9. Glossary

Terms marked with an asterisk (*) refer to fictitious events/institutions mentioned in a given scenario.

accountability: obligation or willingness to accept the responsibility or to account for one’s actions. In the context of public administration, it means rules for public authorities to publicly justify and give access to their activities.

apprenticeship process: process of learning or getting fully acquainted with a new skill or new technique.

area of freedom, security and justice: one of the five objectives mentioned by the Treaty of Amsterdam to ensure the free movement of persons in the European Union in conjunction with appropriate measures to jointly combat transnational criminal phenomena such as terrorism, drug trafficking and illegal immigration.

artificial intelligence: the capability of a machine to imitate intelligent human behaviour.

ASEAN: see Association of Southeast Asian Nations.

Association of Southeast Asian Nations (ASEAN): international (regional) organization established in 1967, currently comprising Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Brunei, Vietnam. It aims to promote trade as well as joint research and technical cooperation among its member states.

Asian values: traditions/concepts of thinking developed in Eastern philosophy and specific to Asian societies, such as: moderating the individual’s aspirations against the whole of society (human responsibilities as opposed to the Western concept of human rights), cyclic (holistic) rather than linear approach towards nature and human development.

Atlantic Alliance: see North-Atlantic Treaty Organization.
baby-boom generation: people born during the post-World War II period (up to the first half of the 1960s) which was marked by a particularly high birth-rate in most industrialized societies.

belle époque: culturally flourishing, euphoric years (for the well-off classes) of the beginning of the twentieth century (lasting until the outbreak of World War I).

Berlaymont: headquarters of the European Commission in Brussels.

BordEuro*: see Scenario No. 5.

capital mobility: the ability to freely buy and sell financial assets (e.g. deposits, shares, bonds) across borders.

Central and Eastern Europe: in the context of the EU accession negotiations the countries of Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia. In geographical terms, it designates a larger area, including both existing EU members (e.g. Austria) and non-candidate countries (e.g. Ukraine).

CIS: see Commonwealth of Independent States.

civil society: the citizens who are - politically, socially or culturally - playing an active part in society, but who are not necessarily involved in the political and economic decision making.

closer co-operation: mechanism introduced by the Treaty of Amsterdam enabling a majority of Member States to deepen co-operation in a certain policy area while leaving the door open for other Member States to join at a later stage. Such enhanced co-operation must not affect the rights or interests of those Member States which do not participate in it.

clientelism: arbitrary behaviour of politicians/civil servants favouring a certain group of persons (their clientele) over the rest of the population.

clocs*: see Scenario No. 4.

Coimbra Group*: see Scenario No. 3.

Cold War: the open yet restricted rivalry which developed after World War II between the United States and the Soviet Union and their respective allies. It ended with the dissolution of the Soviet

**collective goods:** (also called public goods) contrary to standard economic goods, a collective good can serve a small or a large number of persons at the same total cost (non-rivalry) and it is often impossible to exclude anyone from using it once the good has been provided (non-excludability). Typical examples include military defence and environmental protection. Because of their characteristics, collective goods require either governmental intervention or direct supply by the public sector.

**Common Agricultural Policy (CAP):** one of the main Community policies (accounting for 48 per cent of the Community budget in 1996), aimed at ensuring a common market for EU agricultural produce and a level of economic support for the agricultural community. The CAP works through a system of subsidies and quotas for EU producers and of levies and other restrictions on imported agricultural produce.

**Common Foreign and Security Policy (CFSP):** area of EU activity introduced by the Treaty of Maastricht, including all the means by which the EU seeks to exercise influence in foreign affairs (apart from the purely economic or commercial aspects of external relations). It also provides for the eventual framing of a common defence policy.

**Commonwealth of Independent States (CIS):** association of sovereign states formed in 1991, comprising Russia and 11 (out of the 14) other republics that were formerly part of the Soviet Union (Estonia, Latvia and Lithuania declined to join the CIS). The CIS aims to co-ordinate its members’ policies regarding the economy, foreign relations, defence, immigration policies, environmental protection and law enforcement.

**consumerism:** the emphasis, linked to advertising and marketing efforts, on creating new and increasing consumption needs.

**cordon sanitaire strategy:** (*cordon sanitaire*: French for ‘sanitary border strip’) strategy of isolating a problem within a
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given geographical area by erecting impermeable borders.

