

Written Press - GERMANY

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Title: "HOW EUROPE IS RENEWING ITSELF"

Most borders have gone, budget airlines link all corners of the continent, and millions of Europeans have moved in search of new opportunities and a better life.

A GEO team travelled to five **migration centres**, including the melting pot of Dublin, with its abundance of children. The **dossier** it has compiled shows how migration movements and birth rates in Europe's regions are changing, where the problem areas are and where good practice can be found.

POLAND: The east moves westward with magnetic effect

Andrzej Grudniok jokingly describes himself as a 'human trafficker'. 'Five carpenters? Three welders? Monday in Rotterdam? No problem!' After all, it is only Wednesday. The 37-year-old Pole's mobile phone has already rung dozens of times today. The computer specialist and industrial engineer places and hires out Polish skilled workers, particularly for jobs abroad – he sends shipyard and cargo specialists to the Netherlands, IT experts to Denmark, builders to Germany, Austria and Ireland, and so on. He has even had requests from Dubai. They were bargain-hunters, who wanted to pay far less for Poles than Germans or Americans would cost.

That sort of thing angers Grudniok. He is no haggler, swindler or profiteer – not the kind to up sticks and leave at the drop of a hat because they smell the chance of a few euros more elsewhere. Nor is he one who has workers from other agencies 'abducted' to his own building sites from bus stations or airports. Grudniok is one of the reputable representatives of his trade. In any case, the fire sale is almost over.

Poland's accession to the EU in May 2004 triggered the greatest wave of emigration in the country's history. In the first week alone, tens of thousands of Poles travelled to Britain, where – as in Ireland and Sweden – there were no employment restrictions on nationals of the new Member States. At present, two million Poles reputedly earn their living abroad. Some even put the figure twice as high, which is equivalent to a tenth of Poland's population. In German terms, it is equivalent to every single inhabitant of Berlin, Hamburg, Munich, Frankfurt and Cologne deciding to emigrate.

Nowhere is the percentage of migrant workers higher than in the Opolskie voivodship in southern Poland, the smallest of the country's 16 administrative provinces. There, in Upper Silesia, lies the heartland of Poland's ethnic German population, many of them holding two passports, who were allowed to work abroad legally even before Poland joined the EU. In 2001, when Andrzej Grudniok founded his *Kadry Polskie* temp agency there, he was one of the pioneers. Today the city of Opole, capital of the voivodship, probably has the greatest concentration of employment agencies

anywhere in Europe, while Opolskie province has one of the most sharply declining populations.

The houses, with their newly added upper storeys, are reminiscent of a holiday resort in the off-season. The *Kadry Polskie* shop window is decorated with wooden clogs, and cardboard tulips hang from the ceiling – a travel agency for jobseekers. The service ranges from booking bus or air tickets, transfers and accommodation to assistance with tax returns. Accident insurance is included, but not health and pensions insurance.

65 000 CVs have been stored by Grudniok's 45 staff in Opole and in nine branch offices throughout the country. The ones that really count, however, are only those which have just come in. 'If an applicant has to wait a whole week for our offer, that is already a long wait', explains the agent. 'The first agency to employ him is the winner'.

Besides, there is new competition from a source that scarcely counted when the economy was weak, namely Polish companies. Almost all domestic industries are now short of labour, with more than 40 000 staff needed in the IT industry alone. Wage rises of up to 30% a year are not uncommon. People whose job prospects were non-existent only a few years ago, especially older people, are now being hired.

'It is becoming difficult with skilled people', says Grudniok. 'Only the unskilled ones are still coming to us'. He also believes that university graduates are often poorly trained. After the peaceful revolution, the number of trainees attending vocational colleges fell by 70%, while the number of university students increased fivefold. The only practical experience many of them have comes from holiday jobs bunching flowers in Holland or being a waiter or waitress in England.

A completely new type of labour struggle is now being waged. The head of one agency had a bus parked in front of local factory gates for the purpose of head-hunting workers as they emerged from their shifts – until union members made for the bus. In order to satisfy local demand for labour, Grudniok's staff have been known to enlist the aid of village priests and football clubs, but even they were unable to find anyone. Other agents have been turning in desperation to government job centres.

