

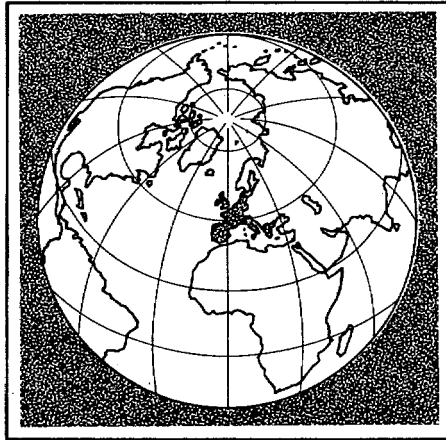
EUR 12: diagrams of the enlarged Community



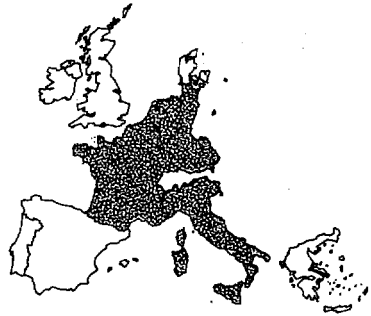
European File

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Directorate-General for Information,
Communication and Culture
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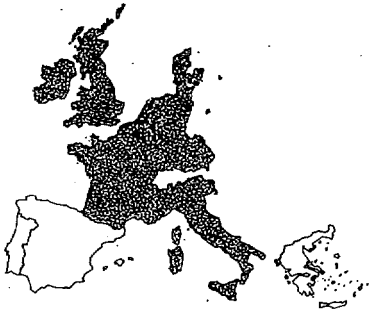
5-6/86
March 1986



1952 : EUR 6



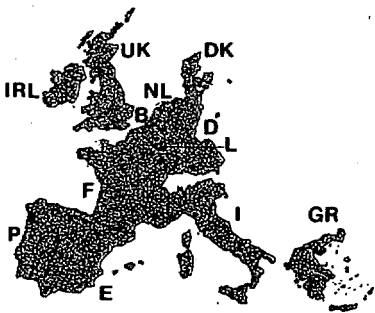
1973 : EUR 9



1981 : EUR 10



1986 : EUR 12



This issue has been prepared with the help of Eurostat, the Statistical Office of the European Community.

The abbreviations used for the names of Community Member States are shown on the map opposite.
JAP = Japan.

The Community, its territory, its population

Six Member States in 1952, twelve in 1986: the European Community today joins together more than 321 million citizens, from Denmark to Portugal, from the Shetland Islands to Crete.

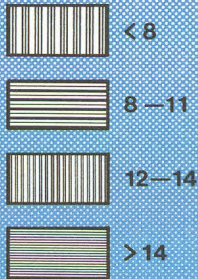
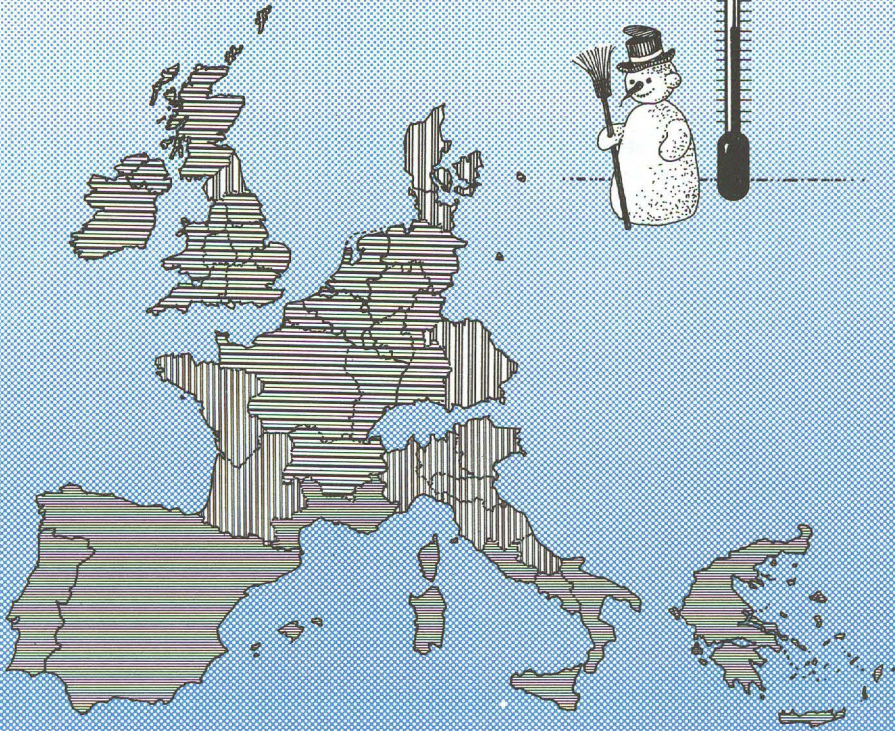
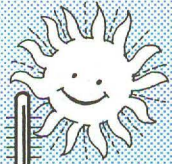
Rich in their diversity, the countries of the Community also share a certain number of common values. By forming a partnership, they want to improve the prospects for democracy, for peace, and for a better distribution of prosperity.

With less than 2% of the globe's surface, the enlarged Community has 7% of its population. Average population density is therefore quite high; there are, however, sharp contrasts between the Netherlands, where the density far exceeds that of Japan, and countries like Ireland, Spain or Greece (page 5).

The inhabitants of the Community far outnumber those of the United States. Common to the industrialized countries, however, is the ageing of their population, as witnessed by the relatively low number of young people under 15 and the high proportion aged over 64 (page 6). Europe's already limited share of the world population is thus destined to diminish during the coming decades; in 2020, Community citizens will number no more than 4% of the world's inhabitants.

