention of the government, as well as its funds, should be focused on domestic affairs and not so much on foreign wars.

The same applies to Germany, where the conflict of how to fund the Ukraine support toppled the traffic-light coalition government. Both of these developments will chip away at the ability of Ukraine to make progress on the battlefield, as they raise serious concerns about the continued supply of Western weapons and financial aid to Ukraine. At the same time, the Russian supply of personnel and military equipment will peak in 2025. The involvement of North Korean troops on the Russian side complicates things but does not

change this dynamic fundamentally. This means that both sides might be more open to battlefield management or even more radical steps, as long as they do not have to take responsibility for them.

This becomes even more visible when we look at the strategic aims of both sides. Despite the attritional nature of the warfare, which does not allow for rapid gains or decisive strikes, Kyiv and Moscow have maintained their initial war aims. Ukrainian President Volodymyr Zelenskyy presented his 'victory plan' in the autumn of 2024 to allies, including the then-Republican candidate, Donald Trump. The main elements are an invitation for Ukraine to join NATO, more Western weapons without strings attached and a bolstering of Ukrainian defence capabilities to deter any future Russian attempt to wage war again. The recapturing of the occupied parts of Ukraine is not explicitly mentioned in the victory plan. It refers only to a 'just peace', that needs to be achieved through strength. Russian President Putin, on the other hand, has repeatedly stated his aims for Ukraine, which are mainly a recognition of the annexed territories, permanent neutrality of the country and its demilitarisation. This illustrates how both war parties are stuck in their initial strategies. Although both strategies failed – Russia could not subdue Ukraine in a *Blitzkrieg* with just a few casualties, and Ukraine could not recover substantial parts of the occupied territories nor threaten Russia enough to change gears – they are still being pursued. A game-changer from outside is thus more than welcome. Enter Donald Trump.

His attempts at initiating peace, even before his inauguration, will be welcomed by both sides. In Kyiv, President Zelenskyy can use the rather bluntly applied American pressure accompanied by much public fanfare as the ideal excuse to walk back on his unreachable aims. Ukraine will not be forfeiting the occupied territories, but aim to secure the current frontline to recover militarily and economically. Putin, on the other hand, has a chance to stabilise the land gains Russia made until then, which are approximately 20% of Ukrainian territory. He can present Trump's initiative as a silent Western acknowledgment of Russia's success. He will also feel vindicated in his worldview, since a US president pressuring Ukraine to a ceasefire fits perfectly into his narrative of a world dominated by big powers, telling their proxies when to fight and when to stop fighting.

The ceasefire will thus be quick to establish. The devil will wait in the details of the subsequent process aiming for a political settlement and a longer-term solution to the conflict. This is a far more complicated lock to pick, as it includes negotiations not only between Russia and Ukraine, but also between Ukraine and the West, Russia and the West – more specifically Russia and the US – and in the end will also need the inclusion of outside actors. In this situation, a decisive deal, cutting the Gordian knot is near impossible. It will need a strategic approach to negotiations involving coordinating a broad variety of actors and managing different objectives and expectations on every one of these levels. Here, the self-appointed dealmaker, Donald Trump, will be bored into losing interest. Without political backing at the highest level, the negotiations will linger on without any realistic result in sight. For Ukraine, this will mean a terrible situation of neither-nor. Due to the end of the immediate fighting, war fatigue in the West will kick in, and the supply of Western weapons will slowly peter out. The long-term ability of the country to defend itself will be

seriously put into question. On the other hand, the reconstruction of the country will also be hampered by the missing settlement, since investments will only trickle slowly into Ukraine, whilst it remains under the sword of Damocles of a reignition of the war at any moment. That will leave two winners. Donald Trump will gloat about his achievement in 'ending the war'. Vladimir Putin will leave the negotiations to continue as long as it takes to weaken Ukraine ever further. Since the country will not join NATO anytime soon, its economy will not be regaining traction and its warfighting capabilities will wane; Putin has achieved most of his aims.

RAJESWARI PILLAI RAJAGOPALAN

India's international stance

Prime Minister Narendra Modi's Bharatiya Janata Party led government has been in office for a decade. There is little indication that it faces any significant political challenge for at least the next several years. This is more a result of the failure of India's opposition, especially the Congress party, rather than of significant achievements by the ruling party. Foreign policy is a good illustration: despite some perception of success, in reality, India faces continuing troubles with its most important adversary, China; difficulties in its relationship with its closest partner, the US; and an uncertain future with its traditional partner, Russia. With growing geopolitical uncertainties in the Indo-Pacific region and beyond, India has responded by becoming quite proactive in its minilateral engagements. Whether this suffices to manage all the challenges India faces remains to be seen.

