EUROPEAN UNION LABOUR FORCE COMPETITIVENESS IN THE WORLD

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Abstract
Aim is to analyze the development of the European Union (EU) labour market, on the basis that the economic power and influence in the world shall see in particular people in particular are highly qualified and motivated staff.
Compared to EU labour markets in the world of work. EU labour force is 2.1 times smaller than India and 3.5 times smaller than China. U.S. labor market remains in the EU labor market is 75 millions less. German labor market has increased its 12th countries in world. This analyze allows to predict the future EU labour market.

Keywords: *European Union, world, labour force, labour market, employment.*

1. Introduction
The European Union (EU) have Nobel Peace Prize 2012 for over six decades contributed to the advancement of peace and reconciliation, democracy and human rights in Europe. [1]
This accounts for the increased interest in the EU and its peoples.

2. Overview of the European Union
Following the two devastating World Wars in the first half of the 20th century, a number of European leaders in the late 1940s became convinced that the only way to establish a lasting peace was to unite both economically and politically. In 1950, Robert Schuman proposed an eventual union of all Europe, the first step of which would be the integration of the coal and steel industries of Western Europe. The following year the European Coal and Steel Community (ECSC) was set up when six members signed the Treaty of Paris.
The ECSC was so successful that within a few years the decision was made to integrate other elements of the countries' economies. In 1957, envisioning an "ever closer union," the Treaties of Rome created the European Economic Community (EEC) and the European Atomic Energy Community (Euratom), and the six member states undertook to eliminate trade barriers among themselves by forming a common market.
In 1973, the first enlargement of the EC took place with the addition of Denmark, Ireland, and the United Kingdom. In 1981 joined Greece, in 1986 Spain and Portugal.
The 1992 Treaty of Maastricht laid the basis for further forms of cooperation in foreign and defense policy, in judicial and internal affairs, and in the creation of an economic and monetary union - including a common currency. This further integration created the European Union (EU), at the time standing alongside the

European Community. In 1995, Austria, Finland, and Sweden joined the EU/EC, raising the membership total to 15.
A new currency, the euro, was launched in world money markets on 1 January 1999. In 2002, citizens 12 countries began using euro banknotes and coins.
Ten new countries joined the EU in 2004 and two in 2007, bringing the membership to 27, where it stands today. Five countries joined more the euro, now has 17.

The evolution of what is today the European Union from a regional economic agreement among six neighboring states in 1951 to today's hybrid intergovernmental and supranational organization of 27 countries across the European continent stands as an unprecedented phenomenon in the annals of history. The fact that such a large number of nation states to relinquish part of their sovereignty is unique. [2, 3]

Internally, the EU has abolished trade barriers, adopted a common currency, and is striving toward convergence of living standards. Internationally, the EU aims to bolster Europe's trade position and its political and economic weight. Because of the great differences in per capita income among member states (from $7,000 to $78,000) and in national attitudes toward issues like inflation, debt, and foreign trade, the EU faces difficulties in devising and enforcing common policies.
Following the 2008-09 global economic crisis, the EU economy saw moderate GDP growth in 2010 and 2011, but a sovereign debt crisis in the euro zone intensified in 2011 and became the bloc's top economic and political priority. Despite EU/IMF adjustment programs in Greece, Ireland, and Portugal, and consolidation measures in many other EU member states, significant risks to growth remain, including high public debt loads, aging populations, onerous regulations, and fears of debt crisis contagion. In response, euro-zone leaders moved in 2011 to boost funding levels for the temporary European Financial Stability Facility (EFSF) to almost $600 billion, to make loan terms more favorable for crisis-hit countries, and to bring the permanent European Stabilization Mechanism (ESM) online in July 2012, a year earlier than originally planned. [2]

On the other hand the euro zone, especially in southern European countries, the financial crisis has caused some people to question - whether alone, without the EU we would not have advanced.

Globalisation is also increasing due to global migration. The case of intra-EU migration is the main population (labour force) movement in Eastern Europe, but also in Southern European countries and North-West Europe, where there are higher wages and a higher standard of living. [4] Extra-EU migration in Africa, Southern Europe, and from there, if possible, more widely across Europe. On the other hand moves the production of higher labour costs (wages and salaries) into countries where labour costs are lower. Of course, there are also important for the quality of the workforce. One of the extra-EU migration destination is China and other Asian countries.

Hence the growing EU problem: on the one hand, the relatively high levels of unemployment in most countries and, on the other hand will not be any labour, especially highly skilled workers. Migration is not only caused a large wage differentials, but also interpersonal problems. *Savage capitalism* (rich at any cost) in the Eastern European countries, due to poverty, interpersonal tensions add (evil) will cause a migration where there are more *human-friendly* environment. Migration also leads to greater desire for *self-fulfillment*. Go and live where there is a greater scope. This applies in particular to the young educated group of people.

Strengthening of economic rivalry in the world at the same time, the EU, U.S., China, Japan, India and other countries.

Here it is important to place EU labour market strengthening, which is reflected in the „Europe 2020 strategy“[5].