THE COMMUNITY AND ITS CLIMATE

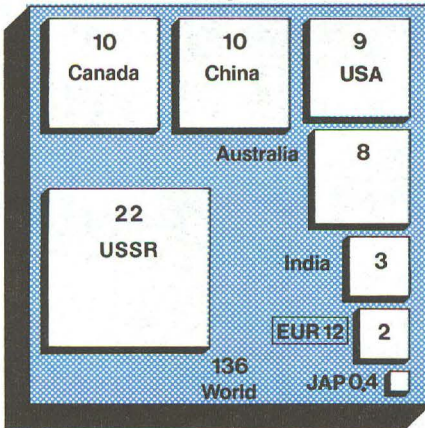
Average temperature in the Community countries
(January to December, days and nights, in degrees Celsius)



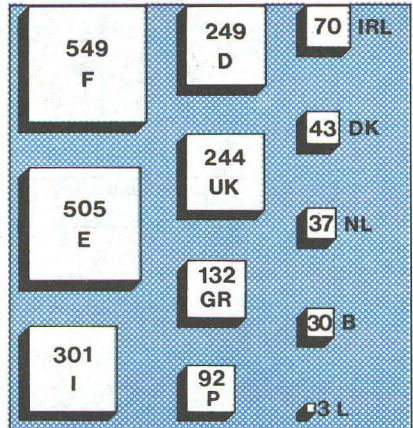
Source: Eurostat.

A SMALL AREA A HIGH POPULATION DENSITY

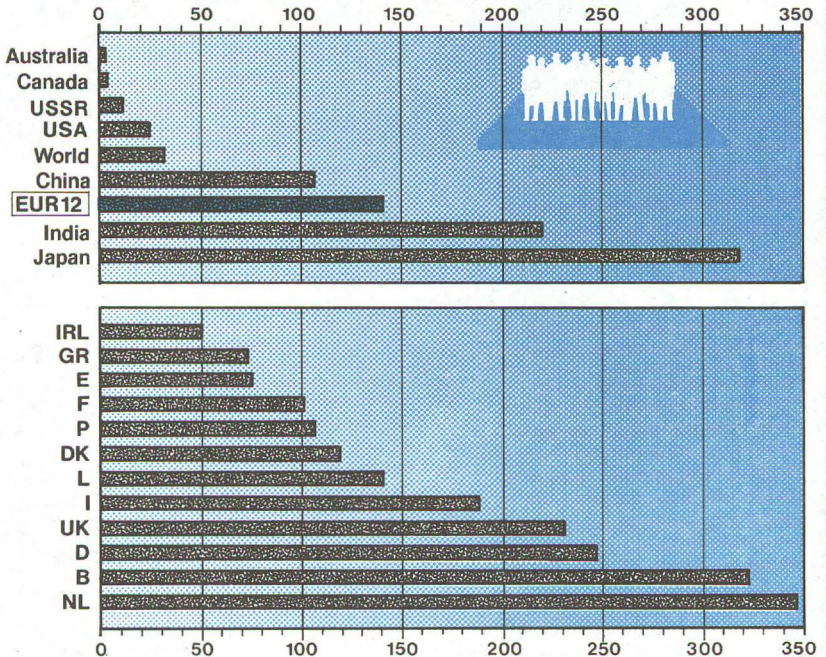
Area, millions of sq. km



Thousands of sq. km



Density (inhabitants per sq. km, 1983)



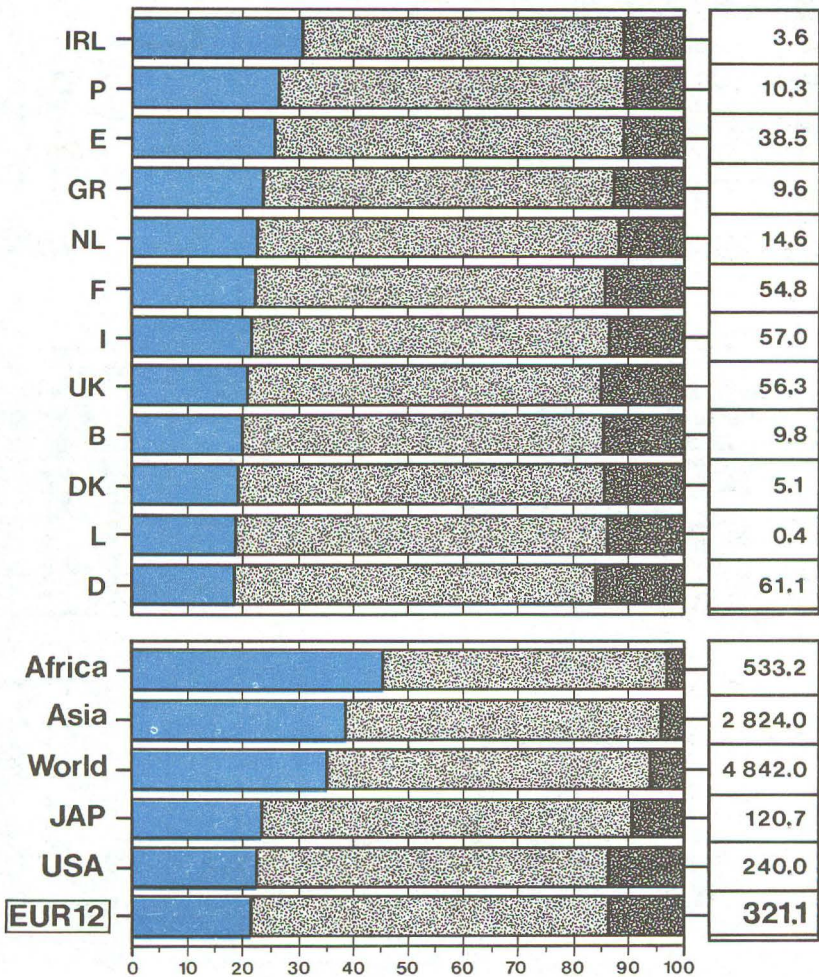
Source: Eurostat.

