



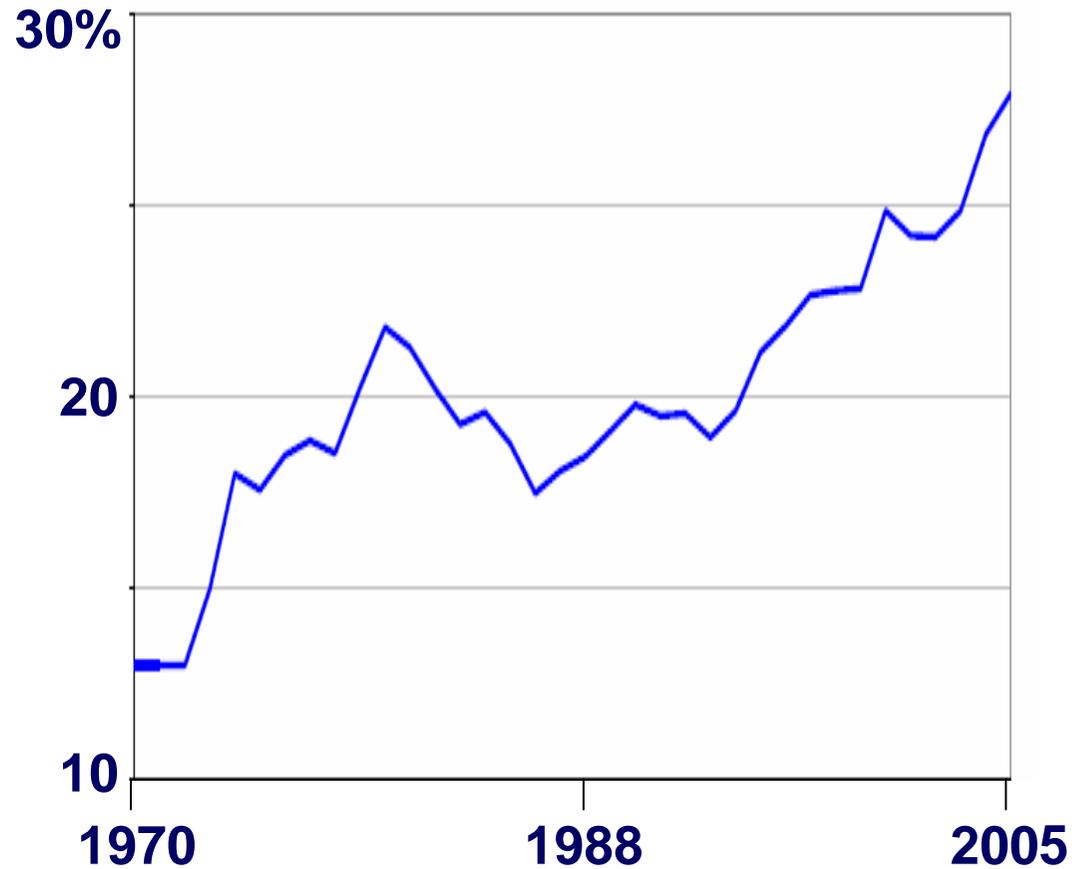
Globalisation: *Can Europe manage it?*

*Lars Heikensten,
Member of the European Court of Auditors*





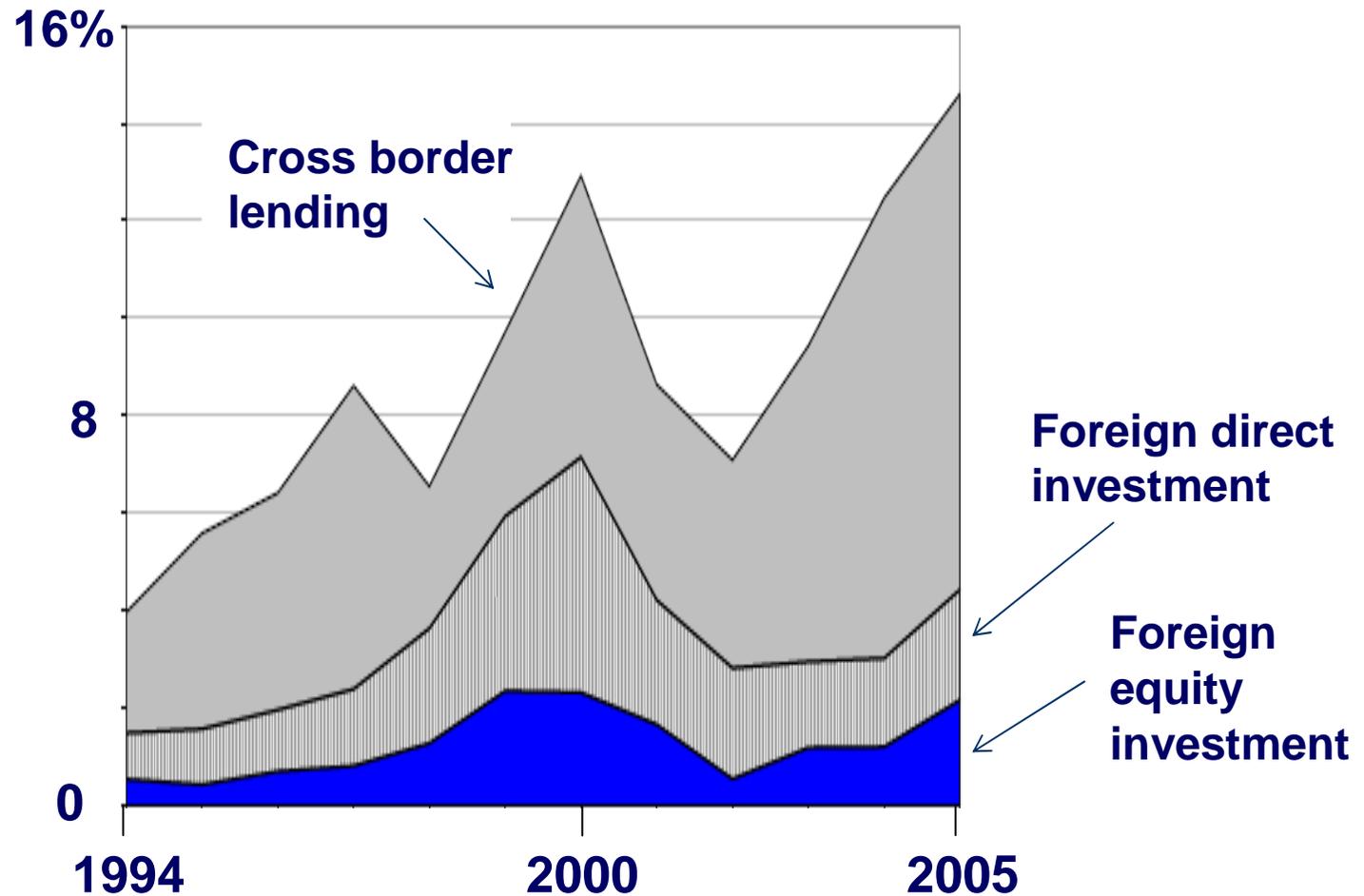
Imports of goods and services of world GDP



Source: OECD Economic Outlook 81 based on World Bank, World Development Indicators database; OECD Structural Analysis database