The job centre in Opole is surrounded by ten-storey housing blocks and car parks. Graffiti artists have left their mark in spray paint on its grey roughcast. Inside there are 15 counters, side by side. Behind them are staff with flatscreen monitors, but in front of them are very few clients.

A long wall is filled with job offers. Norway is looking for dentists, Cyprus wants joiners, Spain needs an orthopaedic surgeon, and Iceland is offering a monthly salary of EUR 4 865 for a physiotherapist.

All of these job offers come from the European Employment Services (EURES) network, a project designed to 'promote worker mobility in the European Economic Area'.

It is funded by the EU, which is undermining its own efforts with another campaign: since 2007 there have been large posters on billboards throughout Opole on which smiling young people proclaim, 'Opole – I am staying here'.

'Many of the 4.5% unemployed who are still registered here cannot work or do not want to', explains Irena Lebiedzińska, manager of the job centre. 'Many of them are also doing work on the side and want to keep their health insurance'. Ms Lebiedzińska's placement successes are now being achieved elsewhere. Recently she has been issuing work permits for Ukrainian tradesmen and harvest helpers. There were 1 100 of these in the first half of 2008 – another record for Opole.

Since 2008 ethnic Poles from the successor states of the former Soviet Union have also been allowed to work legally in their old homeland. And workers can be heard speaking German on building sites in Wrocław and in Gdańsk shipyards, for the pay rises of up to 20% in the Polish construction industry over the past year, coupled with living costs that remain comparatively low, are making Poland an attractive proposition even for Western European jobseekers.

Andrzej Grudniok's thoughts are also turning from exports to imports. He has already established his first contacts in Ukraine. What is more, he tells us, 'I have made all the preparations to bring Chinese to Poland. Otherwise we shall not have our stadiums and roads ready in time for the European football championship in 2012.

First of all, however, he sends another eight Poles to Rotterdam.

Until quite recently, the law of supply and demand and the quest for the market wage rate were all just examination material for 28-year-old Barbara Wojtasinska. Barbara studies economics at the private School of Management and Administration in Opole but has been working in Ireland for four years. She is a distance learner, as are 70% of her fellow students. They are part of a new clientele for the universities – people who have money but are time-poor.

Once a month, this petite woman flies to Opole for the weekend for examinations. This time she stayed in a hotel for EUR 30 a night. 'There is hardly anyone left for me to visit', she says. Half of her old circle of friends and almost her entire family are abroad.

In a bright red coat and with little luggage, she stands at the Ryanair check-in desk in Katowice. Behind her in the queue of passengers flying to Ireland are parents who want to see their children, men and women on their way to work, the 'Ryan workforce'. They are carrying rucksacks and gym bags. They do not carry briefcases or wear suits. Budget airlines are the new shuttle operators of the united Europe, flying people across the entire continent within a few hours for the price of a bus fare.

In July 2004 Barbara Wojtasinska flew to Dublin for the first time. 'Fled', as she puts it, from the tight confines of her parental home and her own aimlessness. She belonged to Poland's 'Nothing Generation' that was born in the early 1980s and grew up at a time when youth unemployment stood at 36%, the highest rate in the EU. In Ireland she was able to start work as a supermarket check-out assistant only three days after her arrival.

‘I have no home any more, either in Poland or in Ireland’, she observes – even though her old homeland caught up with her quickly in the form of Polish shops, newspapers and churches. The 63 000 Poles in Ireland are the largest immigrant group among the country’s 4.3 million inhabitants. Even Barbara’s parents, both of whom are veterinary surgeons, are there now.

Barbara recently became engaged – to a Czech. They intend to bring up their 13-month-old daughter trilingually. She is the first member of the family to hold an Irish passport.

IRELAND: From backwater to global leader

EVERY 90 SECONDS an aircraft roars over Dublin’s northern suburbs, which were still pasture land until quite recently. No other European capital has changed so quickly and so radically. Twenty years ago, Dublin was a poorhouse; 99% of its inhabitants were white Christians, and almost one in five of them were unemployed. Then the government and the trade unions reached agreement on low taxes, wage restraint and the renunciation of strikes. When the European single market arrived in 1993, Ireland offered itself, especially to US computer and pharmaceutical companies, as a cheap, English-speaking location for production facilities.

Today, Dublin’s new glass and steel structures reflect an international business and financial metropolis with the third-highest average net hourly wage in the world.