21% AGED UNDER 15 IN EUROPE, 45% IN AFRICA

Population by age group (1985, as %)



Total population (in millions)



Source: Eurostat.

The standard of living: not to be pitied, but . . .

Some citizens of the Community have seen their purchasing power curtailed by the international economic crisis. Nevertheless, by world standards, the average European is relatively rich. The Community's gross domestic product¹ per head is about 270% of the world average, compared with 30% for China and nearly 400% for the United States (page 8).

Within the Community, fairly pronounced regional disparities stand out: measured in purchasing power standards,² gross domestic product per head is distinctly lower in the more agricultural regions of southern Europe, as well as in Ireland (page 9).

The number of television sets, telephones and private cars also gives interesting indications of relative living standards (page 10).

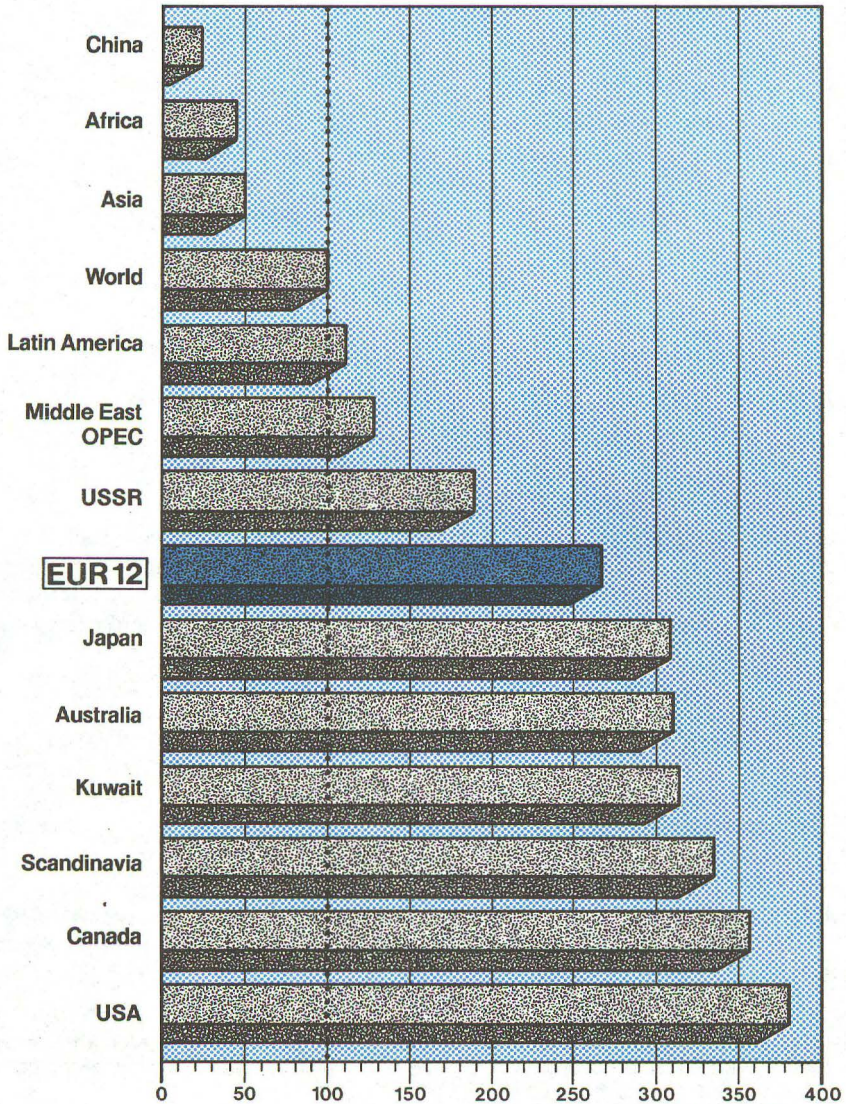
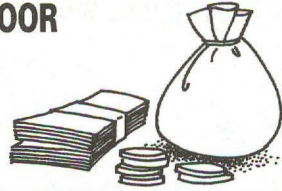
The Community has not failed to react to these disparities. It is busy intensifying its efforts to develop its less prosperous regions. It is also pursuing an ambitious policy of cooperation with the Third World.

¹ Briefly defined, GDP is the final result of all producer activity. In order to limit the effect of inflation and of variations in the exchange rates of the different currencies, it has been calculated in volume at 1975 purchasing power and price parities.

² PPS represent in all cases an identical volume of goods and services, irrespective of the price level.