In the next decades, the population of Europe will be ageing and the number of people included in the labour market is going to decrease. During the economic crisis, however, one of the most critical issues in Europe was unemployment. With a purpose of leading the EU out of crisis and preparing the economy of the EU for the next decade, an action plan for the European Union, „Europe 2020 strategy“, was developed. The strategy presents a vision for European social market economy, which stands on the following intertwining and mutually supporting pillars – developing an economy based on knowledge and innovation; enhancing the sustainable development of a competitive, resource efficient and less CO_2-emitting economy; supporting an economy of high employment rates and social and regional cohesion. The success achieved within these priorities is measured by 5 main goals in the EU, of which the countries have to consider when setting their goals. In order to achieve these goals, „Europe 2020 strategy“, that covers many large scale projects, was created. The project „Action Plan for creating new jobs and skills“ aims to modernise the labour market in order to raise employment rates and secure the sustainability of European society models after the baby boom generation is going to retire from the labour market. One of the most important goals is to implement efficient employment reforms for creating more and better jobs that should help to increase the inclusion of certain groups in the labour market and improve its overall efficiency. The main goal for the labour market of the EU is to reach the employment rate of 75% among people aged 20 – 64. Before the economic crisis, the employment rate in the EU was many percentage points lower than the one of the USA and Japan. The crisis has considerably increased unemployment and the demographic changes ahead are to decrease the labour force even more. Therefore, increasing the employment rate would have a considerable effect on the future economic growth of Europe. [5]

The most acute topics after the economic crisis have been the decline of people included in the labour market and unemployment. Usually the analyses of labour markets focus on unemployment and are guided by a simple principle: the more unemployment rate rises, the more employment rate decreases.

However, things are not that simple, as the gap between these two factors is quite large. Despite quite a high unemployment rate, a contradictory situation has developed in the labour market – there are not enough jobs (for everyone), while employers face the problem of job vacancies. The problem is the large number of vacancies in the situation of high unemployment rate.

3. The European Union employment analysis

The following analysis aims to analyze the development of the EU labour market, on the basis that the economic power and influence in the world shall see in particular people in particular are highly qualified and motivated staff.

Aim is to analyze the development of the EU labour market, on the basis that the economic power and influence in the world shall see in particular people in particular are highly qualified and motivated staff. Compared to EU labour markets in the world of work. This allows to predict the future EU labor market.

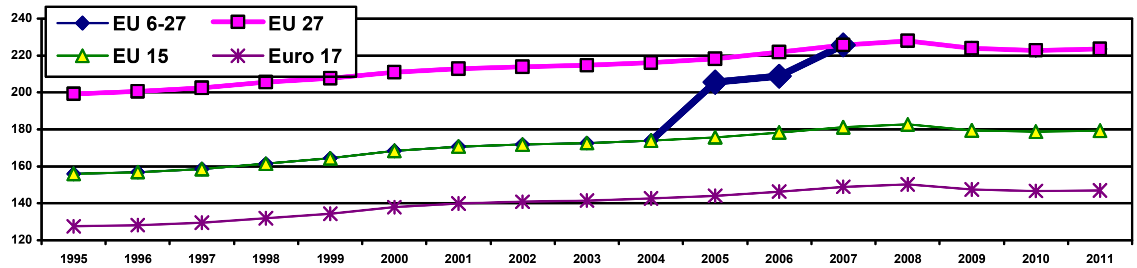

Figure 1. EU employment, millions, 1995-2011
Author's illustration

Figure 1 is the source data and methodology used by Eurostat. [6]

Employment was 1992th in Germany 38.2 millions; UK 27.6 millions; France 23.6 millions; Italy 22.9 millions; USA 121.5 millions and Japan 66.2 millions people.
EU15 was 1995. 156.0 millions and Euro 17 country amount 127.5 millions busy.
2005th EU 15 was 175.7 millions, a surge of 10 countries in EU-25 and EU change, employed rose by 205.5. 2007th EU 15 increased by 181.3 millions and added to those of Romania and Bulgaria, so the change in EU 27 and EU employed 225.8 millions. The next year was already a record number of employees 228.0, 2009. and the 2010. financial crisis, the number of workers 2010th was 222.9 millions. 2011. was a small increase in employees was 223.6 millions, which is 4.5 millions less than before the crisis. The same trend was also Euro 17 country, 2008. was a record number of 150.1 and 2010. 146.7 millions, which increased from 893 thousand in the next year, but remained strongly signed in 2008. level. 2011th Germany was still the largest 41.2 millions. Its staff has increased steadily over the past 10 years, the crisis years. This was 18.4% of the total EU-27 workforce.
France, Italy and Spain decrease was mainly caused by a large and they all fall in the number of EU-27, but the drop was minimal in 780 thousand. Absolute number of smaller states is small and thus relatively unaffected by the number of total EU-27. [6]

Table 1. Total employment, 1997 -2011

Females	1997	1999	2001	2003	2005	2008	2009	2010	2011
EU 27	85,461	89,343	92,674	94,256	96,525	101,957	101,285	101,102	101,632
EU 15	66,081	69,514	73,170	75,065	77,297	81,502	81,082	81,064	81,548
Euro 17	52,699	55,825	58,879	60,601	62,530	66,372	66,031	66,020	66,427

Males	1997	1999	2001	2003	2005	2008	2009	2010	2011
EU 27	117,022	118,408	120,265	120,428	121,734	126,044	122,694	121,758	121,934
EU 15	92,462	94,875	97,456	97,567	98,421	101,135	98,313	97,717	97,743
Euro 17	76,663	78,444	80,863	80,801	81,443	83,757	81,392	80,663	80,598

2009th decrease the number of employees compared to 2008. increased by 1.8% in both the EU-27, EU-15 and euro 17th 2010th continued to decrease over the previous year, and only in 2011. was small (+0.3%) increase. In 2011. the level was then signed in 2008. record of the year. The 2011 budget employment of women grew 0.5%, only 0.1% of men.