Council of Ministers: consisting of the ministers of the Member States (convening in different subject-based configurations), the Council is the European Union’s main decision-making body. It has both executive and legislative powers.

credit-rating agencies: agencies specialized in analysing and evaluating the reliability of enterprises/countries in their role as debtors, using certain classification standards (e.g. AAA for top reliability).

currency merger: the linking up of two or more national currencies by (irrevocably) fixing their exchange rates.

customs union: an agreement among two or more nations to eliminate trade restrictions with each other and to adopt a common trade policy (implying, among other things, the adoption of a common external customs tariff).

decentralization: transfer of (public) decision-making from one (central) level to several (regional and/or local) levels.

decentralization of industrial relations: transfer of collective bargaining (on wages, working conditions, etc.) between trade unions and employers from one (national) level to local/firm level.

democratic emancipation: process indicating the popular search for more active and participatory forms of political expression than that provided by voting in general elections or membership of political parties.

demonetization: process indicating the increase of economic activity relying on barter and local currencies, replacing the exchange of goods for a (legally prescribed, common) currency.

deregulation: the policy of opening previously regulated sectors (e.g. utilities, transportation) to competition through liberalization of entry and prices.

diminishing returns: tendency toward decreasing productivity, i.e. output per input employed. It indicates the passing of the optimum input level.
**directive:** one of the European Community’s legal instruments. It binds the Member States to the results to be achieved, but leaves a margin for manoeuvre as to the form and means of transposing it into the national legal framework.

**do-it-yourself (DIY):** productive leisure activity, consisting in the creation (instead of the purchase) or modification of a useful device of whatever kind.

**Economic and Monetary Union (EMU):** the process of harmonizing the economic and financial policies of the Member States of the European Union in connection with the unification of monetary policies and introduction of a single currency (euro).

**Economic and Social Committee:** consultative body of the EU, currently consisting of 222 members representing employers, trade unionists and ‘other fields’ of economic and social activity. It has to be heard by the Council of Ministers in certain policy fields before a legal act can be passed and may also issue opinions on its own initiative.

**employment pacts:** see local employment pacts.

**EMU:** see Economic and Monetary Union.

**Estates-General:** (in French Etats-généraux) in pre-Revolu-
tionary France, the representative assembly of the three ‘estates’ or orders of the realm (clergy, nobility and a ‘Third Estate’ representing the majority of the people). By analogy, an assembly purporting to represent different parts of society.

**EU:** see European Union.

**euro:** see Economic and Monetary Union.

**Eurocloc*:** see Scenario No. 4.

**Euroland:** see euro zone.

**Euro-Mediterranean partnership:** framework of co-operation between the EU and the states of the Southern Mediterranean basin (Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey and ‘the Palestine Authority’), which was established by the Barcelona Declaration of November 1995. It includes three main areas (so-called ‘baskets’): political dialogue, economic and financial co-operation and cultural co-operation.
European Central Bank (ECB): European institution established by the Treaty of Maastricht responsible for the independent conduct of monetary policy in the Member States participating in stage three of EMU, at the head and within the framework of the European System of Central Banks (ESCB).

European Commission: the main initiating institution of the European Union. In addition to exclusive rights of initiative, the Commission has functions of execution and control of Community policies. It is composed of 20 independent members, who are assisted by an administration made up of Directorates General and specialized departments.

European Community: the public entity which, together with the European Coal and Steel Community (ECSC) and the European Atomic Community (EURATOM), forms the ‘European Communities’, a body with international legal personality responsible for the so-called ‘first pillar’ activities of the European Union.

European Council: the regular meetings of the Heads of State or Government of the European Union Member States. It meets at least twice a year. Its objectives are to define general policy guidelines.

European Court of Justice: the main judicial institution of the European Union. It has two principal functions: to check whether instruments of the European institutions and of governments are compatible with the Treaties, and, at the request of a national court, to pronounce on the interpretation or the validity of provisions contained in Community law. It is composed of 15 judges assisted by nine advocates-general.

European Parliament (EP): the main representative institution of the European Union, the EP is an Assembly composed of 626 members who (since 1979) are elected by direct universal suffrage in all the Member States. It is primarily responsible for exercising democratic scrutiny and control over the Union’s decision-making process but it is also associated with the Council in the
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legislative process by means of various procedures. Finally, it shares budgetary powers with the Council in voting on the annual budget and overseeing its implementation.

European Security Council*: see Scenario No. 5.

European social model: see Third way (of Europe)/social market economy.

European stability pact: see Pact for Stability and Growth.