The unadorned brick buildings from the famine years now house designer restaurants in which the youngest population of any EU country, averaging 34.2 years of age, are served with sushi, Thai noodles and *latte macchiato*. Only one person in two is still a churchgoer. There are mosques, afro hairdressers and Internet cafés in which Philippine nurses sit next to Nigerian asylum seekers, connected through a headset and webcam with their respective homelands.

Every seventh inhabitant of Ireland was born abroad, and every second one works for a foreign company. The economy of Emerald Isle on the edge of Europe ranks as the most ‘globalised’ in the world.

‘If someone had told us beforehand how many people would come, we would probably have worried’, says Alan Barrett, an economist at the Economic and Social Research Institute (ESRI), ‘but we were lucky. The immigrants have not cost a single Irish job. On the contrary, the economy became even more competitive through them, because wage levels rose more slowly’.

The unexpectedly vibrant wave of immigration, however, has deprived Dr Barrett of his customary field of research, namely Irish emigration.

For centuries the country was characterised by emigration, a typical phenomenon in an island state with a high birth rate. But the Great Famine in the mid-19th century triggered a dramatic population drain. Death and emigration halved the population, which had previously amounted to 6.5 million, in only 60 years. Whether in the

United States, Japan or Australia, 70 million people in the world today claim to be of Irish descent.

‘We know what it means to work abroad’ is therefore the friendly response of many Irish to the immigrants. Racist incidents have been rare, and there is no political opposition to immigration. Ireland’s own emigration history did not end until 1993, after the ‘Celtic tiger’ had begun its pursuit race.

In 1994 Alan Barrett returned too. When the economist went to study in the United States, he did not expect ever to find work in Ireland. ‘Suddenly, three offers arrived at once’, he says. There was a demand for homecoming exiles like him, partly because they brought particular skills and experience with them. ‘In a globalised world’, says Barrett, ‘it is advantageous if many members of the labour force have worked abroad for a time, especially in the United States’.

The ‘brain drain’, he maintains, is an excessively statistical way of examining migration. It only takes account of those who leave but disregards the fact that many are drawn to return home in better times. Barrett supposes that Poland could soon experience the selfsame trend.

One indication that many Eastern Europeans have no intention of settling permanently in Ireland, according to Alan Barrett, is the fact that they have made far less progress to date in Irish society than others, such as African immigrants. Even university graduates are continuing to work as waiters or check-out assistants and master builders as ordinary bricklayers.

The wave of migrants into the neighbouring United Kingdom is already easing off. In the third quarter of 2007, the number of Poles returning home exceeded the number of new arrivals for the first time. According to a study, 50% of all Poles in the UK intend to pack their bags again sooner or later.

In Ireland too, the number of Poles applying for national insurance numbers was down at the beginning of 2008 – perhaps because Irish economic growth has been slowing down considerably, and the strong zloty is perceptibly narrowing the income gap, or because the Polish Government has promised a tax amnesty for exiles who return home.

Only 50 years ago, the Irish used to hold an ‘American wake’ before a family member boarded a ship for the United States, because none of his family and friends believed they would ever see him again. Nowadays there is often a thin dividing line between migration and commuting.

DUBLIN AIRPORT: Crowds are thronging the arrivals lounge as if awaiting the return of a successful national sports team. This is the usual scene when an aircraft from Poland touches down. A Czech with a bunch of roses escapes the crowd and embraces his Polish fiancée. She is wearing a bright red coat. One floor higher, the queues in front of the check-in desks are melting into a single mass of humanity. An average of 60 000 passengers a day depart from or arrive at Dublin Airport. It is already one of Europe’s largest airports.

The island of Ireland depends on air transport, which is a geographically favourable starting point for a budget airline. Ryanair, with its headquarters in Dublin, now carries more passengers within Europe than Lufthansa or British Airways. Last year it carried 45 million on 596 routes. This year new links have been established at the rate of almost one every two days.

Michael Cawley, deputy chief executive of Ryanair, tells us that Paris is the second-largest Portuguese city, that 30 000 Sicilians live in Brussels and that a million Romanians work in Italy. He creates direct links for them. He is also interested in any part of Europe where fast rail links and motorways are lacking, or where underused airports are offering special terms as an inducement.