Figure 2 characterized by quarters the dynamics of the economic crisis the EU 27. 2007th was more stable in the economy, first quarter (QI) is always lower than the employment rate compared to other quarters. IIQ-

2007 occupancy increased 2.76 million, IIIQ added another 2 million persons employed. IVQ IIIQ decreased compared to 275 thousand. This fluctuation is normal occupancy. Followed by the occupancy of the record year 2008. Is a noticeable increase in occupancy, while those IIIQ was more than 1.78 million IIIQ2007. 2009th however, there was a large decrease, which continued for more IQ2010, if the employment had fallen to 220.74 million.
Shown in the figure of the record (IIIQ2008) and minimuumkvartali (IQ2010) difference was 6.81 million. Comparing QIII, the difference between 2008 and 2010 was 5.04 million. The difference between QI 2007 and QI 2010 was 2.0 million. 2011th the situation was a bit better than last year, but the 2012th in the first half is worse than the 2011. year. The figure shows that the years 2009 - 2012 the occupancy of the situation is considerably worse than the pre-crisis years. Thus, based on the level of employment, the EC has not yet emerged from the crisis economy.
In assessing the damage caused by the economic crisis on employment, we get quite different results depending on the reference period. Would provide an opportunity for policy makers: the ruling was say that the economic crisis reduced by only 2 million of the employed, those in opposition would argue, however, that because of the crisis fell nearly 7 million employed.

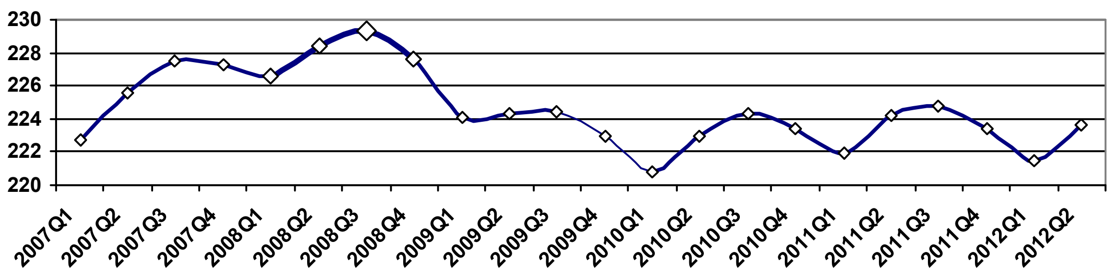

Figure 2. EU 27 employment. 2007Q1 - 2012Q2
Author's illustration

If the use of a formal method of analysis - comparison with the same quarter of last year as a percentage, the better the results. 2007th in all quarters of employment growth was +1.8%. The largest decline was QII2009 quarters (-1.8%), QIII2009 (-2.1%), QIV2009 (-2.0%) and QI2010 (-1.5%).

When comparing the analyzed period, EU-27 employment dynamics, the EC 15 and 17 Euro trend lines are almost parallel to the EU-27 trend-line.

4. The world employment analysis
How does the EU labour market global competition, it will analyze the following basic data and methodology of the CIA. [7]

Table 2. Harmonised unemployment rates, OECD

			2012					
	2010	**2011**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**
Australia	5.2	5.1	5.2	5.0	5.1	5.3	5.2	5.1
Estonia	16.9	12.5	10.9	10.1	10.1	10.1	..	..
Finland	8.4	7.8	7.5	7.6	7.6	7.6	7.6	7.9
France	9.7	9.6	10.1	10.1	10.3	10.4	10.6	10.6
Germany	7.1	6.0	5.6	5.6	5.5	5.5	5.5	5.5
Greece	12.6	17.7	22.0	22.7	23.5	24.4	..	..
Italy	8.4	8.4	10.4	10.6	10.5	10.7	10.7	10.7

Japan	5.1	4.6	4.5	4.6	4.4	4.3	4.3	4.2
Spain	20.1	21.6	24.1	24.4	24.7	24.8	25.0	25.1
Sweden	8.4	7.5	7.3	7.4	7.8	7.6	7.5	7.8
United Kingdom	7.8	8.0	8.1	7.9	7.9	8.0	..	..
United States	9.6	9.0	8.2	8.1	8.2	8.2	8.3	8.1
European Union	9.7	9.7	10.3	10.3	10.4	10.5	10.5	10.5
Euro Area	10.1	10.1	11.0	11.2	11.3	11.4	11.4	11.4
Major-seven	8.2	7.7	7.5	7.5	7.5	7.5	7.5	7.4
OECD-Total	8.3	8.0	7.9	7.9	8.0	8.0	8.0	7.9

The OECD-Total unemployment is 8%, the EU over 10% and the U.S. over 8%. Japan and Germany are small and Spain and Greece very large. [8]

2011th the world's major labor markets, more than 40 millions workers, is shown in Figure 2.

EU labour force is 2.1 times smaller than India and 3.5 times smaller than China. U.S. labour market remains in the EU labour market is 75 millions less. German labour market has increased its 12 countries, with Russia is 7th and Japan 8th members.

