



# ATLANTIC FUTURE

## SCIENTIFIC PAPER

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### ATLANTIC SCENARIOS 2025

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The Atlantic Space will undergo significant change over the next ten years as interdependence grows deeper but also more vulnerable; power becomes more diffused; the political prospects of key state actors look uncertain; old and new partnerships need to prove their worth; and joint responses may or may not be a match for current and future threats. This paper outlines three scenarios with a 2025 horizon – Rising Atlantic, Fragile Atlantic and Atlantic à la carte. In particular, it addresses prospects for cooperation or competition, normative convergence or divergence and the emergence of centripetal or centrifugal forces in the Atlantic Space. While not seeking to predict the future, these scenarios highlight in a narrative form some of the opportunities and challenges facing the Atlantic over the medium and long term.

ATLANTIC FUTURE – Towards an Atlantic area? Mapping trends, perspectives and interregional dynamics between Europe, Africa and the Americas, is a project financed by the European Union under the 7th Framework Programme, European Commission Project Number: 320091.



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# 1. Introduction

The scenarios fleshed out in this paper are not predictions of expected developments but narrative descriptions of possible futures. These ‘stories from the future’ are thinking tools to inform the debate on the shape of things to come in the Atlantic Space, with a 2025 time horizon.

The scenarios build on the work carried out under the Atlantic Future project and Work Package 9 on ‘Emerging trends and scenarios’ to identify critical factors and actors shaping change in the Atlantic. They address three main dimensions of change, which run through all of the scenarios, namely prospects for cooperation or competition within the Atlantic Space, the evolution of normative convergence or divergence across the Atlantic, and the emergence of centripetal or centrifugal forces within this vast space and the four main regions therein.

The first scenario – Rising Atlantic – envisages rapid progress in cooperation between Atlantic countries. Political stability and economic growth across the Atlantic Space create a favourable environment for partnership, overcoming the traditional divide between the North and South Atlantic. Key players such as the US, the European Union (EU), Brazil and South Africa have adopted reforms at home and deepened their mutual engagement. The successful conclusion and implementation of the Transatlantic Trade and Investment Partnership (TTIP) constitutes a turning point and a catalyst for closer ties with countries from Africa and Latin America.

The second scenario – Fragile Atlantic – portrays a region shaken by multiple crises. Anaemic growth, polarised national politics and the exit of the UK from the EU have turned Europe inwards while the US focuses on Asia and seeks to minimise its involvement in security challenges in Europe’s backyard. TTIP negotiations have been suspended while instability engulfs large swathes of Central America and Africa, with state authority and regional order crumbling in the Sahel. Multilateralism is in deep crisis both within the Atlantic Space and on the global stage and the impact of climate change is ever more pronounced.

The third scenario – Atlantic à la carte – sketches out a broadly stable Atlantic Space where all major actors take a pragmatic approach to their external relations, mainly driven by economic considerations. Commercial and investment ties between rising Asia and all Atlantic regions have expanded fast. Parts of Africa feature high growth rates even if there are questions on the sustainability of growth there. Economic links have not translated into political convergence between Atlantic regions. Brazil and African countries have contested the TTIP, perceived as cutting off the South. Sectoral cooperation within the Atlantic, while making some progress on issues of environment and security, remains rather piecemeal.

These three scenarios highlight in deliberately stark terms some of the opportunities and challenges potentially facing the Atlantic. Each of them is articulated in such a way as to be broadly consistent but of course the future holds a combination and sequence of events that cannot be anticipated. This is the reason why there is no overall indication concerning the likelihood of any of the scenarios or their components. Perhaps the only certainty is that the future will include a mix of them. In short, the point of this exercise is to use the scenarios to contemplate and discuss what might be

the consequences of the multiple, and often contradictory, trends at play in the Atlantic Space.<sup>1</sup>

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<sup>1</sup> The author wishes to thank colleagues from FRIDE and other partners in the Atlantic Future project for their insights and advice, which have greatly helped in drafting these scenarios.

## 2. Rising Atlantic

Leaders have described the Brussels summit between the EU and the US of June 2025 as an historic event in Transatlantic relations. The participation of the leaders of Argentina, Brazil, Canada, Mexico, Morocco, Nigeria and South Africa as well as the Chairperson of the African Union (AU) Commission led the media to brand it as the first 'Atlantic summit'. While no such format formally exists, this definition has captured the spirit of the gathering. A new political momentum drives the dialogue between Atlantic partners, building on the many cooperative initiatives that have sprung across the Atlantic Space in the past few years.