Continuing troubles with China

India's relationship with China continues to be troubled, with no long-term solution visible. Though the focus of the dispute is on the long and disputed border between the two countries, the crux of the matter is a long-standing political rivalry. India does not appear to have a clear response to dealing with the China challenge. Following the Galwan crisis in 2020, when an unexpected border clash left dozens of soldiers on both sides dead, India halted its regular political engagements with China, acted to reduce China's presence in the Indian economy and banned hundreds of Chinese apps in India, including TikTok. The diplomatic sulking had little impact on China. In recent months, small improvements appear to have been made to the ties between the two sides with the conclusion of the border patrol management agreement. However, the Indian External Affairs Minister, S Jaishankar, stated[1] quite clearly in the Indian parliament that these were "steps of a temporary and limited nature" meant "to obviate the possibility of further friction". Nevertheless, this has led to additional rounds of India-China track two dialogues.[2] This appears to be driven by two factors: (1) growing difficulties in the US-India relationship; and (2) India's continuing

1 "Statement by External Affairs Minister, Dr. S. Jaishankar in Lok Sabha". Ministry of External Affairs, 3 December 2024.
2 Tweet, Aadil Brar (@aadilbrar), 23 December 2024.

trade dependency on China.[3] But large military forces remain along the border and political ties are still frosty, a condition unlikely to change in the near future.

Difficulties in the US relationship

The India-US relationship has undergone transformative changes in the last two decades. While several factors helped build the close partnership between the two countries, common concerns about China have been particularly important. The US and India have a growing security partnership, including defence trade, which is running at over $20 billion cumulatively over the last two decades.

However, there are also increasing difficulties in the relationship. Both sides have concerns about the other: the US is worried about India's slide towards illiberalism under Modi's Hindu Nationalist government, with questions about the treatment of minorities, freedom of expression and most recently, suspicions and accusations about Indian covert action in several Western countries targeting what the Indian government claims are terrorists and separatists targeting India. How the two sides deal with this issue remains to be seen, as is the question of whether the Trump administration will treat such issues in the same manner that the Biden administration did. While the relationship is likely to survive – both sides have too much at stake – there is growing wariness on both sides.

Continuing relationship with Russia

India has had a decades-old steady relationship with Russia. Despite that, and especially since the Russian invasion of Ukraine, there is recognition in India of the cost of the Russian relationship. Therefore, there is a constant adjustment in how best to maintain that relationship so that the cost does not become too great. India argues that its relations with Russia prevent complete Russian dependence on China. However, as India is readjusting and recalibrating its relationship with Russia, there is also some cost to that recalibration. After the 2020 Sino-Indian border clash, Russia has not supported India, maintaining neutrality.

Moreover, the Russia-China relationship has deepened. The two have engaged in joint military exercises in the North Pacific. If their cooperation were to extend to a joint military exercise in the Indian Ocean, it could become more serious for India's relations with Russia. The other major obstacle is India's dependence on weapons from Russia, which limits India's freedom of taking a position on Russia's war against Ukraine. There are also increasing difficulties with supplies and spares for India's Russian-built military equipment. Despite two decades of efforts at defence trade diversification, the Soviet/Russian component of the Indian defence inventory is still around 70% to 80%. This will likely restrict India's autonomy for the foreseeable future.

3 Shetty, R. (2024) "India's reliance on China for critical minerals | Explained". *The Hindu*, 24 December.

Minilateralism

The Galwan confrontation has been a game-changer for India's policy on China. It has altered the Indian perceptions of China in significant ways, pushing it to rethink its strategies in addressing the China challenge. Not wishing to depend solely on the US, India has developed a web of partnerships and a multi-aligned foreign policy by developing a 'minilateralist' option through building partnerships with groups of countries other than just the United States. Many of these groups, of course, include the US, such as the US-India-Japan group and Quad. Some are made up of others, such as the India-Australia-Japan group. And India continues to maintain its partnerships, such as the IBSA, RIC and BRICS, all of which originally had an anti-American tinge. But the effectiveness of such minilaterals remains to be seen.

Thus, the next couple of years will prove challenging for Indian foreign policymakers. The Trump administration adds another layer of uncertainty too, both in the bilateral relationship and in India's strategy to counterbalance China, which require active American assistance.

BIOGRAPHIES

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PROGRESSIVE YEARBOOK 2025

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

2024 was announced as a ‘super election’ year. In fact, about half of the world’s population in 72 countries, from the United States to the European Union and further to India, went to the polls to elect new parliaments or presidents. This outstanding celebration of democracy, however, resulted in the advancement of reactionary or even extremist forces in many of the countries involved. Hence, for Progressives, the world being shaped is one that requires, more than ever, deep reflection on the reasons for the electoral shortcomings, a drive to innovate and cope with this changing political landscape, and the will to keep fighting for our values and ideals.

In this sixth edition of the Progressive Yearbook, FEPS offers analyses of the electoral results in the EU and the US, as well as of some of the political developments in the European continent and beyond, in particular on the war fronts in the European neighbourhood, Ukraine and the Middle East. We focus on divisive issues such as the common agricultural policy and migration. We look at how the new Labour government in the UK will impact the relations with the EU and at the state of social democratic forces in two EU member states: Croatia and Germany.

Finally, we will try to understand from current trends what the near future holds for European Progressives and for the EU’s integration project.

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