THE RICH AND THE POOR

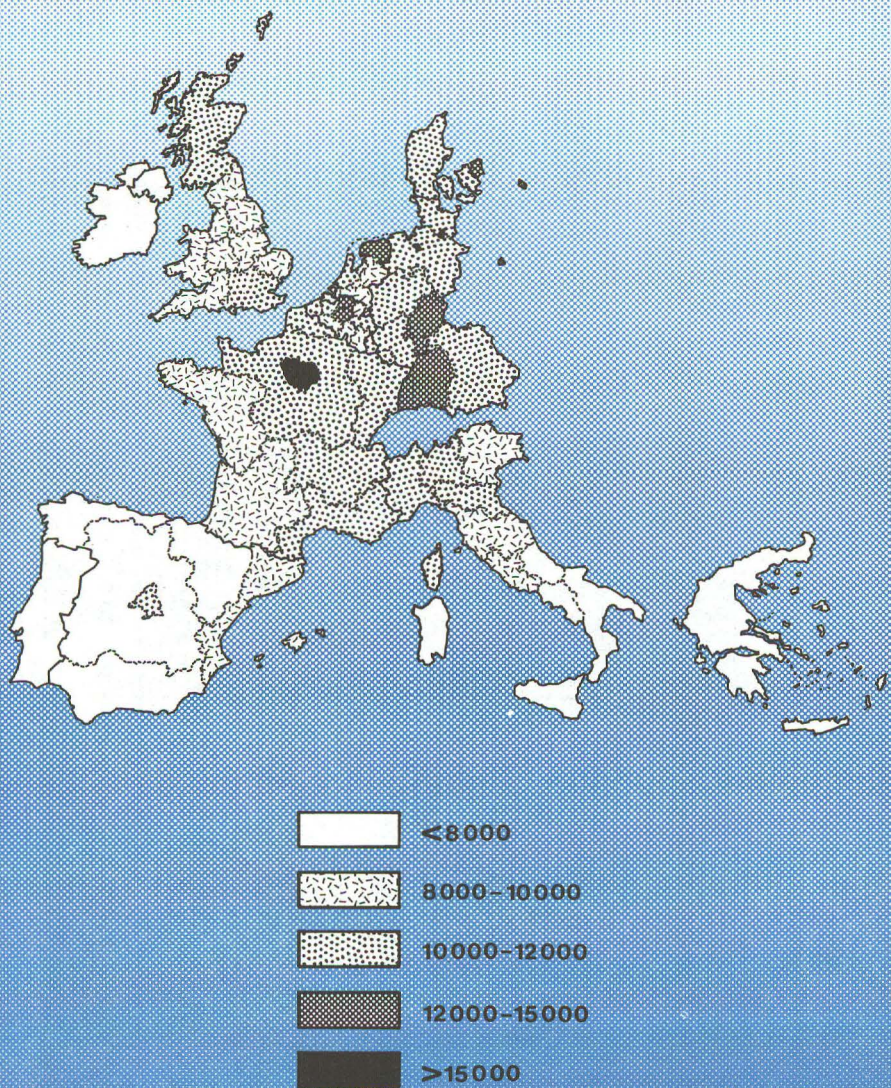
Gross domestic product per head
(1982, world = 100)



Source: Eurostat.

STANDARDS OF LIVING IN THE COMMUNITY

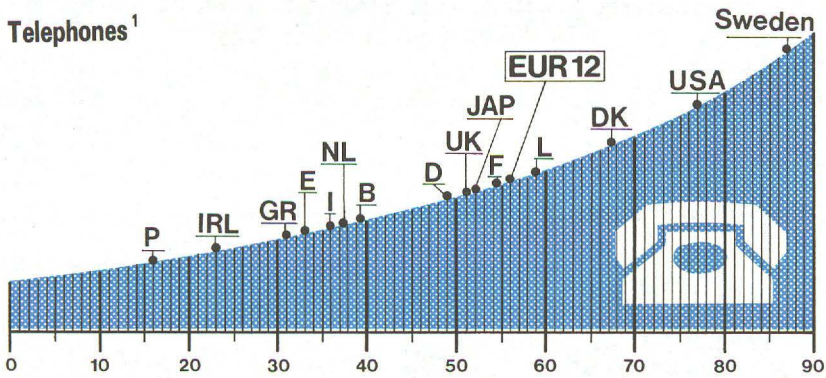
Gross domestic product per head in the regions of the Community
(in purchasing power standards, 1983)



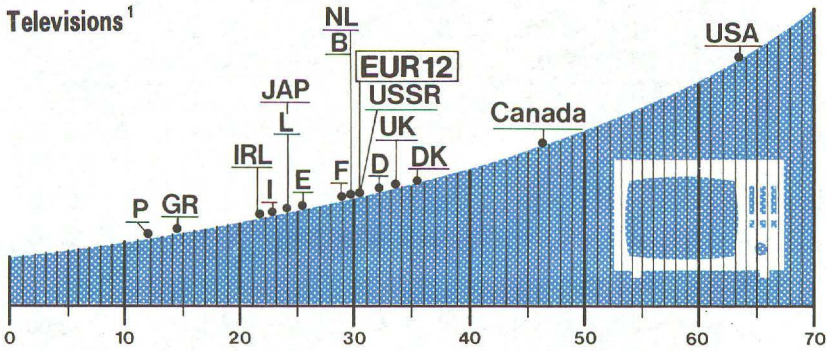
Source : Eurostat.

ABILITY TO COMMUNICATE

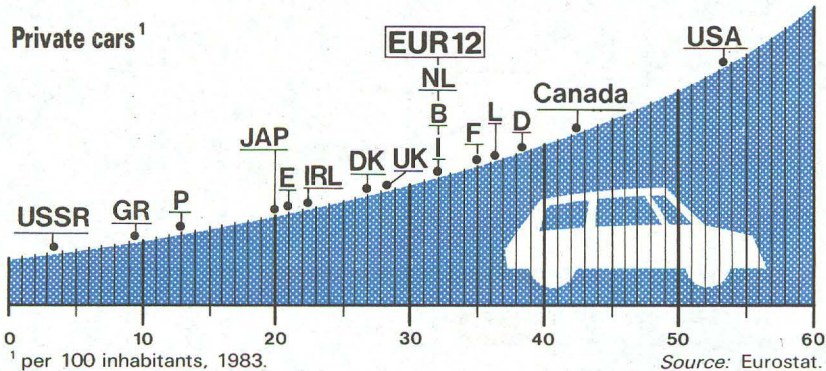
Telephones¹



Televisions¹



Private cars¹



¹ per 100 inhabitants, 1983.

Source: Eurostat.