The last EU-US summit in 2023 celebrated the fifth anniversary of the ratification of the TTIP – an agreement whose scope has been expanding and whose impact on growth prospects for Europe and the US has exceeded expectations. Beyond the gradual lowering of tariffs on agricultural and textile products and other categories of goods, the TTIP has triggered a significant expansion of investment between the Transatlantic partners. The agreement cleared bottlenecks through the mutual recognition of standards and regulatory convergence. However, it would have delivered much less had the parties not put their house in order in the late 2010s.

The conclusion of the TTIP compounded the robust growth trajectory of the US, with an average annual GDP expansion of 2.5% between 2015 and 2020. Given the sustained immigration rates of the first two decades of this century, the US workforce remains younger than in most other advanced economies. Innovation continues to be central to the competitiveness of the US, in a global economic context where added value is chiefly generated by the services embedded in production processes. After reaching energy self-sufficiency in the early 2020s, the US has continued to make important investments in renewable energy sources and managed to reduce its carbon emissions by about 25% below 2005 level, thereby essentially fulfilling the pledge made by then President Obama back in 2014.

In Europe, growth and employment started to pick up in 2015 from the depth of the economic and financial crisis of the early 2010s but 2017 marked a turning point. The victory of the Yes camp in the British referendum on EU membership epitomised a spirit of renewed confidence in Europe. Structural reforms had by then improved the investment climate and growth rates in Southern Europe. The governance of the Euro area has deepened while progress has been made to complete the Single Market and to increase Europe's competitiveness through major investments in innovation and human capital. A two-speed Europe has emerged over the years with the Euro area at its core. However, Euro-ins and Euro-outs have reconciled respective interests, while countries such as Turkey and Ukraine are very closely associated to the EU.

Having put the political cohesion of the Union under strain, the refugee crisis of 2015-2016 subsided given a variety of internal and external factors. The wave of terrorist attacks perpetrated by the so-called Islamic State (IS) and affiliated groups in 2015 in Paris and across the Sahel and the Levant triggered a sustained diplomatic and military response, which progressively curbed conflicts across the arc of instability to the South of Europe. Europeans better coordinated and targeted their assistance to fragile countries in this vast region, often in partnership with the US and others, including substantial measures to support refugees in countries neighbouring conflict areas. These initiatives helped to staunch the flow of asylum seekers to the EU at the same time as EU member states began to pool resources for the reception and integration of refugees. The EU also took significant steps towards a common migration policy to regulate legal migration, favour the access of newcomers to labour markets and facilitate circular migration. Anti-immigration movements and parties have remained vocal across Europe but, on the whole, have not expanded their electoral



reach beyond the peak of public support registered in 2016. By the early 2020s, alongside declining unemployment rates, better-trained and often high-skilled migrant workers were making a significant contribution to fill the gaps left by the shrinking workforce in Europe.

Following the ratification and entry into force of the EU-Canada Comprehensive Economic and Trade Agreement (CETA), the relatively benign economic and political outlook in both Europe and the US paved the way for the ratification of the TTIP in 2018. The authorisation by the US Congress of exports of Liquefied Natural Gas (LNG) to Europe marked the early stages of the TTIP implementation. The joint declaration 'A pact for the Wider Atlantic' adopted by EU and US leaders upon the entry into force of the TTIP proved of great political value and generated a broad range of initiatives in subsequent years. The US and the EU are engaged in regular consultations on TTIP implementation with those countries that had concluded free trade agreements with them before the TTIP came into force, such as Canada, Chile, Colombia, Peru, Mexico, Morocco, South Africa and Central American countries. Those willing to subscribe to the TTIP framework can apply to join the pact, or parts of it, and receive technical support to that end.

Following the recession of 2015-2016 and faced with exclusion from all major preferential trade agreements, the new Brazilian government decided to change course. Differences among Mercosur partners prevented the development of a common market among its members and the conclusion of a trade deal between Mercosur and the EU. Economic diversification away from traditional commodity exports became a priority to foster Brazil's insertion in global trade and investment flows, support growth rates and provide resources to continue reducing domestic inequalities. Brazil applied to join the TTIP in 2021 (albeit negotiations only dealt with some categories of products and standards while excluding other sectors of the economy) and the TTIP-Brazil agreement is due to be signed at the 2025 'Atlantic Summit' in Brussels.