European Union (EU): composed of fifteen Member States (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, the United Kingdom), it works towards and oversees the economic and political integration among these states. Schematically, the European Union can be depicted as a structure supported by three pillars. The first pillar comprises the European Communities and their policies, mainly in the economic and the social domain, including Economic and Monetary Union (EMU). The second pillar includes the common foreign and security policy (CFSP) and aims to initiate a common defence policy. The third pillar involves justice and home affairs (JHA) and attempts to institute common rules concerning external borders, judicial co-operation and the fight against international crime. As opposed to the first, ‘communitarian’ pillar, the two latter pillars are of an intergovernmental character.

Europol (European Police Office): structure for developing police co-operation between Member States in the prevention and combat of serious forms of international organized crime, such as drug trafficking, money laundering, clandestine immigration networks and terrorism.

Eurosec*: see Scenario No. 5.

Eurovigil*: see Scenario No. 5.

euro zone: area comprising the Member States participating in stage three of EMU.

factor mobility: the ability to move factors of production (capital, labour) freely across borders.
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fibre optics: the technology allowing the transmission of vast amount of data, including voice and images, by using the properties of light passing through transparent fibres.

FDI: see foreign direct investment.

floating exchange rate: an exchange rate (the price of one nation’s currency in terms of another nation’s currency) determined through the unrestrictive interaction of supply and demand in the foreign exchange market.

foreign direct investment (FDI): the purchase of financial and physical assets in one country by businesses and residents of another country.

free-trade area (FTA): an agreement among two or more nations to eliminate trade barriers with each other. There is no attempt, however, to adopt a common trade policy with other nations.

G7 (Group of Seven): the seven largest industrial countries in the world: the United States, Britain, France, Italy, Canada, Germany, and Japan – which meet regularly to discuss economic and financial matters. The President of the European Commission takes part in the meetings. The G7 is called G8 when Russia participates (which is now the case for all meetings except finance and nuclear safety).

gated communities: upper-class residential complexes protected against the outside world with gates and other high-security devices.

gazelle: small or medium-sized enterprise characterized by an exceptionally fast rate of expansion. They often operate in high value added sectors employing highly qualified staff.

GDP: see gross domestic product.

genetic diversity: the existence of a large number of organisms (on earth) having a different biological structure.

globalization: the steady increase in the cross-border flows of trade, investment and financial capital since World War II, and its more recent acceleration as far as the two latter are concerned.

global warming: see greenhouse effect.
Golden Age: in the context of economic history, the period after World War II, standing out as an episode of exceptionally fast growth of the industrial economies.

Great Depression: decline in economic activity in North America, Europe and other industrialized countries which began in 1929 and lasted until World War II. It was the longest and most severe economic depression ever experienced by the industrialized world.

green accounting: systematic presentation of data on environmentally important stocks and flows (e.g. stocks of life-sustaining natural resources, flows of pollutants), accompanying conventional economic accounts (e.g. measures of gross domestic product) with the ultimate objective of providing a comprehensive measure of the environmental consequences of economic activity.

green technologies: technologies designed to minimize the impact of economic activities on the environment, either by being ‘clean’ or by being efficient.

greenhouse effect: a warming of the Earth’s surface and lower atmosphere that tends to intensify with an increase in atmospheric carbon dioxide.

gross domestic product (GDP): the total market value of all goods and services produced within the boundaries of an economy during a given period of time, usually one year.

high value added sector: in general, industries where the value of goods and services sold is high relative to the value of purchased inputs. Typically, they employ highly qualified (and highly remunerated) staff, such as in communications, banking and finance and consulting.

High Representative of the EU for the Common Foreign and Security Policy: often referred to under the French acronym ‘Monsieur PESC’; function established by the Treaty of Amsterdam to assist the Presidency of the Council of Ministers in formulating, preparing and implementing decisions relating to the EU’s Common Foreign and Security Policy (CFSP). The High Representative is also Secretary General of the Council.
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**hinterland:** region falling within the sphere of influence of a (politically and/or economically) more powerful region.

**human capital:** the sum total of a person’s productive knowledge, experience and training.

**ICT:** see information and communication technologies.

**IGC:** see intergovernmental conference.

**Industrial Revolution:** in modern history, the change from an agrarian, handicraft economy to one dominated by industry and machine manufacture.

**informal economy (underground economy):** the total of economic activities that – while lawful in nature – are not declared to the public authorities, typically to avoid taxes and regulatory constraints. Prudential estimates of the size of the informal economy in the EU vary between 7 per cent and 16 per cent of GDP.