Ryanair also takes people to areas that were previously more or less unknown, such as Haugesund in Norway or Limoges in France. The latter, a city of 140 000 inhabitants, is the heart of the Limousin region in central France. Demographically, it is a disaster area. Almost nowhere in France is poorer, older or more abandoned.

Yet since the first budget airline landed in Limoges, passenger numbers at the airport have risen from just over 150 000 to more than 400 000 a year. 70% of them come from Britain, particularly from Greater London. Most are not tourists. Every third one has tools in his suitcase – and a house in the area. Property sales have mirrored the trend in passenger numbers.

The managing director of the airport proudly tells us that the Britons bring in EUR 270 million a year and that Ryanair has been operating flights between Limoges and Brussels since the spring of 2008, because Dutch and Belgians also hanker after a rural retreat.

Like the French themselves.

FRANCE: A new life in the country – the city dwellers move in

THE WIND wafts through the branches of the mossy old oaks, with a flapping of wings, a dove rises from the undergrowth. Water gurgles over the stony bed of a stream before thundering downward. Birds are chirping, and a cow is heard lowing in the distance.

Agnès Luquet slowly opens her eyes, switches off her recording machine and removes the headset from her short black hair. ‘Such intensity of sound! Where else in France can you still hear such things?’

The sound engineer is standing in a park on the outskirts of Saint-Setiers, a municipality in Limousin, the ‘empty centre’ of France. With only six inhabitants per square kilometre, it is difficult to find more solitude.

Until four years ago Agnès Luquet was sharing a square kilometre with more than 7 200 others in the shadow of the skyscrapers of La Défense district, in the suburb of Nanterre. She and her husband, Matthieu Brasseur, worked in a theatre there.

When two sons were born, it became clear that the couple wanted to get away from the confinement, the hectic pace and the anonymity, to escape to the country.

One third of all France's city-dwellers have the same dream. And an estimated 2.7 million intend to move to rural areas within the next five years. In the magazine *Village* or the private television channel *TV-Demain* ('Tomorrow TV') they see examples of people enjoying a new quality of life and are provided with tips and advertisements.

For decades the population flow moved in the opposite direction. The future was in the cities, which promised work, vitality and freedom. Now, however, more people are moving out of Greater Paris than are moving in. They are following the motorways and TGV lines to rural areas, particularly to municipalities with no more than 3 000 inhabitants.

The most radical change has occurred in Limousin. In the last century it lost one third of its population. Since 2000, however, the region has slowly been growing again. An eighth of the incomers are from Britain, and a quarter are from the Parisian region, but people from other major population centres such as Lille, Lyon and Marseille are also being attracted into the empty centre. The first arrivals from the Mediterranean coast have come to escape the increasing heat and drought.

It is mainly young families in the middle and lower income brackets as well as pensioners who are moving to rural areas in search of a better quality of life for less money. The fact that they are choosing Limousin is due in part to the 'welcome policy' of the Regional Council. Every two years the city of Limoges hosts a Resettlement Fair. Travel and accommodation are free. That is how Agnès Luquet and Matthieu Brasseur came to Limousin for the first time in 2003.

'They were dreaming of the country but, like many other people, had no precise idea of what they could live from here', recalls Eva Corral from Spain, who belongs to the staff of the *Service Accueil*, a department created in 1999 for the reception of new arrivals. She made it clear to them that neither their theatrical professions nor a bed and breakfast would enable them to feed a family in a rural area.

Then she helped them to develop a new 'subsistence project', involving several weeks of seminars with free business consultancy and contact with potential employers. Eight local liaison offices identify the municipalities where a doctor will soon be needed or where a bookseller, restaurateur or baker is looking for someone to take over the business. The *Service Accueil* pays up to EUR 3 050 towards the removal costs; for British incomers it pays the cost of language courses and guides to the administrative authorities.

Without this service, Agnès Luquet and her family might have moved to the Pyrenees or Auvergne. Instead, the *néo-ruraux* – the new country dwellers – ended up in the farming community of Chasseline, almost doubling its population.

