

INTERPARLIAMENTARY CONFERENCE FOR THE COMMON
FOREIGN AND SECURITY POLICY AND THE COMMON
SECURITY AND DEFENCE POLICY

SESSION IV: GEOPOLITICAL, STRATEGIC SHIFTS IN THE WORLD

Today's global system has a growing number of powerful actors, which increases uncertainty; the risk of a breakdown in the balance of power between the great powers is larger than at any time since the end of the Cold War.

As a result of the Russia-Ukraine war, the multilateral system is becoming increasingly fragmented, with countries joining regional or ideological clubs and international cooperation is becoming increasingly organized through different clubs of like-minded countries. For example, forms of cooperation such as the G7 play a greater role ([Puglierin 2023](#)).

The widening divisions and weakening consensus among the great powers is also reflected in the increased [number](#) of vetoes against UN Security Council resolutions: in 2022–2024, 14 vetoes were cast (10 of them by Russia) compared to 7 in 2019–2021.

The threat to international security is demonstrated by the increasing armament. Military spending [increased](#) worldwide last year, including [spending](#) on nuclear weapons. The number of armed conflicts has also [increased](#). The geopolitical, economic and humanitarian impacts of the fighting in Ukraine and the Middle East are still unpredictable.

The United States retains its leadership in the international system, has the strongest military power and its companies remain dominant in the global market, but China is now ahead in terms of its [share](#) of global exports and its [share](#) of the world economy based on purchasing power parity.

The current rivalry between the two great powers is economic and technological, but the security agreement signed in 2021 between the United States, the United Kingdom and Australia ([AUKUS](#)) is intended to counterbalance China's strengthening in the Indo-Pacific region from a military point of view.

The importance of the Indo-Pacific region is further enhanced by the rapid economic development of India and Indonesia, in addition to that of China. According to PwC's [calculations](#), by 2050, the

economic power of China and India will overtake that of the United States, with Indonesia in fourth place.

The BRICS group (Brazil, Russia, India, China, South Africa), an alternative to the Western world order, was enlarged by five new members (United Arab Emirates, Iran, Saudi Arabia, Ethiopia and Egypt) at the beginning of 2024, reinforcing the intention to rival the United States and the European Union in political and economic power.

In recent years, the European Union has faced challenges such as illegal migration and Russian energy dependence, and its security situation has become more fragile as a result of the Russia-Ukraine war [[P9_TA\(2024\)0104](#)]. Despite its efforts, it has lagged behind global competitors in the economic and world trade competition, with its share of world GDP declining, according to the International Monetary Fund (IMF) [figures](#).

Recent crises, caused by the COVID-19 pandemic and the outbreak of the Russia-Ukraine war, have highlighted the global dependence of countries. This is reflected in natural resources such as oil and natural gas, as well as in vital processes such as the digital and green transitions that require critical raw materials.

Competitiveness on the one hand, and energy security and climate change on the other, are global strategic issues, and the latter are at the same time the most divisive issues in global politics and therefore have a high geopolitical risk.

The 2024 national elections are of particular importance, with half of the world's population in more than 70 countries set to go to the polls this year. Rising inflation and slowing economic growth could lead to widespread voter discontent in a large number of countries, increasing the risk of social unrest.

The presidential election in the United States in November is particularly critical from a global perspective, as the outcome could have a major impact on the country's relations with the European Union and China. ◆



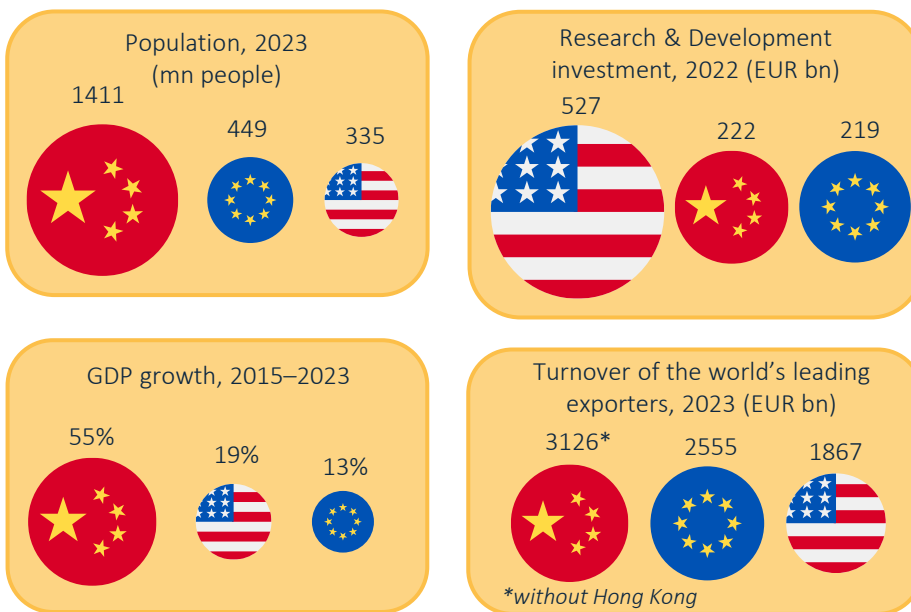
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THE MAIN GEOPOLITICAL CHALLENGES OF 2024



2

MAIN INDICATORS FOR THE UNITED STATES, CHINA AND EU27



3

THE HEADQUARTERS OF MAJOR GLOBAL COMPANIES



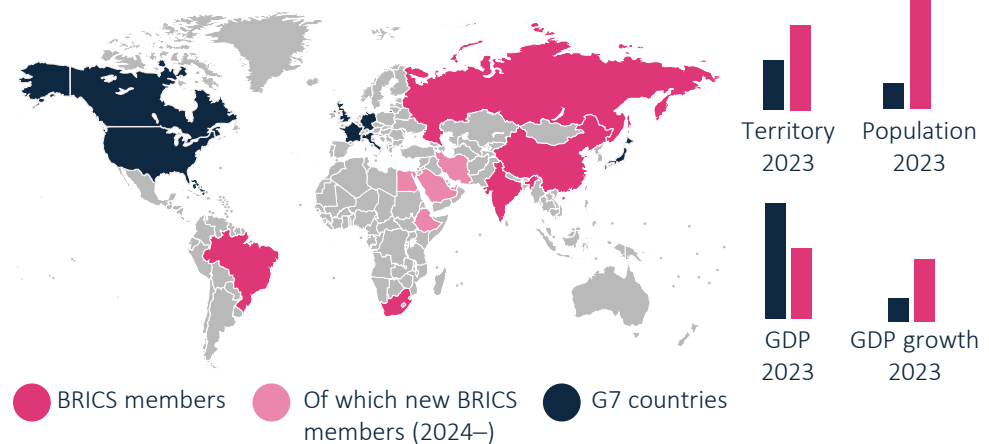
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NUMBER OF NUCLEAR WARHEADS, 2023



5

THE G7 AND THE BRICS COUNTRIES



SOURCES

- 1 Thomson Reuters | 2 World Bank; EU Industrial R&D Investment Scoreboard 2023; Eurostat [ext It introeu27 2020]
 3 Global Top 100 Companies. PwC, April 2024 | 4 ICAN Annual Report 2023 | 5 World Bank