**information and communication technologies (ICTs):** technologies allowing the electronic processing and transmission of information.

**information technologies (ITs):** technologies aimed at the electronic processing of information, comprising computer hardware and software, databases and related know-how.

**intangible goods:** products in the form of codified information and (scientific, literary, artistic) creations, which can be increasingly stocked and traded across distance by using information and communication technologies.

**intergovernmental approach (intergovernmentalism):** institutional arrangements and decision-making procedures on the EU level that are marked by the Member States’ dominance in initiating, deciding and executing European policies. Characteristics are unanimity voting in the Council of Ministers and a minimum of involvement of the other (supranational) Community institutions (European Commission, European Parliament) in the decision-making process.

**intergovernmental conference (IGC):** the formal negotiations between the Member States’ governments with a view to amending the Treaties.

**intergovernmentalism:** see intergovernmental approach.

IT: see information technology.

JHA: see justice and home affairs.

justice and home affairs (JHA): EU co-operation in the fields of asylum policy, immigration policy, combating drugs, combating international fraud, judicial and police co-operation. Its objective is the establishment of an area of freedom, security and justice.

knowledge society: society in which knowledge is the most important attribute of economic and social activities, implying the need for individuals to constantly maintain and improve their human capital.

least developed countries: (also low-income economies) countries whose level of per capita gross national product (GNP) falls below a low threshold. According to the classification adopted by the World Bank, low-income economies are those having a per capita GNP of $725 or less.

legitimacy: the installation and/or justifiability of a political system according to certain, above-all democratic, standards. Legitimacy is closely linked to the concept of accountability.

Lifelong learning: the idea and practice of learning as a permanent activity throughout the life span of an individual.

Local employment pacts: negotiating mechanisms to bring together the main actors in a regional economy (enterprises, trade unions, local and regional authorities, etc.) with the objective of increasing employment.

macro-economic indicators: measures of economic aggregates such as GDP, inflation and unemployment, which taken together give a picture of the ‘state of health’ of the economy.

majority voting: refers to the decision-making procedure in the Council of Ministers. Majority voting may be simple majority or qualified majority voting (the most frequent case).

marginal product: in a production process, the increase in output obtained by adding one unit of a productive
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factor, while keeping the quantity of other factors unchanged.

Member of Parliament (MP): member of a national Parliament.

Member of the European Parliament (MEP): one of the 626 members of the European Parliament. See Member of the European Parliament.

multilateral institution: international organization, the membership of which is potentially open to all states, aiming to foster co-operation in specific areas.

multiple belongings: sociological notion describing the fact that an individual feels equally close or loyal towards several, for example geographic, entities.

NAFTA: see North-American Free-Trade Agreement.

NATO: see North-Atlantic Treaty Organization.

neo-liberalism: political current advocating the deregulation of the markets and a withdrawal of the state from the economy.

new information technologies (NITs): see information technologies.

NGO: see non-governmental organization.

non-cash economy: economic activities – often in the informal economy – that do not rely on money as a means of exchange.

non-governmental organization (NGO): private-sector, mostly non-profit organization active in specific issue area (e.g. development, human rights, environment, fight against social exclusion). NGOs often act as pressure groups.

non-market activity: production of goods and services that is not carried out for sale on the market. It includes services provided by the state or the non-profit sector on a universal or need basis as well as production for self-consumption.

non-military security: see soft security.

non-profit sector: (also called third sector) non-public, independent organizations, active in various areas but notably in health, social and education services, and characterized by the absence of the profit objective and the reliance on a certain level of voluntary work/contribution.

non-traded sector: part of the economy producing goods and services that are not traded internationally.
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North-American Free-Trade Agreement (NAFTA): trade pact signed in 1992 providing the gradual elimination of most tariffs and other trade barriers between the United States, Canada and Mexico, effectively creating a free-trade area.

North-Atlantic Treaty Organization (NATO): collective defence organization originally established in 1949 as a counterweight to the Soviet military presence in Eastern Europe. It currently includes 19 members: Belgium, Canada, the Czech Republic, Denmark, France, Germany, Greece, Hungary, Iceland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Turkey, the United Kingdom, the United States of America.

OAU: see Organisation of African Unity.