Some basic economic data

The Community is the world's principal commercial power, as is shown by its share of world trade, not counting commerce between member countries (page 12). Germany, the United Kingdom, France and Italy carry out the greater part of this trade but if it were measured in relation to the number of inhabitants in each country, Belgium, Luxembourg, Denmark and the Netherlands would figure among the leaders.

In the Community as in all the developed countries, services henceforward provide the greatest number of jobs, more than industry or agriculture whose share of employment has been greatly reduced over the years (page 12). Two major facts, one concerning industry, the other agriculture:

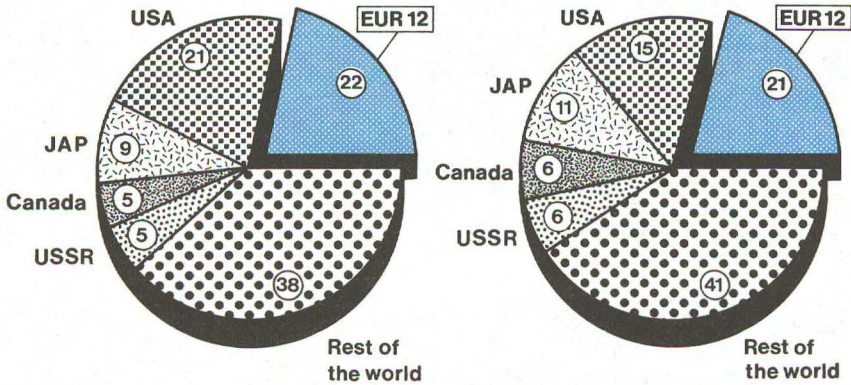
- (i) Between 1972 and 1984, the index of industrial production rose by 20% in the Community, as against 36% in the United States and 58% in Japan (page 13). So of the great industrial powers, the Community has experienced the slowest growth and been the most vulnerable to the economic crisis (at the end of 1984, several member countries had still not regained the level reached in 1980).
- (ii) For a range of basic food products, the degree of self-sufficiency now equals or exceeds 100%; thus the Community, often in recent years not producing enough, now produces as much as or more than it consumes (page 14). Thanks to increased productivity, European agriculture has removed the threat of shortages and sudden price fluctuations; instead it has given rise to the delicate problem of surpluses: a problem which explains the efforts of the European Commission to reorient Community agriculture policy.

LEADER OF WORLD TRADE

Share of world imports¹

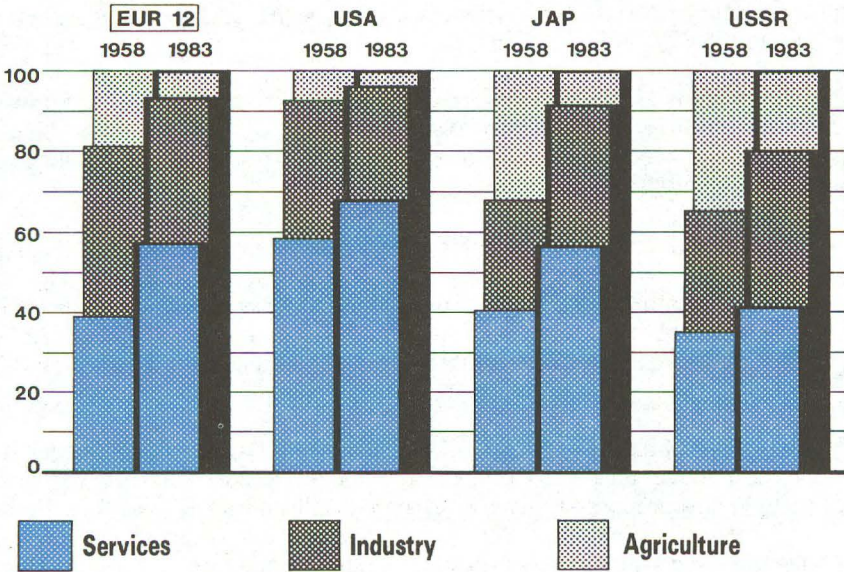
Share of world exports¹

¹ 1984, as %. Intra-Community trade not included.



THE FUTURE IS IN SERVICES

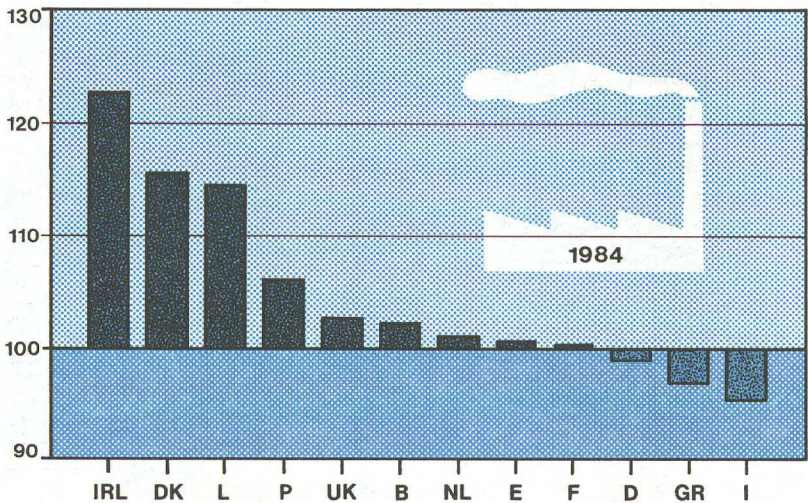
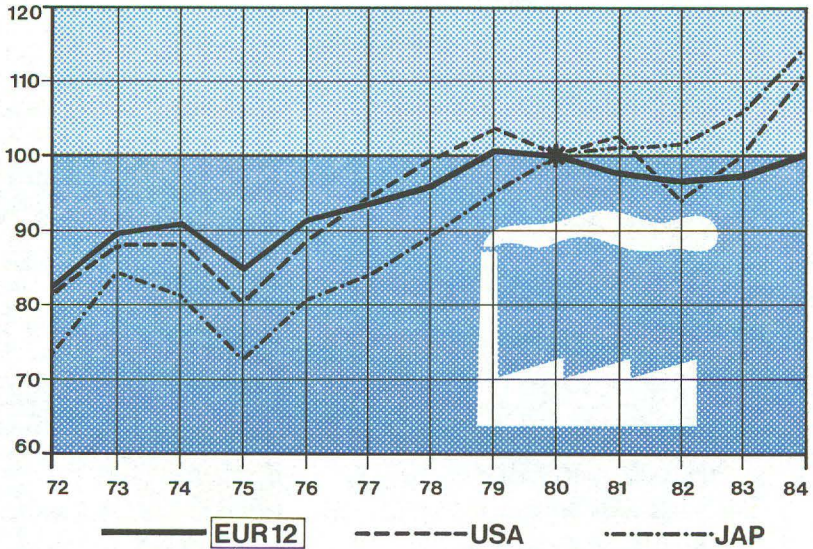
Share of different economic sectors in total employment (as %)