This will not be the only highlight of the event. The leaders of the AU, the EU and the US will adopt a trilateral investment pact that will create a stronger platform for economic ties between the parties. This will be the third plank of a renewed partnership between Africa and its Atlantic partners. The first consisted of the Compact for Africa's Growth concluded between the US, the EU and the AU in 2019. The Compact committed the TTIP parties to proceed towards the harmonisation of trade preferences vis-à-vis Africa and to foster the coordination of their development assistance. This included a push towards more trilateral cooperation between Europe, the US and African countries, with a view to avoid duplication, simplify procedures and maximise effectiveness.

The Platform for Resilience launched in Abuja in 2022 was the second pillar of Africa's enhanced engagement with Atlantic partners. It involves Brazil and various other Latin American countries and operates on both sides of the Atlantic. The multi-stakeholder Atlantic Resilience Network had already been active for three years and played an important role in confidence-building, agenda-setting and match-making to join forces on issues of maritime security, anti-piracy, infrastructure protection and capacity-building in the security sector. The decision to establish the Platform marked an upgrade in cooperation, in particular through a new common fund for joint projects and the establishment of a standing review body to assess their implementation and set priorities for future ones.

Alongside progress in these areas, cooperation on energy and environmental issues has also intensified across the Atlantic. By the mid-2010s, the Atlantic region already accounted for about 60% of global power generation from renewables and the share of

renewables in the energy mix of the US and Europe in particular has grown rapidly since then, although fossil fuels still make up the biggest share. Various public-private partnerships have been set up to fight energy poverty in Africa and mainstream smart grids and power storage devices in rural areas. As a result, the number of people lacking access to electricity (about two thirds of African population in 2014) has been reduced by half in the past ten years. Long-standing cooperation between Brazil and African countries on agricultural and food security issues has been expanded further, developing new generations of drought-resistant seeds, improving the resistance of crops to climate change and increasing the production of biofuels. Brazil and African countries have also engaged in trilateral cooperation with partners from the North Atlantic and international organisations, which has helped channel more resources and share expertise.

The rise in Atlantic-level cooperation in the last decade is also owed to a generally favourable political context in partner countries. While progress remains uneven, political stability and reforms in the South Atlantic matched renewed economic dynamism and confidence on the international stage in Europe and the US. The expansion of the middle classes in Africa and South America has created strong domestic constituencies calling for more accountability and respect for the rule of law by elected politicians. The political crises of 2015-2016 in Brazil and South Africa ultimately proved crises of growth, with citizens asking more from their governments in terms of services, the fight against corruption and more opportunities for all groups in still very unequal societies.

China has become a major investor in Europe and Africa and to a lesser extent in South and North America. China's economic presence in Africa in particular has evolved from an almost exclusive focus on commodities and related infrastructure to the delocalisation by Chinese companies of labour-intensive manufacturing to African countries with low labour costs. Goods produced there are either exported to other regions or, increasingly, directed to the African consumer market, which has been the fastest growing in the world for five consecutive years since 2020. This trend has led to so-called 'reverse conditionality'. Having long stopped receiving aid conditional to reforms from traditional donors, many reform-oriented governments in Africa have started setting conditions for others, whether from Asia or the Atlantic region, to do business there. These include for example training the local workforce and complying with more demanding labour laws and safety, environmental and governance standards.

Growing recognition of the benefits and potential of cooperation among Atlantic partners corresponded to the progressive blurring of the traditional North-South divide in the Atlantic space. The Atlantic remains a very diverse region and countries therein continue to differ on various issues, for example the use of force and other coercive measures to deal with international crises. On balance, however, respective narratives and perceptions have been converging around the notion of global and regional public goods such as political stability, flow security and sustainable development.