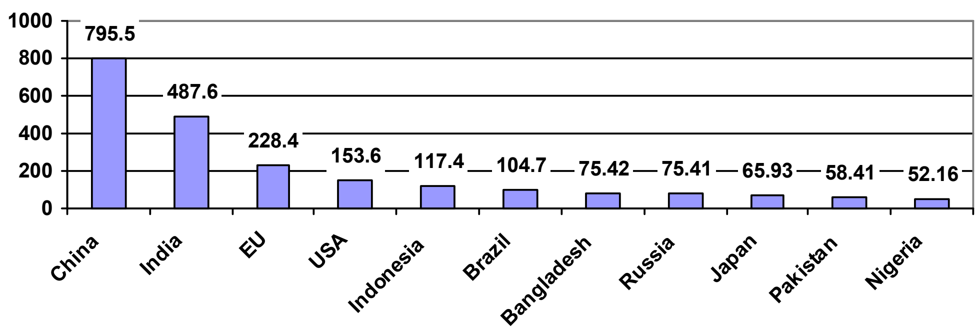

Figure 3. Top 10 country + EU employed, millions
Author’s illustration

Figure 3 presents the world's 10 largest country and EU the number of employed. [9] EU is the world's third members. EU largest labour market Germany 43.62 milions was 13. position.

Labour market size alone is not representative of the economic communities or the more economic power. Important indicator is the quality of labour. One quantitative quality measure of *GDP per capita*. Mainly divided by countries development and developing countries.
According to this indicator the EU, U.S., Japan, Germany and others much more than China, India and other developing countries.
But in terms of GDP, the GDP per capita multiplied by the number of employees.

Table 3 shows the percentage distribution of the labour force by sector of occupation. [9] *Agriculture* includes farming, fishing, and forestry. *Industry* includes mining, manufacturing, energy production, and construction. *Services* cover government activities, communications, transportation, finance, and all other economic activities that do not produce material goods.

Table 3. Labour force - by occupation

Country		Labor force - by occupation(%)			
		agriculture:	industry:		services:
World (2007)		36.1%	21.5%		42.4%
China (2008)		36.7%	28.7%		34.6%
India (2009)		52%	14%		34%
European Union (2010)		4.7%	28.7%		66.6%
Japan (2010)		3.9%	26.2%		69.8%
Germany (2011)		1.6%	24.6%		73.8%
United Kingdom (2006)		1.4%	18.2%		80.4%
France (2005)		3.8%	24.3%		71.8%
Italy (2011)		3.9%	28.3%		67.8%
	farming, forestry, and fishing:	manufacturing, extraction, transportation, and crafts:	managerial, professional and technical:	sales and office:	other services:
United States (2009)	0.7%	20.3%	37.3%	24.2%	17.6%

Of India and China share a big agriculture and the EU service. China and the EU share is equal to the industry, but little India. [10]

5. Population

The total population presents one overall measure of the potential impact of the country on the world and within its region.

Population growth rate. The average *annual percent change* in the population, resulting from a surplus (or deficit) of births over deaths and the balance of migrants entering and leaving a country. The rate may be positive or negative. *The growth rate* is a factor in determining how great a burden would be imposed on a country by the changing needs of its people for infrastructure (e.g., schools, hospitals, housing, roads), resources (e.g., food, water, electricity), and jobs. Rapid population growth can be seen as threatening by neighboring countries. [11]

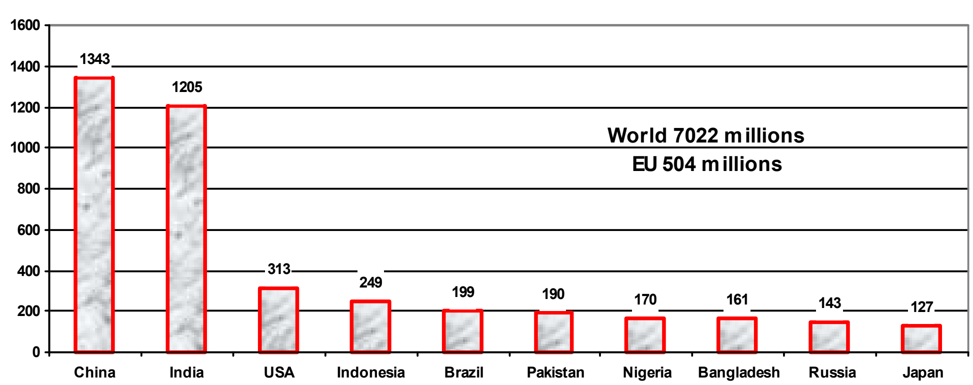

Figure 4. Top 10 most populous countries in millions, 2012
Author's illustration

In Figure 4 is top ten most populous countries in millions (July 2012). EU countries is Germany 16. (81,305,856), France 21. (65,630,692), United Kingdom (63,047,162) 22., Italy (61,261,254) 23. and Spain (47,042,984) 27. position in world. [11]

Table 4. Age structure, 2012

	Age, years	**Percentage**	**Male**	**Female**
World	0-14	26.3%	944,987,919	884,268,378
	15-64	65.9%	2,234,860,865	2,187,838,153
	65 and over	7.9%	227,164,176	289,048,221
EU	0-14	15.44%	38,992,677	36,940,450
	15-64	67.23%	166,412,403	164,295,636
	65 and over	17.33%	35,376,333	49,853,361

World median age (2009): total 28.4, male 27.7, female 29 years.
World population growth rate (2012): 1.096%, note: this rate results in about 145 net additions to the worldwide population every minute or 2.4 every second
World birth rate (2012): 19.14 births/1000 population;
note: this rate results in about 252 worldwide births per minute or 4.2 births every second
World death rate (2012): 7.99 deaths/1000 population;
note: this rate results in about 107 worldwide deaths per minute or 1.8 deaths every second.