Source: Eurostat.

SLOWER PROGRESS FOR INDUSTRY

Trend of industrial production (1980 = 100)

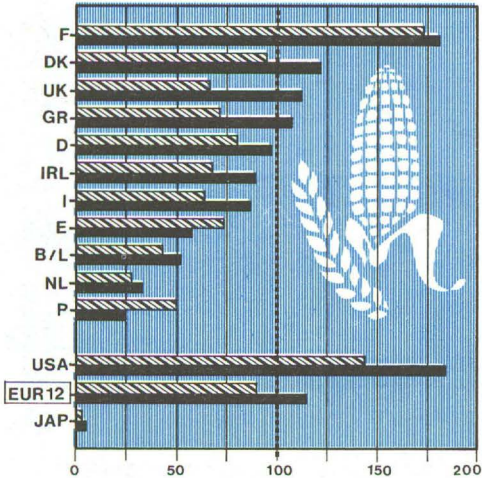


Source: Eurostat.

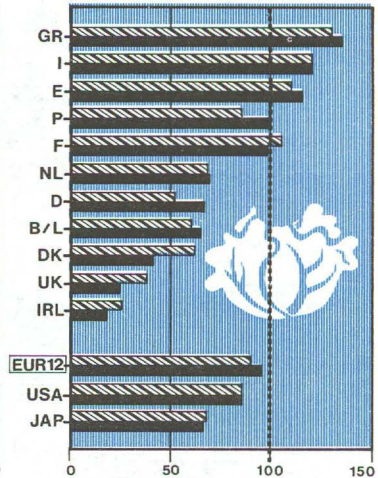
AGRICULTURE MUST BE REORIENTED

Degree of self-sufficiency (as %)

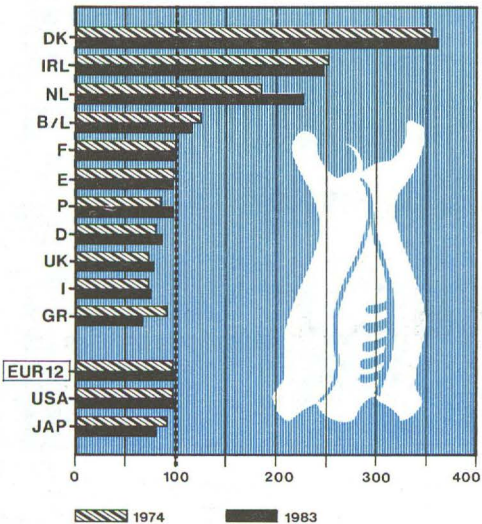
Cereals



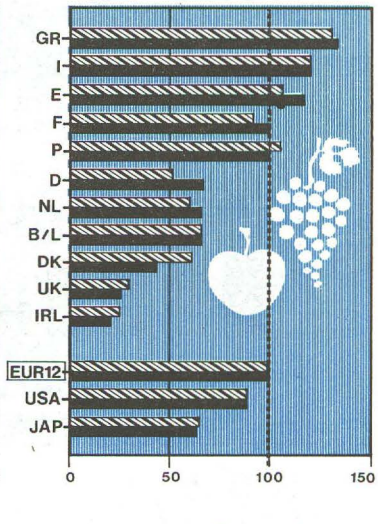
Vegetables



Meat



Fresh fruit



▨ 1974 ■ 1983

Source: Eurostat.

The challenges of today: a joint response

In answer to appeals from the Community, most Member States have managed to make their economies healthier and to establish a basis for new growth by reducing inflation (page 16) and by cutting down their dependence on imported energy¹ (page 17). Nevertheless, in both respects, the position of Europe remains less favourable than that of the United States and there are still appreciable divergences among Member States: inflation is higher in southern Europe; energy dependence would be greater were it not for the hydrocarbon resources available to the United Kingdom and the Netherlands.