Capital flows as share of world GDP

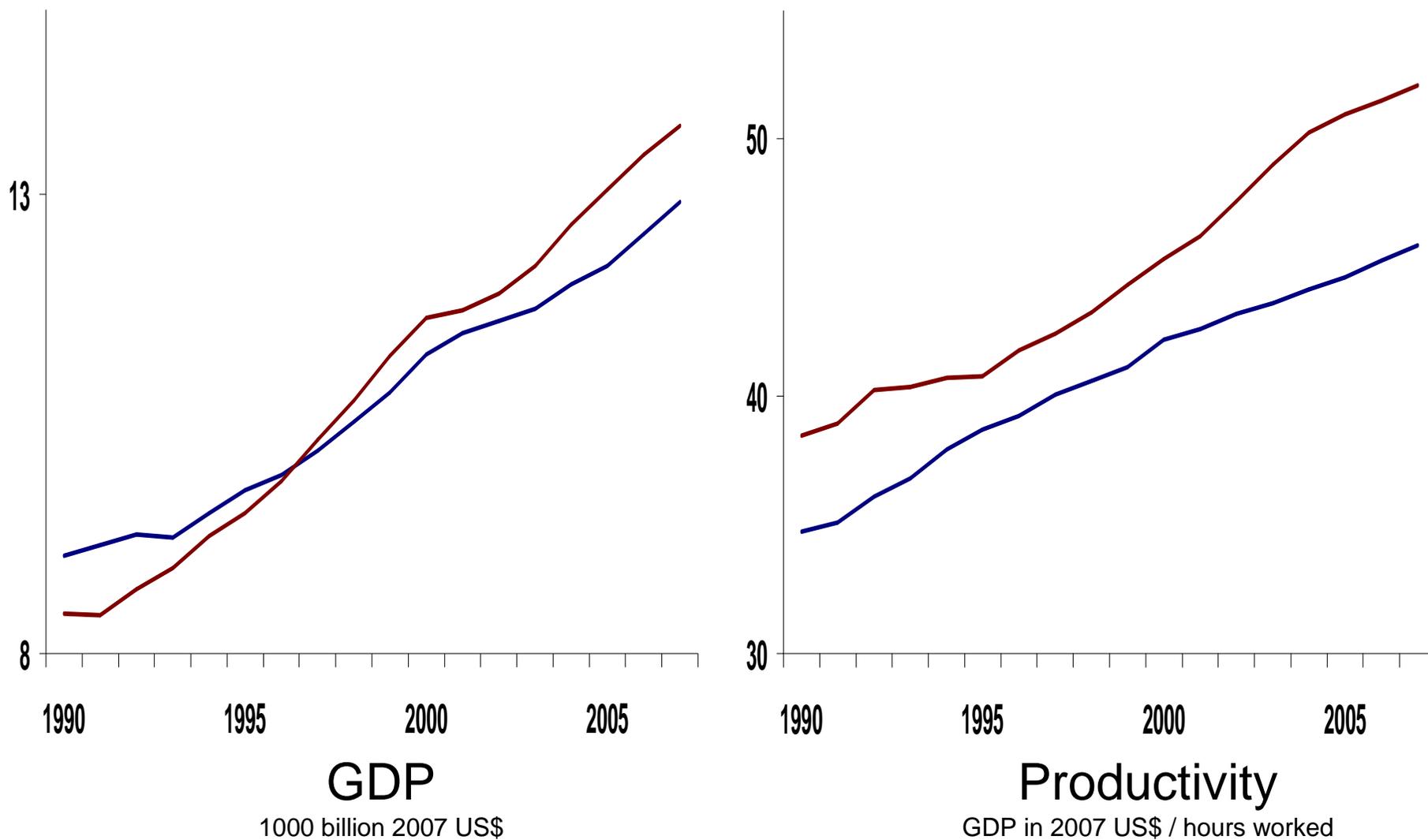


Source: OECD Economic Outlook 81 based on IMF, balance of payments



US compared to EU-15

Development 1990-2007

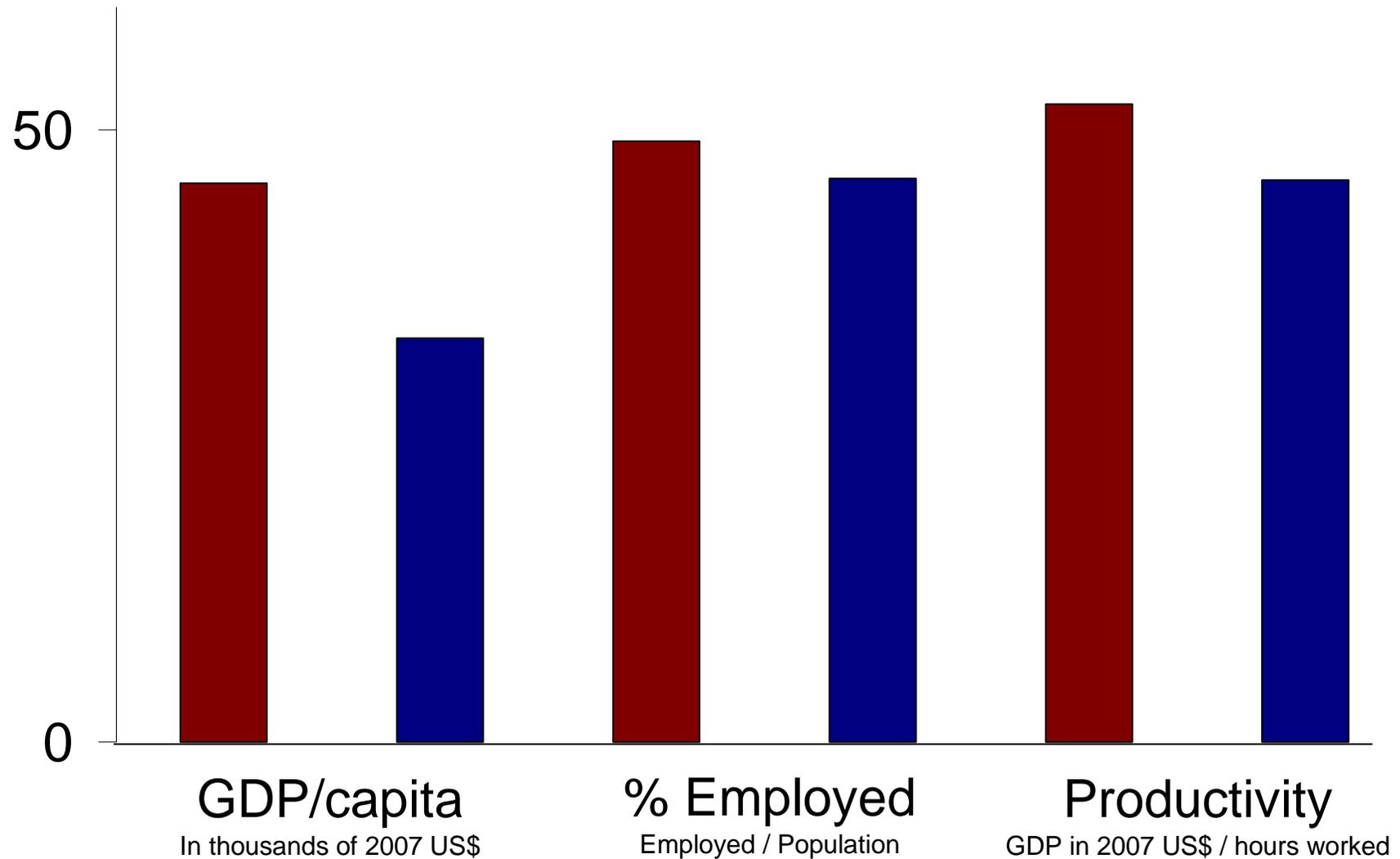


Source: Own computation of Groningen Total Economy database