EU population growth rate (2010): 0.212 %.
EU birth rate (2010): 10.27 births/1000 population.
EU death rate (2010): 10.05 deaths/1000 population.
EU net migration rate (2010)**:** 1.90 migrant(s)/1000 population.
EU life expectancy at birth (2010.)**:**
total population: 79.76 years, country comparison to the world: 36,
male: 76.91 years,
female: 82.76 years. [12]

EU population (01.01.2012) 503 679 730. [13]
EU crude rate of population change per 1 000 inhabitants: 2011 = 2.5.
The crude rate of population change is the ratio of the population change during the year to the average population in that year. [14]
EU natural population change per 1 000 inhabitants: 2011 = 0.8.
The crude rate of natural change is the ratio of the natural change during the year (live births minus deaths) to the average population in that year. [15]
EU crude birth rate per 1 000 inhabitants: 2011 = 10.4. [16]

6. Life expectancy

Life expectancy at birth is also a measure of overall quality of life in a country and summarizes the mortality at all ages. It can also be thought of as indicating the potential return on investment in human capital and is necessary for the calculation of various actuarial measures.
Oodatav eluiga sünnimomendil on ka meetme üldist elukvaliteeti riigis ja kokku suremus igas vanuses. Samuti võib vaadelda kui näitab võimalikku tootlust investeeringuid inimkapitali ja on vaja arvutada erinevate kindlustusmatemaatiliste meetmeid.

Table 5 Life expectancy at birth, position, selection, total population, 2012

Pos	Country	Years	Pos	Country	Years
3	Japan	83.91	97	China	74.84
9	Australia	81.90	117	Estonia	73.58
10	Italy	81.86	124	Brazil	72.79
12	Canada	81.48	126	Turkey	72.77
14	France	81.46	136	Indonesia	71.62
15	Spain	81.27	161	India	67.14
16	Sweden	81.18	164	Russia	66.46
17	Switzerland	81.17	166	Pakistan	66.35
27	Norway	80.32	212	Nigeria	52.05
28	Germany	80.19	215	Zimbabwe	51.82
30	United Kingdom	80.17	216	Somalia	50.80
36	*European Union*	79.76	218	Afghanistan	49.72
40	Finland	79.41	219	Swaziland	49.42
41	Korea, South	79.30	220	South Africa	49.41
51	United States	78.49	221	Guinea-Bissau	49.11
63	Slovenia	77.48	222	Chad	48.69

Table 5 contains the average number of years to be lived by a group of people born in the same year, if mortality at each age remains constant in the future. The table 5 includes total population as well as the male and female components. [17]

Life expectancy at birth shows 1.84 the fold difference in the world: first Monaco 89.68 and 222nd Chad 48.69 years. Great power with the largest expected lifespan for Japan. In the EU countries, it is close to 80 years. What is the EU expected life while in China but in India only 4.92 and 12.62 years, higher. Hopefully life is directly dependent on future workforce. [17]

7. Old-age support ratio

Second, the EU-27 the problem is that the aging of the staff will be unable to feed or be accompanied by major problems.
This gives the following analysis, old-age support ratio.

The populous developing countries, China, India, Indonesia, Brazil, Russia and South Africa in 2008. Old-age support ratio was good. Working age are able to maintain old ones. But in 2050 the situation is already serious, especially in Russia, China, Brazil, India, and Indonesia for. Russian Old-age support ratio is more than twice as Brazil and China, and more than three times.
Does the relatively low labor productivity at 2.4 employees can maintain a single pensioner? However, the poorest countries pensionärdid used to settle for less than the rich countries in the elderly.

Table 6. Populations are ageing and the old-age support ratio

Old-age support ratio, 2008				**Decline in the old-age support ratio 2008-2050**			
Number of people of working age (20-64) per person of pension age (65+)				Old-age support ratio, 2008 and 2050			
	2008			**2050**			Difference
	65+	20-64	2008	65+	20-64	2050	2008-2050
South Africa	2 170 006	27 189 586	12,5	5 584 033	33 855 117	6,1	6,5
India	56 515 343	631 269 330	11,2	221 843 401	997 351 094	4,5	6,7
Indonesia	13 351 567	131 270 351	9,8	53 609 842	166 546 201	3,1	6,7
Brazil	12 626 161	112 033 935	8,9	49 248 083	125 952 156	2,6	6,3
China	106 157 260	841 668 165	7,9	330 578 665	797 076 843	2,4	5,5
Russian Fed	18 797 932	91 957 331	4,9	27 207 230	64 165 872	2,4	2,5
Turkey	4 304 669	42 813 506	9,9	17 922 404	56 480 817	3,2	6,8
Korea	4 984 539	31 486 555	6,3	15 075 673	22 116 334	1,5	4,8
Ireland	492 918	2 744 936	5,6	1 523 859	3 382 606	2,2	3,3
Poland	5 077 608	24 592 222	4,8	9 581 212	16 992 547	1,8	3,1
USA	39 372 823	186 312 481	4,7	87 127 451	224 443 566	2,6	2,2
OECD	173 854 385	735 765 077	4,2	350 503 961	730 615 499	2,1	2,1
Netherlands	2 433 461	10 113 514	4,2	4 454 068	9 215 072	2,1	2,1
Norway	698 094	2 838 133	4,1	1 416 663	3 227 234	2,3	1,8
Spain	7 535 732	28 161 456	3,7	16 297 707	24 981 933	1,5	2,2
UK	9 981 810	36 502 852	3,7	16 552 804	39 932 316	2,4	1,2
Finland	876 742	3 204 218	3,7	1 411 284	2 881 243	2,0	1,6
Estonia	227 464	822 859	3,6	298 032	666 179	2,2	1,4
France	10 306 298	36 527 038	3,5	18 211 274	34 697 289	1,9	1,6
Sweden	1 631 273	5 403 154	3,3	2 546 230	5 705 177	2,2	1,1
Germany	16 424 305	50 060 733	3,0	22 902 155	35 652 993	1,6	1,5
Italy	11 974 979	36 283 380	3,0	18 977 126	27 826 710	1,5	1,6
Japan	27 248 122	76 744 607	2,8	38 469 228	47 696 377	1,2	1,6