The adoption of the UN Sustainable Development Goals framework and Agenda 2030 in 2015 paved the way for deeper dialogues on development and governance issues both on the global level and within the Atlantic. The new goals have become the catalyst of public and in particular private finance for development, framing the activities of the 2019 Compact for Africa's Growth, mentioned above, and a range of bottom-up initiatives involving the private sector from the North and the South Atlantic. The conclusion and the smart implementation of the TTIP, as an agreement open to consultation with and the membership of partners, represented another important pull factor for cooperation among Atlantic countries. As the President of South Africa told the press on her way to the Brussels summit: "I will meet leaders from Africa, Europe,

and the Americas to discuss our common future. A strong South Africa is and will be a strong partner.”



### 3. Fragile Atlantic

The fall of Kano to a coalition of insurgents in 2024 has unleashed a wave of panic in Abuja. In a reversal of its earlier stance, the Nigerian government urged the international community to put boots on the ground to help it quash the insurgency. However, the Kano debacle should have come as no surprise. The UN, the AU and major non-governmental organisations had long warned that the disorder engulfing much of the Sahel required a robust response to both counter extremist and criminal networks and to shore up fragile states. The strong plea by the UN Secretary General at the Sahel Donors Conference in Paris in 2020 to at least double the efforts to support countries in that region fell on deaf ears.

The conjunction of demographic pressures and environmental stress created the conditions for the further destabilisation of this already vulnerable region. With fertility rates ranging between 6 and 7 children per woman in countries like Niger, Mali and Chad in 2014, the Sahel population has almost doubled between 2010 and 2025, and that of Nigeria has grown from about 160 to 240 million over the same period. In the late 2010s, exceptional drought hit the Sahel, affecting the livelihoods of millions of people and creating further resentment against corrupt national elites but also foreign actors. In the space of only five years, it is estimated that 20 million people have been displaced within countries and across borders to escape famine and insecurity. Various criminal and radical organisations learnt from the mistakes of earlier movements such as Boko Haram, whose brutality alienated the local population. They adjusted their tactics to fill the void of state capacity and legitimacy and began to connect in loose coalitions voicing often disconnected but deeply held grievances. They started funding basic social services and created sources of income for deprived locals, whether by getting involved in illicit trafficking or by joining military operations against local regimes or competing organisations. At first operating in rural and sparsely populated areas, they expanded their reach to urban centres receiving an increasing number of climate- and conflict-refugees.

Aside from massive governance deficits in the region, the collapse of order in large swathes of the Sahel exposes a broader disengagement by Europeans and Americans from international commitments. Europe has grown more politically fragmented after the traumatic experience of the Brexit in 2017-2018, alongside pressing security challenges and related societal tensions, unresolved economic governance issues and overall lagging growth. For the two Transatlantic partners, the suspension of the agonising negotiations over the much contested TTIP in 2018 both reflected and compounded strains in relations. While the formal commitment to mutual defence within NATO still stands, many openly question its reliability. Back in 2019, the pamphlet 'Estranged partners' became a best-seller on both sides of the Pond.

The American administration that took office in January 2017 proved to have little time for Europe. In the course of that year, the exit of the UK from the EU and the gridlock of TTIP negotiations appeared to confirm the instincts of the new US leadership that Europeans could not get their act together. Europeans retorted that the US had been inflexible on TTIP following the ratification and entry into force of the Trans-Pacific Partnership (TPP) in 2016. This agreement put European companies at a disadvantage in Asian markets, resulted in some trade diversion to the advantage of TPP members and provided the platform for standard setting among them, with implications for Europe and other third parties. In political and security affairs, some Europeans claimed that they played the leading role in dealing with Moscow over the Ukraine crisis and did not see sufficient engagement on this by the US beyond some reassurance measures taken in 2014-16 in the NATO framework. As Americans and Europeans engaged in finger pointing, Ukraine's domestic politics grew ever more

complicated. With a stalled reform agenda and a shrinking economy, a political coalition advocating rapprochement with Moscow gained ground in Kiev.

Following the terrorist attacks that swept Europe and various countries in the Middle East in 2015-2016, Europeans and Americans have continued to work together to prevent the further destabilisation of this region and dislodge the so-called Islamic State from their strongholds in Syria and Iraq. With hindsight, however, their security-driven approach did little to address the root causes of violent militancy in the Middle East and North Africa, not least given the tolerance of repression by authoritarian regimes there.

Meanwhile, two main drivers led the growing engagement of the US in the Asia-Pacific. For one, increasing returns in trade and investment with the TPP countries. For another, the evolution of the complex relationship with China, featuring at the same time a progressive military build-up on both sides and burgeoning economic ties, alongside an effective dialogue on climate change. In a surprising move, the US joined the Asian Infrastructure Investment Bank in 2019 alongside the conclusion of a protocol for cooperation between the latter, the Asian Development Bank and the World Bank.