The morning sun lights up the sandstone walls of the barn; in the garden lie the remains of an old horse-drawn coach and of a mower. Agnès Luquet shows us round the building site, the stage set for her new life. The floor space of the future living-

cum-dining room alone will be larger than the 67 square metres of their little house in Nanterre. They sold that for EUR 260 000. The barn and 2 000 square metres of land cost them EUR 20 000 and two weeks' work to make the first rooms habitable.

Nine-year-old Roman is in the process of building the Lego city of the future, inhabited by robots and protected by nuclear missiles, whereas his brother Illya, two years younger, is in the garden with his shovel, shaping a mound of sand into a Gallic village. They still find the city cooler. 'It took a year', recounts their mother, 'for the two of them to get used to making their own entertainment'.

Agnès Luquet and Matthieu Brasseur do not miss their old life. 'But we have something new to worry about', admits the sound engineer. 'Unless we take action', she explains, 'no money comes in'. She is taking a free training course to help her husband with his books, for Matthieu, formerly a lighting technician on a permanent contract, has become a self-employed electrician. He is now learning how to be a plumber too – as a 43-year-old journeyman with Roland Tindillère, who will be retiring in a few weeks' time.

Tindillère, who is approaching the age of 60, does not have a son who could take over the business. 'I am pleased that I can help Matthieu' he says, 'and that someone can continue my work'. That opinion is shared by many customers, who have been slipping the 'young' tradesman some of their vegetables.

A hundred years ago the municipality of Saint-Setiers had more than 1 000 inhabitants, but now there are only 270, and most of them live in the farming communities outside the village. Supermarket items and fish are brought to them by delivery vans from neighbouring municipalities. The postman brings baguettes from the bakery and sometimes medicines from the chemist's too.

Of the three hostelries that once stood in the village of Saint-Setiers, only the *Auberge du Plateau* remains, located opposite rusty petrol pumps, two currency reforms having intervened since their price counters last revolved.

On Sunday mornings the long-established residents still meet for their aperitif. In recent years a few new but old faces have joined them, namely the 'swallows', who grew up in Saint-Setiers and now, decades later, have returned to their childhood nests – not without importing a degree of urban dynamism.

One former UNESCO employee, for example, has transformed her late mother's abandoned farm buildings into an artists' colony. The arts and crafts association run by a former city dweller is housed in the former school, where villagers can now share their talents, whether these lie in ikebana, embroidery or making truffle pâté.

Where the old social fabric was torn by the population exodus, the newcomers are helping to weave a new one. Dozens of clubs and initiatives in the fields of sport, culture, environmentalism and adult education have emerged in the region. This summer the Saint-Setiers rambling club will stage a forest fête for the first time, with hunting horns and sound installations provided by Agnès Luquet. The venue is the forester's botanical parkland on the estate where 64-year-old Georges Nadalon lives alone with his wife, Anne-Marie. It has been the family seat since 1640.

The Nadalons' three daughters, like most young people in Limousin, moved away when they left school. One is still studying agriculture in Ireland, where she has fallen in love with a Polish forester! In the summer, however, both of them intend to come to Saint-Setiers – to live there permanently.

LIMOUSIN, once bringing up the rear, is the new *avant garde*. Other places are starting to emulate its development policy for rural areas, both in France and beyond. Ten members of the Regional Council staff devote themselves entirely to interregional cooperation and integrate Limousin into networks spanning the entire continent.

The fact is that, while living standards in the EU Member States are gradually converging, interregional disparities are actually widening within most countries. Almost everywhere people are still being drawn to the large conurbations and to coastal areas. Since eight of the 27 Member States are already experiencing negative population growth, interregional competition for people is becoming keener.

Things are especially difficult for remote border areas. Europe's weakest regions lie in the north of Bulgaria, along the border with Romania. Following the two countries' accession to the EU in January 2007, however, these peripheral areas are to become corridors. For the period up to 2013, Brussels has allocated EUR 217.8 million for cooperation between border regions. The symbol of this project is a bridge over the Danube. The question, however, is whether the sole function of this bridge will be to serve as a link or whether it will also be divisive.

ROMANIA AND BULGARIA: Complex construction of a bridge between old neighbours

MONUMENTAL PILLARED PORTALS frame the access routes at either end of the two-tiered bridge. The Danube – the main waterway from central Europe to the Black Sea – is more than a kilometre wide here. The two narrow, bumpy traffic lanes are lined with cast-iron lampposts; the lower tier carries trains on the route between Moscow and Thessaloniki in Greece. It is the only fixed road and rail link on the almost 300-mile-long stretch of river that forms the border between Bulgaria and Romania. The only other crossings are provided by three ferries.