Source: OECD (2011), Pensions at a Glance, OECD, Paris [18]

When the 1950th In Western countries, the ratio was at least 6, and even 10 in Japan, it was not a problem, either young working age reach their parents to feed.

Table 7. Population breakdown by age. Number. 2012

	0-19	**65%+**	**(0-19) + (65%+)**	**20-64**
Germany	14 772 504	17 040 334	31 812 838	49 990 305
Japan	22 304 397	30 440 149	52 744 546	73 863 334
United States	87 074 725	43 442 509	130 517 234	193 059 583
OECD34	310 178 646	189 874 767	500 053 413	752 452 489
China	366 789 181	121 903 743	488 692 924	886 356 193
India	495 673 253	63 123 866	558 797 119	702 615 471

Conclusion: in all states in 2012 = (0-19) + (65%+) years < 20-64 years. OK!

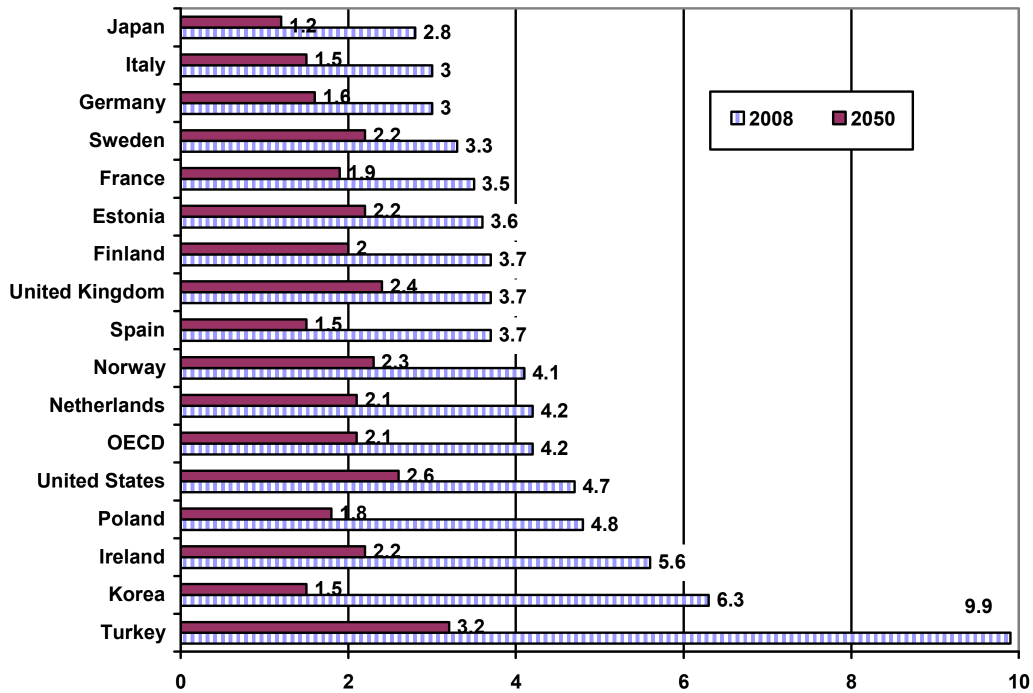

Figure 5. OECD country
Author's illustration

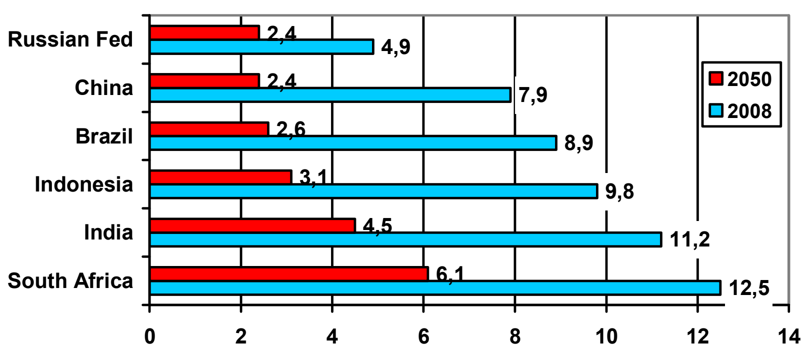

Figure 6. Countries with large populations
Author's illustration

OECD countries is the best old-age support ratio of Turkey, which was one of about 10 elderly people of working age. However, the year 2050 will also see their old-age support ratio more than three times. What country had the best old-age support ratio Ireland and Poland, which even surpassed the U.S. and the OECD average. Nordic countries were the best of Norway and EU countries, a large United Kingdom. EU's largest economies Germany, the largest economy in the Nordic countries of Sweden, and more recently, the world's second economy of the situation in Japan was already in 2008. was serious.