For its part, the EU proved unable to fully get past the multiple crises of the early to mid-2010s. Recession was overcome but growth did not pick up across much of the Eurozone, while unemployment rates remained high. Large refugee and migrant flows to Europe turned out to be even more damaging to the bloc's cohesion than its economic woes. Europe received one million people in 2015 and a similar number in 2016. In the aftermath of the terrorist attacks in Paris in 2015, the re-establishment of border controls across much of the EU and the expulsion of a substantial share of the newcomers did not reassure public opinion – xenophobia continued to surge in opinion polls. Under pressure from voters, European leaders decided to draw a line in 2018 and announced a massive investment in the security apparatus and reception capacities of transit countries, including the fragile transitional authorities in Libya and Syria. The controversial plan worked to reduce human flows but today few believe that this will be a sustainable solution in the face of the crumbling order in the Sahel.

These trends fuelled the politics of resentment within and between EU member states and the further renationalisation of the political discourse in many countries. By the early 2020s, the political landscape of various EU member states featured a clear cleavage between what its opponents called scornfully the 'central bloc' of moderate parties from the centre-right and centre-left and their competitors on the extremes of the political spectrum. The latter gained weight by opposing (depending on their ideological leaning) the Euro, European integration or migration flows or a mix of all of them. These parties have heavily conditioned the national political agendas and stifled cooperation among European countries. In an already difficult political climate, the withdrawal of the UK from the EU in 2017 further depressed confidence in the European project.

Political travails at home drained Europe's initiatives and resources abroad. In their Southern neighbourhood, Europeans have stepped up cooperation with local regimes with the primary objective of preserving a semblance of order and stem migration to Europe. However, the deflagration of the Sahel points to the limits of this approach. In fact in some ways it aggravates the drivers of fragility in parts of the Arab world and Africa. With the US and also the Europeans less and less involved in the continent, the Africans are turning elsewhere. Rumours are growing at the AU headquarters in Addis Ababa that the 10<sup>th</sup> AU-EU summit of 2026 might be postponed, while preparations are running at full speed for the upcoming Forum on China-Africa Cooperation (FOCAC) summit.

Loosening links between Europe, the US and Africa are not the only symptom of the centrifugal forces at play in the Atlantic Space. Once regarded as a major rising power, Brazil entered in 2015 what pundits have defined its 'lost decade'. The slowdown in demand for commodities since the mid-2010s affected what had been the main source of the country's growth. After the end of trade negotiations between the EU and Mercosur, Brazil and the EU explored the scope for a bilateral free trade deal but eventually did not pursue it. Burdened by scandals that have decimated its economic and political elites, Brazil has not taken the path of recovery through the diversification and modernisation of its industrial system, while lagging behind on innovation not only compared to the US and Europe, but also to emerging Asia. Insufficient investment and technical obstacles have delayed and constrained the exploitation of off-shore oil and gas fields, while hydrocarbons demand in China is largely met by imports from the MENA region and increasingly Russia and Central Asia. Low growth rates, on a par with Europe, have put the squeeze on welfare and public services, generating frustration among the middle class.

Urban areas effectively beyond the reach of law enforcement agencies present not only a major social challenge but also a growing security threat in Brazil as well as other countries in Latin America and Africa. The decline of state authority in countries such as Honduras, Salvador and Guatemala in the face of organised crime has triggered Mexico's decision to militarise its Southern border in 2023. In early 2025, the newly sworn-in US President announced his decision to complete a system of walls and fences to seal the country's border with its Southern neighbour. If this long-debated plan is carried out, Mexico will find itself sandwiched between two walls.

No walls can stop, however, the impact of climate change, which has produced extreme weather conditions with increasing frequency across the Atlantic Space and at the global level. Alongside the severe drought in the Sahel and by now regular floods in Central Europe, storms and hurricanes have repeatedly hit Central America, the Caribbean and North America in recent years. But it was in 2021 that a tropical hurricane inflicted unprecedented devastation upon Cuba and Florida, causing over 5000 victims across the region. While this was an instance of swift mobilisation of international solidarity and the shared challenge fostered the further improvement of relations between the US and Cuba, the disaster was also a stark reminder of the inadequacy of the efforts made to mitigate climate change. In particular, the media pointed the finger to the US, China and Europe for falling short of their commitments to reduce emissions and contribute to multilateral funds to help deal with adaptation to climate change.