Stalin had the bridge built from 1952 to 1954 in order to ensure that Turkey, which had become a member of NATO, could be reached by tanks within a day. The new structure was christened 'Friendship Bridge'.

Friendship between Bulgaria and Romania, however, had been destroyed by the First World War and was not restored under the countries' respective dictators. Even the pre-accession phase prior to common membership of the EU was characterised by rivalry. By that time, the Friendship Bridge had long been renamed 'Danube Bridge'.

Cars and lorries have to slalom their way out of the exit road on the Romanian side, where potholes increasingly reduce their room for manoeuvre every year – a legacy of the days when warfare in Yugoslavia blocked the route through Serbia and

Montenegro, and all the traffic from Turkey, Greece and Bulgaria had to use the bridge as part of a 700-mile diversion.

Dogs lie sleeping on the warm asphalt; the duty-free shops and customs checkpoint are deserted. The area between the customs huts is thick with exhaust fumes. Bulgarian and Romanian officers conduct joint checks for combined entry and exit clearance. 'One stop' is the principle that they have adopted from the German Border Guard. The police officers use a jovial linguistic mishmash to communicate with each other, and new friendships take root in the middle of the border.

The head of the Bulgarian checkpoint, however, says 'if things remain like this on the bridge, it would probably be better to fly to Romania instead of driving'.

His anger is targeted at the bridge tolls levied by both governments, which amount to EUR 8 per car on the Bulgarian side and EUR 9.27 on the Romanian side, making a total of EUR 17.27 for a short return trip over the Danube. This is equivalent to almost a fifth of the minimum monthly wage in Bulgaria and almost an eighth of the Romanian minimum wage. The charge for heavy goods vehicles is more than EUR 50 per journey.

Free movement of goods and persons within the EU? In response to a parliamentary question, the Commission in Brussels recently declared the tolls to be lawful in principle, as long as they did not impede movement and were used for bridge maintenance. If that were the case, however, the potholes ought to have been filled with solid gold long ago. On the Bulgarian side alone, EUR 12.8 million was collected in tolls in 2007, but only EUR 18 000 of that sum was invested in repairs.

The bridge connects and divides two towns: Ruse, the fifth-largest city in Bulgaria, a cultural and commercial centre with a population in excess of 160 000, and the industrial town of Giurgiu, with 70 000 inhabitants, in the Wallachian region of Romania.

Until the 17th century, they formed a twin town; until 100 years ago, the inhabitants shared their languages. Today they share problems: industrial contamination, unused capacity in their ports and an unemployment rate of up to 31% in the surrounding villages. Many of their inhabitants have moved away to the flourishing capitals, where there is work – and where housing rents are on a par with those in Munich.

At the same time, their location on the river and the presence of the bridge, less than 40 miles from Bucharest, give them great economic potential.

The first cooperative ventures have been initiated at municipal and regional levels in areas such as action to combat mosquitoes, environmental protection and infrastructure planning. The EU is supporting targeted projects designed to benefit people on both sides of the Danube. These include a cross-border tourist trail and a small park with a 'Friendship Lake' in Giurgiu, costing a million euros.

This is an expensive venture, and the expected visitors from Ruse will find it costly too. Although the town and city centres are only five miles apart, there is no bus service, and the taxi fare is EUR 40.

Politicians find ways of crossing the bridge toll-free – by using a VIP car, which ensures free passage on the Romanian side, and by telephoning the Bulgarian border police. Some people with local knowledge use gaps in the roadside barriers to drive round the back of the Bulgarian toll booth. Other vehicles are discreetly waved through, although their engine capacity indicates a wealthy owner. In this way, corruption and anarchy, of all things, help to overcome the bridge problem.

Early in the morning, small Bulgarian cars, fully laden, take people to work in Romania, where the average wage of EUR 400 is more than twice the Bulgarian average. The larger country with the shorter routes to central Europe is increasingly outperforming the Bulgarian economy. Romanians are making use of this disparity too; entrepreneurs from Giurgiu take their business partners for meals in Ruse, where the food is finer and cheaper than in their own town. At weekends, more than 1 000 people come up from Bucharest for half-price shopping in Ruse's supermarkets and DIY stores.