The future, it means the 2050th years, almost all OECD and EU countries poor. Japan one walker at work on one of the more than 65 years and in addition to under 20 years of age. And other countries, the situation is not much better. Thus, a small number of employees does not sustain the current level of pension age. Still be considered by the fact that these countries have social welfare spending is relatively high and large pensions.

What are the implications and recommendations can be drawn from this information?
First, wealthy countries of health and, consequently, performance, and life expectancy is significantly higher than in poor countries.
Therefore, based on the nature of the work to seduce them longer to work. Raising the retirement age should also be discussed. Samati should tighten up the conditions for retirement, especially for majandusemigranttide.
Increase productivity also alleviates the situation somewhat.
But whether we like it or not, is an objective necessity that the standard of living of the rich countries, including wages fall, because the society is no longer able to ensure the necessary wealth to produce. In Eastern European countries to the rich countries to the job of ensuring the free movement of EU admission, while leading Eastern European wages, but the North-West European workers' wages fall.

The first consequences of living beyond our means is already seen in Greece and other southern European countries in financial difficulties. However, trade unions are led by demand wage increases, shortening the working and stuff. Yes, if the capital earns high profit, then it is justified.
Comparing the EU wages in China, India and other developing countries, salaries, wages then EU will soon no longer be competitive. Western company is moving its production to where labor costs are lower. It inhibits today though still somewhat higher than in Western countries, the quality of the workforce. But for how long even this remains a competitive advantage?

As the Asian developing countries, poorer working conditions of employees agree, so it will be at the expense of the company to save costs. At the same time, however, their staff more conciliatory, not a strike, or only slightly.
Which is, however, higher work motivation? The desire to work well?

8. World's economic power

As follows we look at the world's and EU economic power of GDP.
A nation's GDP at purchasing power parity (PPP) exchange rates is the sum value of all goods and services produced in the country valued at prices prevailing. For many developing countries, PPP-based GDP measures are multiples of the official exchange rate (OER) measure. The differences between the OER- and PPP-denominated GDP values for most of the wealthy industrialized countries are generally much smaller.

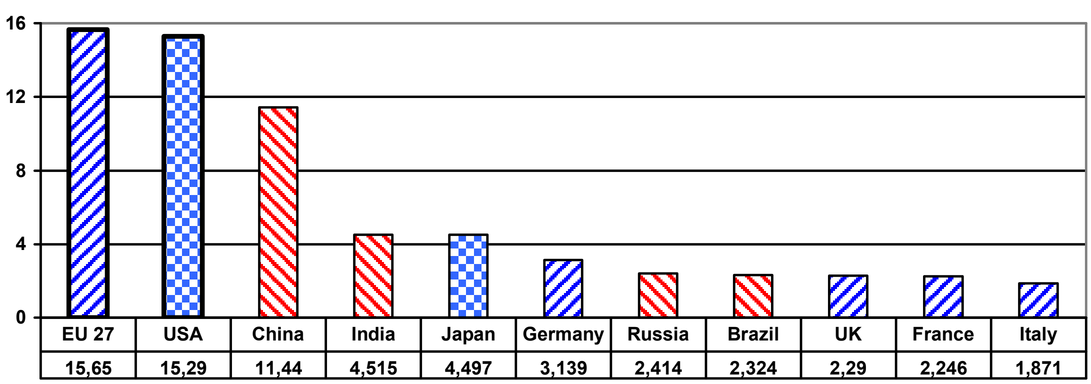

Figure 7. World gross domestic product, trillion USD, 2011
Author's illustration

In addition to the famous EU 2011th in the world's top 10 six developed and four developing countries. It may be added that developed countries are Spain 13th (1.43 trillion) and Canada the 14th (1.41 trillion). But it should be close to China every year for the U.S., India has passed since Japan and Russia and Brazil has passed the UK, France and Italy.
Thus, even though China, India and others have relatively low GDP per capita, the future the total GDP, thanks to a large workforce in excess of U.S., EU-27 and other advanced countries level. We may greatly increase productivity in Europe, but it is not enough. Scale of the global economy and the economic power of the future labour market, the number of employed.

U.S. Bank Goldman predicted in the coming decades, however, the share of developing countries in today's global economy is growing rapidly, and the level of excess the level of the world's economic leaders.

The real long-term economic analysis of the results by passing the Chinese economy more world leaders at the United States GDP in purchasing power parity as already the 2020th and the exchange rates of the 2030th year. The problem is also that part of today's still a relatively poor developing countries resolve of Western Europe, Japan, Canada and other wealthy countries in the world in terms of their economic level. This will directly affect the financial situation of the labour market and living standards. In turn, depends on the economic potential of the country as well as the political and military influence. [19]

Thus, the focus of Western civilization focus on competition in Asia, especially China, India and other emerging economies of developing countries, the fact that today's developed economies of Western civilization are not left in the future subordinate, economically, and politically highly dependent on China, India and other developing countries of today.

Economic science has come in recent years, a new concept - the **BRIC** and from 2011. **BRICS** year to celebrate the emerging economies of Brazil, Russia, India, China and South Africa.

Ten years ago, Jim O'Neill* coined the BRIC concept, which became synonymous with the rise of Brazil, Russia, India and China, and their influence on the world economy. Over the past decade, all four BRIC nations have experienced tremendous growth and are now among the top ten economies in the world.