This is just one instance of the broader crisis of multilateral cooperation. The 2015 adoption of the Sustainable Development Goals and the Paris agreement on fighting climate change came to be seen as the last major multilateral deals and their very uneven implementation reflects the gridlock of global governance. The traditional architects of the liberal order – the US and Europe – have lost traction and nobody has stepped in to help shape new rules. The domestic difficulties of large regional powers like Brazil, Nigeria and South Africa have contributed to undermine prospects for cooperation in respective regions, despite their rhetoric to the contrary. The BRIICS grouping (which since 2022 includes Indonesia) has provided an anchor for Brazil and South Africa to shore up their shaky international aspirations by association with rising powers in Asia. But this format has never quite delivered on expectations, not least given enduring geopolitical frictions between heavyweights China and India.

## 4. Atlantic à la carte

The Brazilian President's claim that the 'North Atlantic bloc' has created new divides between North and South and weakened multilateralism met with a mixed reaction at the Brazil-Africa summit in 2025 in Luanda. African leaders remain mostly receptive to this sort of narrative but many of them leave it at that – talk. In practice, they readily admit that 'Africa's business is business' and have acted accordingly for years.

The brand new Chinese naval base that delegates look over from the big windows of the Chinese-built convention centre testifies to the openness of Angola, as well as much of Africa, to deals and partnerships with any foreign actor that has money, creates jobs for the locals and does not interfere with domestic politics and power structures. Over the years, African elites have become better at playing different partners off against each other and extract maximum benefit from them. They have also sought to upgrade and diversify the scope of their economic partnerships away from exporting commodities. The more stable and advanced among Africa's countries have managed to enter and climb global value chains thanks to low labour costs, improved workers' skills and nurturing local entrepreneurship. Some have positioned themselves as manufacturing hubs for goods destined to the booming middle classes in Asia and to expanding consumer markets in South America and Africa itself.

Despite considerable progress in many countries, a debate has emerged about 'multi-speed' Africa. Some critical observers stress that the success stories obfuscate the fact that parts of Africa like the Sahel and the Democratic Republic of Congo are still lagging behind due to poor governance and lack of investment.

Even where growth has been more robust, international institutions regularly warn about the challenges of political and economic governance in Africa. Many countries have enjoyed high growth rates but have had much less success in improving the rule of law, tax collection and the effectiveness of public institutions. The new Chilean head of the World Bank quipped at the World Economic Forum annual meeting in Davos in 2023 that 'sprinters are not good at long-distance running' since they may not make it to the finishing line. The following year, a joint report by the OECD and the African Development Bank reiterated the message, stressing that inequality and corruption remain serious challenges to Africa's sustainable growth. According to the report, larger fiscal space should be put to use to improve education and health services and there is a need to pay more attention to social cohesion.

The selling or leasing of vast areas of arable land by African countries to companies from Asia and the Gulf, often as part of larger deals to attract investment in the manufacturing or service sectors, has proved particularly controversial. Civil society and small farmer organisations have repeatedly denounced the risk of trading Africa's food security for that of others. Government authorities respond that there is plenty of land available and the future of Africa's food security depends on adapting to the impact of climate change through more efficient and sustainable agricultural techniques and technology transfers. They call on partners to help them develop their agriculture to its full potential instead of seeking to constrain their growth.

Brazil is an important partner for Africa in terms of trade, investment and also development, with assistance focusing on the agricultural sector and food security. Brazil-Africa summits take place alongside the broader gatherings of African and South American leaders and have proven by far the most dynamic vector of the inter-regional relationship. In particular, the Brazil-Africa Action Plan on Resources and Climate concluded in 2020 outlined an ambitious agenda to foster a sustainable development model based on expanding renewable energy sources, improving energy efficiency

and adapting to the impact of climate change. The following year, the IBSA format was instrumental in bringing India into the loop as a third major party in the Action Plan.