US compared to EU-15

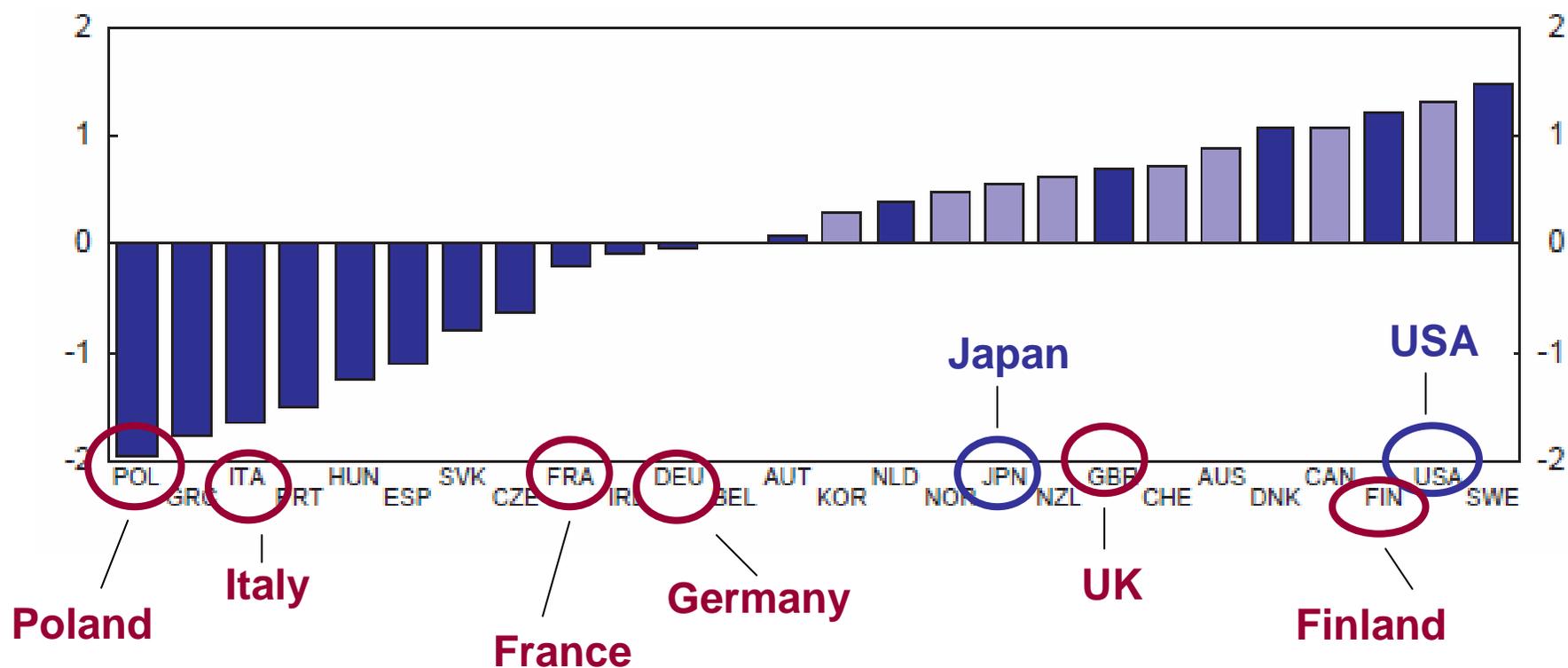
Year 2007



Source: Own computation of Groningen Total Economy database



OECD composite indicator of ability to cope with globalisation



Source: OECD 2007

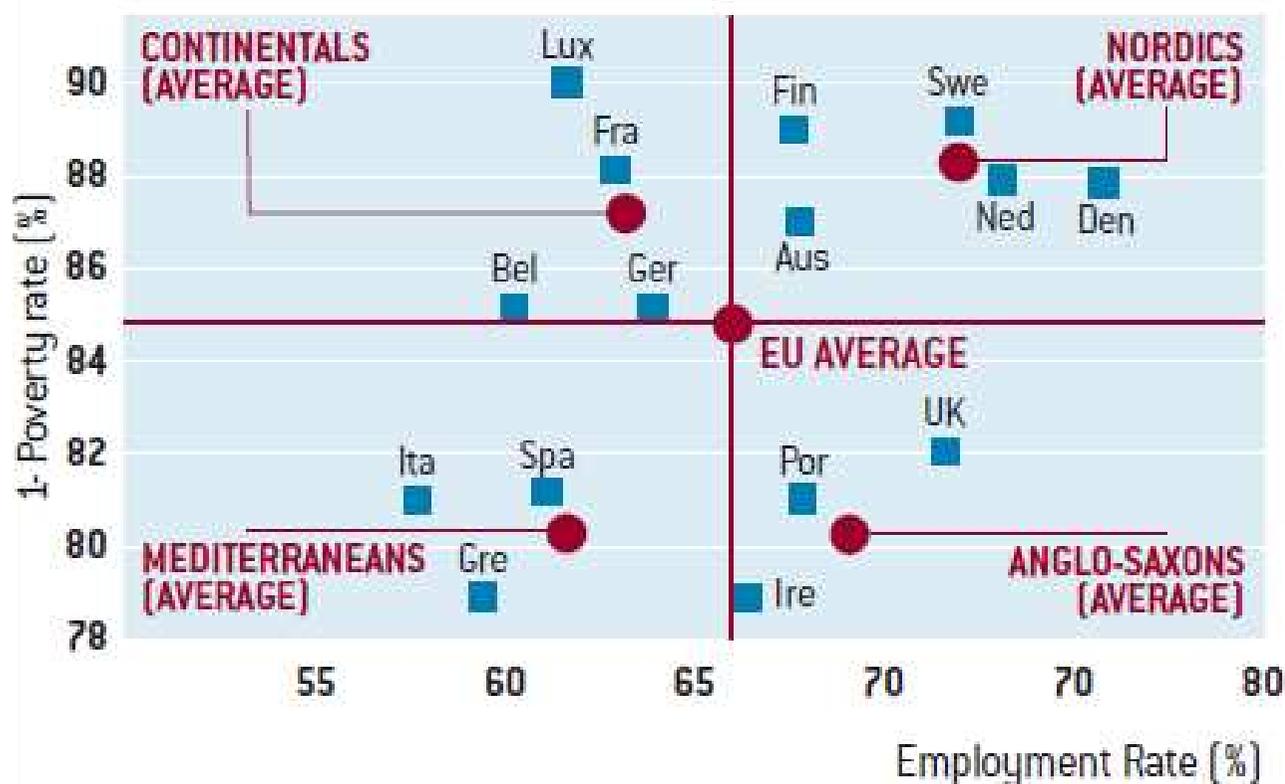


Components of the OECD indicator

- **Indicator of product market restrictiveness.**
- **Immigration rate.**
- **School results.**
- **Public expenditure on active labour market programmes.**
- **Participation rate in lifelong learning.**
- **Indicator of labour market flexibility.**
- **Skill level.**
- **Indicator of a country's innovation framework.**