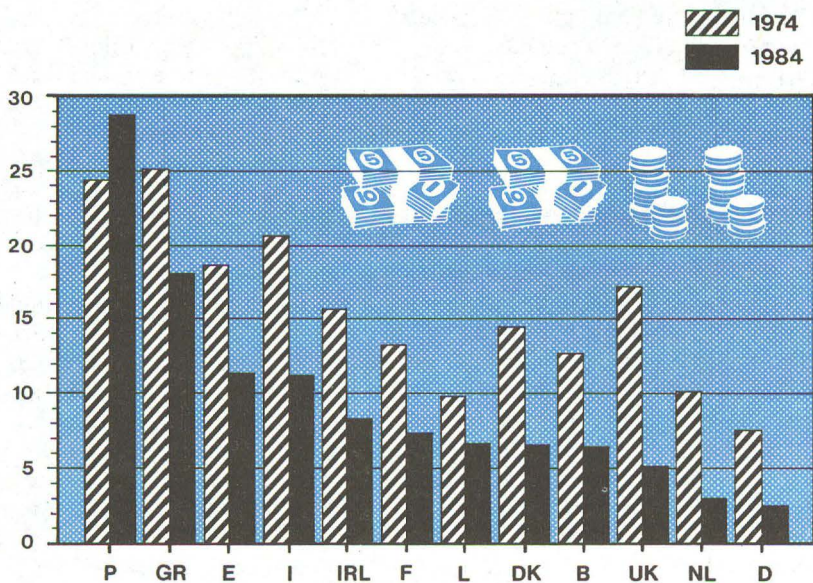
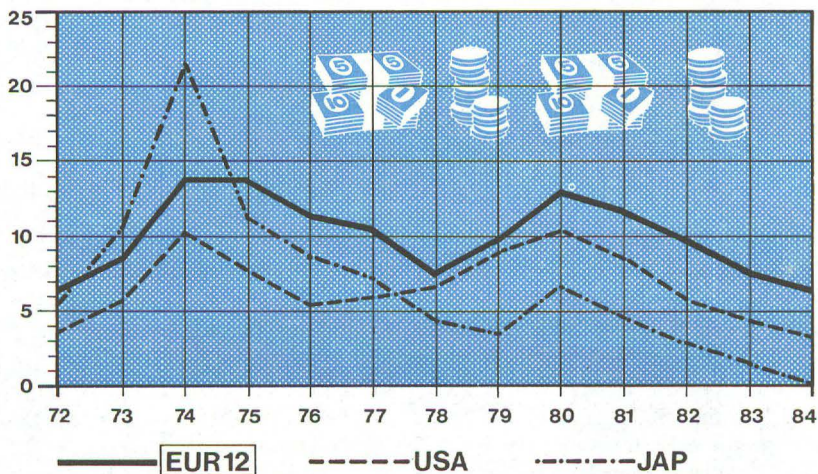
One dramatic problem above all persists: unemployment affects more than 16 million people in the Community (nearly 12% of the working population) and total employment has fallen; yet it has risen strongly in the United States and modestly in Japan (page 18). In view of this challenge, the European Commission is pressing for a common strategy which should stimulate growth of a kind more productive of employment and improve Europe's international competitiveness. The Commission puts particular emphasis on a joint effort to master new technologies and on the creation of a wide European internal market, through the abolition of all obstacles to trade between Community countries.

But to implement a policy the appropriate means are needed: not only reinforced Community institutions – towards which the current revision of the European treaties should contribute – but also adequate financial resources. However, the Community budget, far from "bleeding" the taxpayer, remains very modest (about 3%) as a proportion of the sum of the national budgets. Besides, the European budget is still largely devoted (70% in 1984 compared with 80% in 1978) to one of the few major European policies that are really integrated: the agriculture policy (page 19). To respond more effectively to the challenges of our time, the Member States must be willing to give the Community the means to play a more significant role in such areas as research, industry and regional and social policy.

¹ Measured by dividing net imports of energy products by total consumption.

INFLATION: CLEARLY IN DECLINE

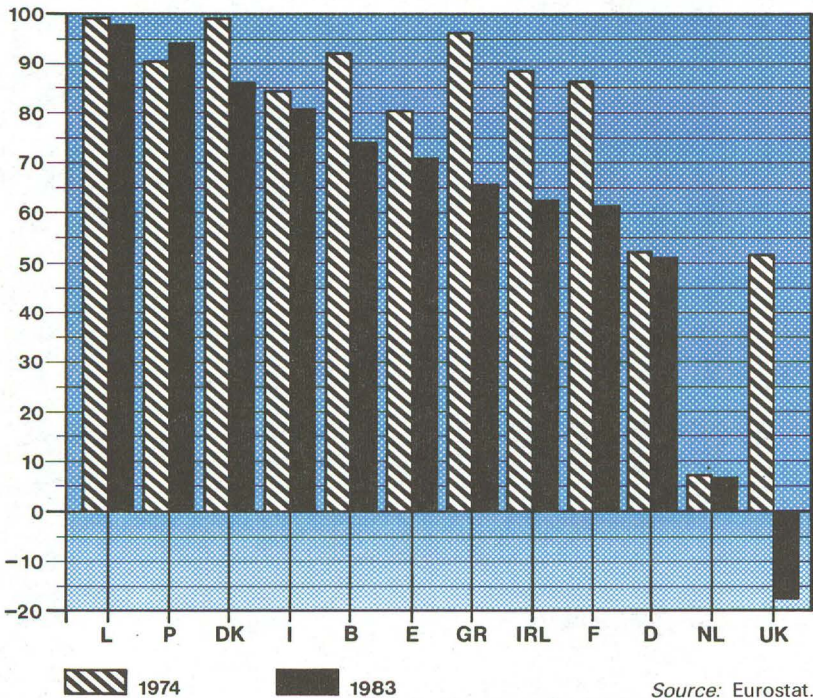
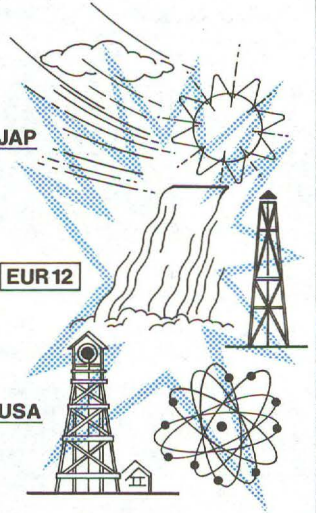
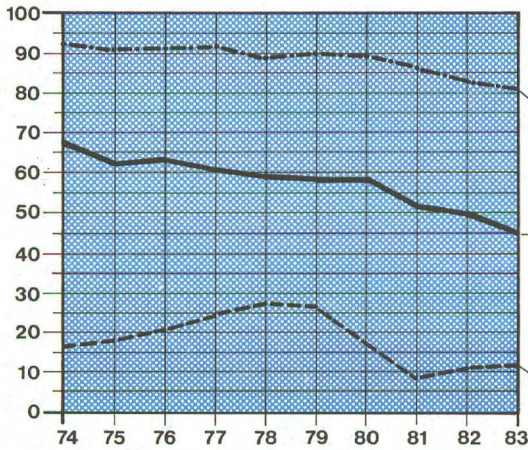
Annual rates of change (as %)



Source: Eurostat.