Some of them have already invested in property in the city, which is characterised by its Baroque and *art nouveau* architecture. Property prices rose last year by three times the inflation rate of about 14%.

Several times a week a small red bus crosses the bridge. Everybody knows it and waves to its driver and passengers. It ferries students from the Bulgarian-Romanian Interuniversity Europe (BRIE) Centre back and forth between Giurgiu and Ruse.

Founded with German funds from the Stability Pact for South-East Europe, BRIE, in cooperation with the University of Ruse and the Bucharest Academy of Economic Studies, has been offering two Master's courses since 2002 – European Studies in Ruse and European Public Administration in Giurgiu. Its aim is to train experts with a view to promoting the development of south-east Europe and to 'foster a common sense of identity that transcends national divisions', in the words of its patron, Rita Süßmuth.

BRIE itself, in other words, is also a bridge over the Danube. It was difficult to establish and is still dogged by many problems, but it is in place, and it could foster friendships between more than two nations, as its students come not only from Bulgaria and Romania but also from other south-east European countries such as Kosovo, Serbia, Albania and Georgia.

Among them is a Romanian border police officer. He wants to learn something, he says, 'for the time after 2011', which is when the two neighbouring countries are scheduled to join the Schengen system and abolish their border posts.

IN MAY 2010, after more than 15 years of planning and construction, a second bridge between Romania and Bulgaria is to be opened, situated further to the west between the towns of Calafat and Vidin. This will give Bulgaria a faster link to central Europe. For EU transport planners it forms part of Pan-European Transport Corridor IV, a trade route between Dresden and Istanbul.

The Ruse-Giurgiu bridge is also the crossing point of two such transcontinental transport arteries. The EU is providing EUR 1.6 billion for the development of the Bulgarian transport sector as a means of improving access to Asian markets.

In Romania, the country's largest haulage company has been ordering an average of 160 new vehicles every year from Volvo Trucks, the second-largest HGV manufacturer in the world.

Thanks to sales growth of 81% in eastern Europe last year alone, Volvo, which is Sweden's largest industrial group, registered the best quarterly performance figures in its history in the spring of 2008. It has production facilities in every continent, but its major development work remains in Sweden, where two out of every five of its employees work in science and technology – a figure unmatched anywhere in Europe.

Sweden has gone furthest along the road from an industrialised society to an innovative knowledge-based society, which is precisely the aim that the EU set itself in its Lisbon Strategy.

SWEDEN: Already close to a European ideal

GOTHENBURG, on the Swedish side of the Kattegat Strait: Twelve-year-old Truls jumps a metre off the ground into the elastics rope, knocking over a kitchen chair in the process. His sister, Liv, who is four, squeals excitedly, and the beagle applauds with its tail against a cupboard. Tore, aged ten, comes through the garden gate with his father after his drumming lesson. Elna Holmberg looks up briefly from her laptop, which has its place between the tadpole jar and the doll's house on the breakfast bar. She laughs, turns on the cooker to boil the pasta water then carries on writing e-mails.

Elna Holmberg, aged 48, has a doctorate in physics and in two weeks' time will be taking up her duties as head of research in advanced engineering at Volvo Trucks. At the present time, she is still responsible for a department at the Volvo Car Corporation and works more than 40 hours a week, just like her husband, Marten. That is not a problem at all', says the mother of three. 'For me, staying at home would be like living on Mars'.

She lives in Sweden, however, which not only has one of the highest percentages of working women and is considered to be the most advanced country in terms of equal rights but is also classed, in a study commissioned by the EU, as the most innovative.

Gothenburg, which is situated opposite the northern tip of Denmark on the estuary of the River Göta, is Sweden's second-largest city. People here have more children and are more educated and younger than the European average, and the region of western Sweden provides ideal conditions in an increasingly globalised and knowledge-based economic world, for scarcely anywhere else are more funds invested in research and development or more patents registered. Besides Volvo, Saab, Ericsson and the SKF bearings group have large production facilities here, and many of their suppliers are also based in the area.