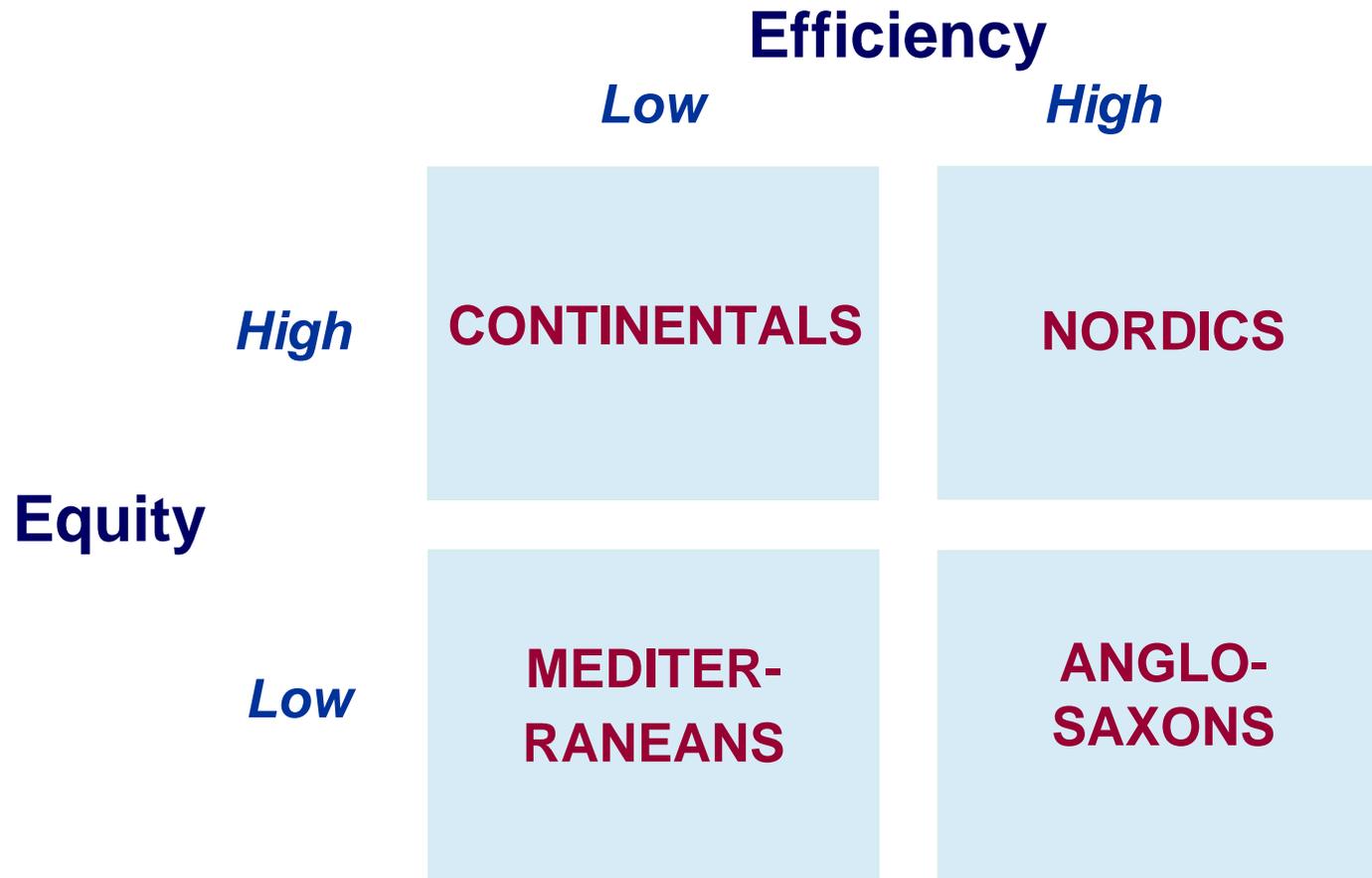
Employment rates and probability of escaping poverty



Source: Sapir 2005 based on Eurostat data



Four European models: Sapir's typology



Source: Sapir 2005