This plan was part of the proactive international strategy deployed by the Brazilian government under the 'Brazil renaissance' mantra, coined to mark a clear break after the years of crisis in the mid-2010s. The steady rise of oil prices (due to chronic instability in the Gulf), alongside larger than expected export volumes, in particular to China and India, have boosted the country's revenues, which have been channelled into sovereign investment funds. Two-way investment between Europe and Brazil has picked up substantially thanks to both Brazil's windfall profits and the liberalisation of some sectors of its economy, while the growth of its middle class has made it an increasingly important market for European exports.

However, closer economic ties have not translated in political convergence between the EU and Brazil, with mutual relations remaining mostly cordial but rather aloof, when not subject of controversy. The Brazilian government has led the countries from the South Atlantic who contested the TTIP, which entered into force in 2020. South Africa and Brazil leveraged their membership of the BRICS group and initiated a BRICS leaders' statement at the Sao Paulo summit in 2022 accusing the US and the EU of 'protectionism by other means' via non-tariff barriers. And yet, the polarising effect of the TTIP within the Atlantic Space owed more to politics than to economics.

Compared to the ambitious designs of some of its early architects, almost seven years of painful negotiations and the opposition of powerful domestic constituencies in both the US and Europe significantly affected the scope and depth of the TTIP. On the European side, the entry into force of the TPP in 2016 was a powerful incentive to conclude TTIP negotiations despite enduring public scepticism. And since the conclusion of the TTIP, negotiators have struggled to make much progress on regulatory cooperation. Some analysts note that these difficulties reflect different, deep-held societal preferences on both sides of the Atlantic and stress that regulatory convergence and rule-making take time, while the impact of the TTIP has not been negligible. By some estimates, it has generated at least 500,000 additional jobs across Europe and the US over the last five years. Most agree, however, that paying only lip service to the concerns of other economic partners during the TTIP negotiations and failing to include in the agreement mechanisms for regular consultations with them was a mistake.

More broadly, the TTIP did not have a transformational impact on the transatlantic partnership. Europe and the US remain very close partners on many levels but, increasingly, they see each other as important partners among others. The reduction of tensions with Russia, given the 'agree to disagree but get on with business' approach prevalent in the post-Putin context, and the relative if precarious stabilisation of the Middle East – a region exhausted after years of civil war in Syria, Iraq and Libya – have lowered the salience of geopolitical considerations in US-Europe relations.

In some important sectors, however, Americans and Europeans continue to see mutual engagement as vital to their respective interests, security and prosperity, and to their influence on the international stage. In particular, they have intensified consultation and coordination on the regulation of new technologies, notably biotechnologies and nanotechnologies. The Next Generation Technology Platform (NGTP) that the EU and the US launched in 2019 has become the hub for dialogue with a number of countries, private actors and leading experts from the Atlantic Space and beyond with a view to enhancing the safety and security of the applications of new technologies while encouraging their diffusion and maximising economic gains. In 2022, the NGTP started a formal dialogue with China, and the platform has since increasingly connected with proceedings at the UN level aiming to create a global framework of rules. While this is



work in progress and many are sceptical that key players will agree on common standards, it is an important example of the potential for mini-lateral groupings to promote multilateral engagement.

On the other hand, as long anticipated, European and American foreign policies have taken an increasingly geo-economic turn, notably in competing for the booming consumer markets of Asia. The steady growth of both China and India, despite countless warnings of their imminent hard landing, has created an irresistible pull for all other economic partners. China's GDP is widely expected to overtake that of the US (at market exchange rates) in 2026, with India being the third largest national economy by the same measure. Both the EU and the US trade flows with China are today roughly 25% larger than EU-US bilateral flows (although the difference is smaller when considering trade in 'value added' terms), while Europe has proven more open to Chinese investment than the US. Given deepening economic ties with Asia, the share of intra-regional trade has been falling in Europe from over 60% in 2015 to 54% in 2025 and has only marginally expanded in South America and Africa, where intra-regional trade remains a small share of total trade.

On balance, all countries in the Atlantic Space have taken a pragmatic and transactional approach to their external relations. As the President of the European Commission put it, the EU has been focusing on 'Union building' at home, even if that has meant reconciling different priorities and levels of ambitions among member states, with a proliferation of 'pioneer groups' and of countries opting out from specific policies. While still a powerful economic actor, this EU at variable geometry has progressively downscaled its ambitions to shape a common foreign policy with a global reach and has been focusing on supporting the precarious stability and development of its wider neighbourhood. The US is the only actor that maintains the capacity to play a pivotal role in political and security matters on the global stage, but its room for manoeuvre is seriously constrained by China's growing political and economic influence, including in the Atlantic space.