2010th published by Jim O'Neill, predicts that the U.S. GDP in 2020, slightly more than its Chinese, but 2030 is already in China, the first in the world. By 2050, however, exceeds the five BRICS countries in the world economy richer developed economies (G7), the total volume.
Ensures a high population of these countries with cheap labor and high growth tempos accordingly.

According to Jim O'Neill is the 2030th China's nominal GDP was 25.61 trillion, and U.S. $ 22.817 trillion. 2050th however, in accordance with the 70.71 trillion and $ 38.514 trillion. So far, Japan's third largest economy to the Indian 2030th, Brazil and Russia, the 2040th, Mexico 2045th Indonesia and the 2050th year. That same year, the UK economy ninth in the world and Germany of 10 members. 2050th year marks the 11-dc rising from Nigeria to France.
In the period 2006 - 2050 the U.S. economy will grow by 206%, but India and China 2550% and 2432%. But in terms of GDP per capita in the 2050th the best in the world in the U.S., South Korea and the United

* Jim O'Neill - Chairman of Goldman Sachs Asset Management; Goldman Sachs Investment Bank, USA; author the book „The Growth Map“ (2012)

Kingdom, in China rise 12th and India 17th place.
Between 2006 - 2050 the U.S. GDP per capita will grow by 206%, the UK and France a little more, and Germany and Japan slightly less. During the same period is growing Brazil is 879%, 1137% in Russia, China and India to 2550% and 2432%.
Than in 2010. G7 GDP was 3.5 times higher than the BRIC countries, then the 2035th the BRIC group passes by the G7 group of nearly 7 trillion, and the 2050th in the BRIC economies (128.3 trillion), more than two times stronger than the G-7 (66 trillion USD) states.
In addition to the above, Jim O'Neill still has introduced the term N-11 (Next Eleven). It has 11 countries (Indonesia, Mexico, Turkey, Korea, Iran, Egypt, Nigeria, Pakistan, Philippines, Bangladesh and Vietnam) group, which can get together BRICS countries in the near future the key strategic growth areas. [19] [20] [21]

Table 8. Nominal GDP per capita, USD

	2009	**2010**	**2011**	**2012**
Brazil	8389	10697	12990	13193
China	3739	4398	5275	6265
India	1194	1440	1673	1825
Russia	8707	10510	13338	15649
BRICs	3238	3873	4582	5269
EM	3525	4175	4951	5581
DM	38274	39510	43009	44998
World	12059	12778	14191	15195

Note: EM - emerging markets; DM - development markets

- Over the next 50 years, Brazil, Russia, India and China—the BRICs economies—could become a much larger force in the world economy. We map out GDP growth, income per capita and currency movements in the BRICs economies until 2050.
- The results are startling. If things go right, in less than 40 years, the BRICs economies together could be larger than the G6 in US dollar terms. By 2025 they could account for over half the size of the G6. Of the current G6, only the US and Japan may be among the six largest economies in US dollar terms in 2050.
- The list of the world's ten largest economies may look quite different in 2050.
  The largest economies in the world (by GDP) mayno longer be the richest (by
  income per capita), making strategic choices for firms more complex. [21]

Jim O'Neill discusses his new book, *The Growth Map*, marking the tenth anniversary of the BRICs concept he developed. The economic might of many of the Growth Market countries—certainly the four BRICs (Brazil, Russia, India and China)—is so vital to the world economy that people have to start thinking about just how much the world is changing, and what a better place it is as a result of it. In his new book, Jim O'Neill provides a personal memoir of how he developed BRICs and provides insight on how he views the world today as well as opportunities he sees in the future. [21]

In conclusion, predicted that these regions may be important in the future of the economic capacity to influence the political and military strength of growth, leading to the formation of a new economic elite, and the current high standard of living, but with limited resources, influence on the decline. This would lead to a fundamental change, however, the current world jõukeskuste States and Western civilization, unfortunately.

However, it is clear that the global economic center of gravity moves to the Atlantic to the shores of the Pacific, especially in East Asia. This objective should also take into account the inevitable EU, especially in countries with small businesses. This allows the calculation of the future to make better, more effective decisions and avoid or at least reduce errors.

9. Scientific novelty and conclusions

1. Economy, your job is not enough to evaluate changes in the occupancy of comparison with the previous period (quarter), and the same period last year. Economic development must take into account the cyclical nature of the wave development. The waves, however, is considerably longer than one year. Thus, the assessment should be analyzed to compare the wave peak period (usually a record level).
2. Social development of assessment would be appropriate to examine the change of employment, because the unemployment estimate is an estimate of whether, and all of the unemployed are also registered in the same part of the registered unemployed are fictitious, because they work part or even full time, usually abroad.
3. Labour market requires in-depth analysis of all of its components and the interaction between the views. As the EU is a very straight regions of genes, it would be necessary to analyze not only national, but also regional labor markets.
4. EU labor market is significantly better quality (GDP per capita) than China, India and other developing countries, the labor market, but competitive in the U.S., Japan and other developed countries to the labor market. However, the EU labor market is fairly straight genes, a large gap between the old and new Member States, and this gap is slowly decreasing.
5. EU labor market is quantitatively much less than China and India, as well as many of the developing countries in the region. EU Member States, the comparison is particularly significant, since the EU is the world's largest labor market in Germany until 13 members.
6. As regards the application of population aging and slow productivity growth in the future as a hakama EU welfare states, the standard of living to decline, especially in the old Member States. While increasing the standard of living in the new EU Member States. As a whole, the future EU, U.S. and other developed economies, however, the standard of living much higher than today, emerging countries such as China, India and other living standards.

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