ENERGY: REDUCING DEPENDENCE

Degree of energy dependence (as %)

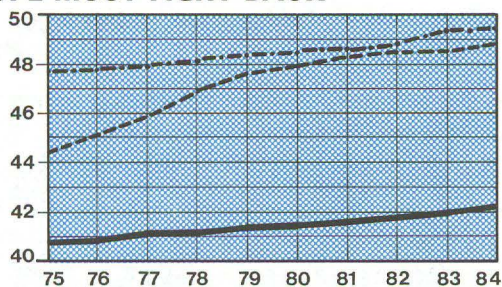


Source: Eurostat.

EMPLOYMENT AND UNEMPLOYMENT: EUROPE MUST FIGHT BACK

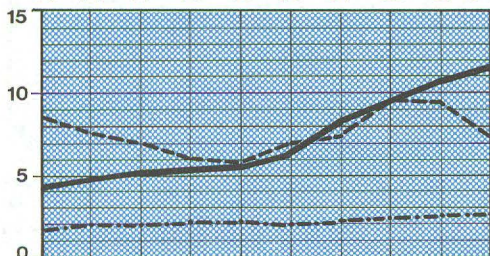
Working population
(as % of total
population)

— EUR 12
- - - USA
- · - · - JAP



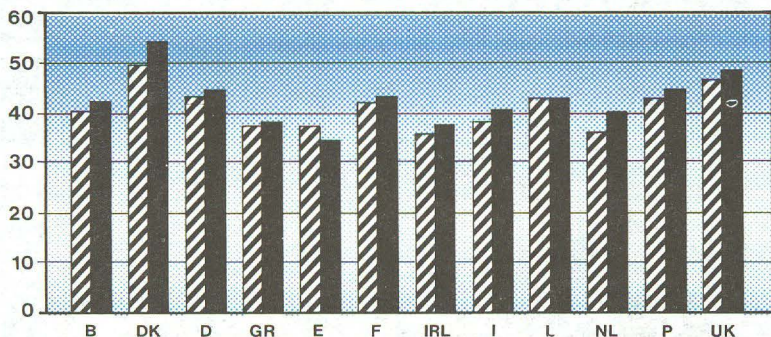
Unemployment
(as % of working
population)

— EUR 12
- - - USA
- · - · - JAP



▨ 1975
■ 1984

Working population (%)




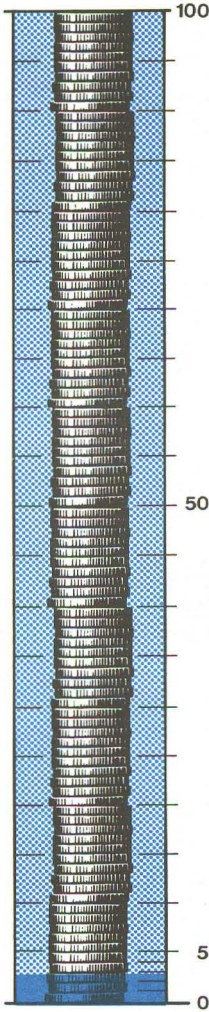
▨ 1975
■ 1984

Unemployment (%)

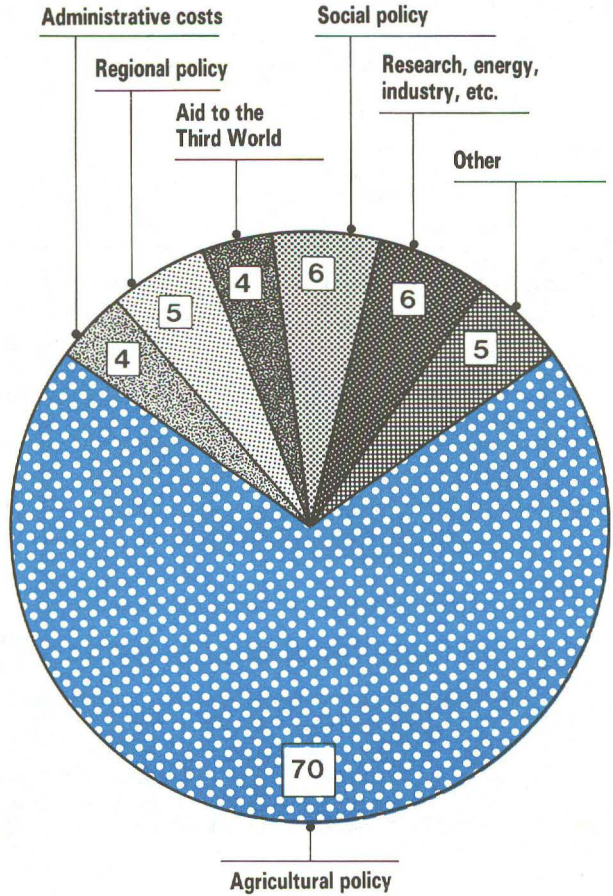
Source: Eurostat.

THE COMMUNITY BUDGET


Community expenditure compared with central government spending in the Member States (as %)



Distribution of Community expenditure (1984, as %)



Source: Community revenue and expenditure account.

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