Alongside economic links, there has been no shortage of cooperation among Atlantic countries on specific issues of common concern. However, initiatives have been rather disjointed or affected by different political priorities. For example, the Atlantic Renewable Energy Dialogue launched in 2018 has proved a useful platform to exchange experiences in promoting renewable energy sources but evidence of policy or technology transfer has been limited so far. Most progress in this field has come from the private sector but has not been framed by any particular regional mechanism. Overall more productive has been the Climate-Health Project involving a number of public and private partners from all Atlantic regions to deal with the multiple impacts of climate change on people's health. Efforts to set up a monitoring mechanism to oversee the implementation of the Sustainable Development Goals at Atlantic level have instead met the scepticism of many countries from both the North and the South of the Basin.

Cooperation between Atlantic regional bodies has progressed and taken new forms, with the private sector playing an increasing role therein. For example, the EU has launched the flagship programme 'Roads to growth' in partnership with a range of African institutions and countries, supporting joint ventures between European and African business to upgrade the transport infrastructure of Africa, as a key lever of growth. In the South Atlantic, CELAC and the African Union have established a yearly forum at senior officials level to exchange experiences and lessons in the fight against organised crime. The forum has triggered some concrete, targeted initiatives on matters related to organised crime in urban areas, improving the livelihoods of rural communities vulnerable to criminal organisations and strengthening the judiciary.

Cooperation has also advanced in supporting West African countries to cope with trans-national threats such as piracy and in particular drugs and human trafficking. The US, the EU (and its member states) and Brazil have long worked with coastal countries there to secure maritime spaces and fight corruption. Over time, bilateral cooperation has paved the way to more coordination between separate initiatives and subsequently some important joint programmes. Piracy is no longer a primary concern in the region and the expansion of drugs' flows across the Atlantic has been curbed, also thanks to new domestic policies in production (South America) and destination countries (mainly Europe). The strong investment by Europe and the US in targeting issues of good governance, capacity building and human security in the Sahel has helped deal with some of the drivers of instability in that region too. The engagement of local governments and informal authorities, as well as of African regional bodies, has been critical to these achievements. Most countries in the Sahel remain however fragile and, unlike other parts of Africa, dependent on external support to meet the needs of their booming population.

## 5. References

A number of papers published in the context of the Atlantic Future project, and other important publications addressing developments in the Atlantic Space, have informed these scenarios.

Besides various contributions from other Atlantic Future work packages, the scientific papers produced by Work Package 9 on 'Emerging trends and scenarios' have provided much food for thought in terms of actors and factors shaping the future of the Atlantic:

GRATIUS, Susanne. Political, social and cultural trends in the Atlantic. *Atlantic Future Scientific Paper*, 2015, 35.

HAMILTON, Dan S. The Future Pan-Atlantic Economy. *Atlantic Future Scientific Paper*, 2015, 33.

LÉTÉ, Bruno. Addressing the Atlantic's Emerging Security Challenges. *Atlantic Future Scientific Paper*, 2015, 34.

TEDSEN, Elizabeth, STEFES, Christoph, SMITH, Lucy, and WEINGARTNER, Katherine. Patterns of Production and Consumption in the Atlantic Space and Future Environment and Resource Scenarios. *Atlantic Future Scientific Paper*, 2015, 36.

Other publications have offered a variety of useful insights and perspectives, notably:

Atlantic currents. An annual report on wider Atlantic perspectives and patterns, Washington, D.C. and Rabat: The German Marshall Fund of the United States and OCP Policy Center, October 2014.

Atlantic currents. An annual report on wider Atlantic perspectives and patterns, Washington, D.C. and Rabat: The German Marshall Fund of the United States and OCP Policy Center, October 2015.

HAMILTON, D.S. and PELKMANS, J., eds. Rule Makers or rule takers? Exploring the Transatlantic trade and investment partnership. London: Rowman and Littlefield International, 2015.

HAMILTON, D.S., ed. The Geopolitics of TTIP. Repositioning the Transatlantic Relationship for a Changing World. Washington, DC: Center for Transatlantic Relations, 2014.