The companies benefit from Scandinavia's main port and one of its largest universities, and they vie for skilled employees – a competition for brains that is

becoming more and more international in scope. Two thirds of all recruitments by the Volvo Car Corporation take place in the research and development unit, where 3 000 people work, most of them as engineers.

Elna Holmberg and her team of 23 share a bright open-plan office. A few toy cars and fabric samples are the only reminders that car design is the purpose of her department. English is spoken most of the time; in this way, Chinese, British and German staff can communicate with each other whenever they need to. Anyone who wants to learn Swedish can do so by attending free company courses.

The group regards international diversity as a particularly precious asset. As Elma Holmberg puts it, 'if we are to develop ideas for the world market, we must blend together the widest possible diversity of lifestyles. I do not want to work with copies of myself; nothing new would come out of that'.

The human resources department has replaced the word 'integration' with 'diversity': individuality rather than adaptation. Part of this approach is that heads of department like Elna Holmberg have a monthly talk with each member of their team. A joint study with the London Business School found that the most innovative teams were those whose members all felt cared for and recognised and in which the balance between the sexes is as even as possible – a finding that is not easy to act upon in the motor industry, even though the percentage of women on the Volvo payroll is comparatively high, at 24%, and women students in Sweden are twice as likely to become engineers than those in Germany.

'What would a car look like that was designed by women only?', asked a female member of the Volvo workforce in the autumn of 2001. The management took note and shortly afterwards assembled a team of nine women engineers and designers, with Elna Holmberg as technical project manager. They were given three years to design a car for what market researchers identify as the most demanding clientele, namely independent working women.

'My fourth child!' Elna Holmberg walks towards the low-slung coupé that has been on display in the Volvo Museum for a few days, mounted on a glass stand at a vantage point with a sea view, like the sparkling climax of Volvo's 80-year evolution. Its name is 'YCC – Your Concept Car'. A 'concept car' is one in which new ideas are given free rein, and only one prototype is built.

The two gull-wing doors automatically swing noiselessly upwards, and running boards slide out. The iridescent green-gold paintwork repels dirt like a non-stick frying pan. Concealed in the door frame are coin and umbrella compartments, and the central console has storage space for a laptop as well as a cool box. Sensors help with parking, and the on-board computer books the low-emission vehicle in for servicing on time.

In the spring of 2004 the car was completed, and Elna gave birth to Liv. When she attended international fairs or presentations at which the YCC was introduced, she took her daughter with her or her husband Marten looked after the little one. As he had done previously, following the birth of their sons, he took six months' parental leave.

In the period from a child's birth to the end of its first year at school, its parents are entitled to a total of 480 days off work, which they can divide between them, although the father must take at least 60 days, otherwise those days are forfeited. The state pays 80% of the parents' salaries, subject to an income ceiling of EUR 3 750. Volvo tops up this amount to 90% of full pay for the first 120 days.

'There are many people that Volvo could not hold onto otherwise', says Marten Holmberg, who develops greener engines. And women with higher levels of educational attainment would presumably be more likely to remain childless than those with lower qualifications, as is the case in other European countries. In Sweden, however, highly qualified women have children too. Another unusual phenomenon is that the birth rate in urban areas is higher than in rural areas, thanks to good and reasonably priced childcare services, which enable women to resume their careers quickly.

Since she was 18 months old, Liv, who is now four, attends a day nursery and is collected there at 4 p.m. by one of her parents, who take it in turns; the other parent stays on later at the office. Liv's brothers are now old enough to walk home after having lunch at school. Until their ninth year of schooling, they will attend the normal primary school, in which the expectations of each child are based on his or her abilities – the most effective approach adopted in any of the OECD countries to close the education gap between native and immigrant children.

Marks are not awarded until year 8, but twice a year teachers hold an interview with each child, in the presence of his or her parents, in order to establish the child's aims. 'What would you like to do?', 'How can you achieve your ambitions?' – the same sort of questions as Elna Holmberg asks her staff.

When the car developer moves in a short time to Volvo Trucks, she will always have Fridays off – for her new 'baby'. Together with a colleague from the YCC team, she has founded a consultancy firm. 'It must be possible to put the things we have learned into practice elsewhere too', she says. 'We want to help other companies to recognise the potential offered by their diverse customer base'.

A customer base that is becoming ever more varied and ever older – in Sweden as in the rest of Europe.

Words: Ines Possemeyer