OCOMED*: see Scenario No. 3. (Organisation for Mediterranean Co-operation):

one-stop shop approach: administrative practice by which a user can go through formalities necessary for obtaining a public service (for example unemployment benefit) at a single service point.

opt-out: the possibility for a contracting party to choose not to commit itself by a certain provision of a treaty.

orderly default: the unilateral repudiation by the state of implicit financial obligations, e.g. by successively revising downward pension benefits payable to currently working generations.

Organization of African Unity (OAU): established in 1963, it comprises 53 of the 54 countries of Africa (Morocco withdrew in 1985). Its primary aim is to promote unity and solidarity among African countries, including improving the general living standards, defending the territorial integrity and independence of African states, and promoting international co-operation.

outsourcing: the decision to rely on external suppliers for activities that were previously carried out within the company. In some cases outsourcing involves moving activities with relatively low value added towards low-wage countries.
Pact for Stability and Growth (Stability and Growth Pact): agreement - formalized in a European Community regulation – setting out the rules for budgetary behaviour in stage three of Economic and Monetary Union (EMU). In particular, it specifies how the countries participating in EMU should conform to the 3 per cent limit on budget deficits set in the Treaty of Maastricht and the sanctions attached to the non-respect of that limit.

PAFTA*: see Pan-American Free-Trade Agreement. 

Pan-American Free-Trade Agreement (PAFTA)*: change of the fundamental framework of scientific approach to a phenomenon, for example in sociology the shift from the ‘modern’ to the ‘post-modernist’ paradigm.

paradigm shift: 'per head', that is, divided by the number of the population of a given country, e.g. GDP per capita.

per capita: refers to a paradigm shift in the sociological characterization of Western societies since the second half of the twentieth century. Its main elements include a decline in tradition values (e.g. respect for established authorities) and a rise in universal individualism.

post-modernism: workers typically between 30 and 55 years of age, who tend to be favoured in terms of salary and other entitlements compared to younger and older workers.

prime-age: voting rule in the Council of Ministers entailing giving each Member State a weighted number of votes ranging from two for the smallest state to ten for the largest.

qualified majority voting (QMV): official residence of the Italian President in Rome.

Quirinale: see research & development.

R & D: regional bloc: a group of countries belonging to the same geographical region and co-operating more or less closely on economic or political matters. The expression 'regional bloc' can have an antagonistic connotation (e.g. during
the Cold War the Soviet bloc vs. the Western bloc.

**representative democracy:** a form of democracy based primarily on representation, i.e. the election by the people of parliamentarians who will conduct and monitor political business in their name. It is to be compared with ‘participative democracy’, where the people are expected to play a more direct role in policy making in addition to their right to vote (e.g. through their involvement in civil society).

**research & development (R&D):** systematic study directed towards fuller scientific knowledge and systematic use of this knowledge for the production of useful materials, devices, systems or methods.

**rule of law:** a legal and political system in which all actions of the state can only be taken according to prefixed constitutional or statutory rules and where effective legal remedies are provided for in case of non-compliance of a representative of the state with these prefixed rules.

**Schengen:** agreements between EU Member States aiming at the gradual removal of controls at internal borders and a strengthening of common external borders. The United Kingdom and Ireland are not members of Schengen, while some non-EU countries (Iceland and Norway) are. The Treaty of Amsterdam provides for the integration of Schengen into the EU treaties as part of the policy to create an area of freedom, security and justice.

**secondary education:** school education leading up to the admission to university.

**service sector:** one of the three parts of the economy (together with the agricultural and industrial sectors). Generally speaking, it includes activities that provide direct satisfaction of wants and needs without resulting in physical products or goods (e.g. health, education).

**single currency (‘euro’):** see Economic and Monetary Union.

**Single Market:** the set of rules allowing for the freedom of movement for goods, services, capital and workers within the European Union. The Single
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European Act (1986) aimed at facilitating the adoption of rules to implement the Single Market.

**Social Europe:** the set of policies and actions decided at EU level to promote the individual and collective rights of the workers (employment protection, health and safety ...) and in general to improve the tackling of social problems (e.g. social exclusion).

**Social Market Economy:** (German *Soziale Marktwirtschaft*) an economy based on market principles in which the state intervenes to protect the weakest members of society, in order to maintain a social balance.

**Soft Security:** security threats that are not of a military nature: e.g. international crime, terrorism, environmental risks, arms smuggling, trafficking in drugs or human beings.

**Stability (and Growth) Pact:** see Pact for Stability and Growth.

**Pact:**

**Statutory Tax Rates:** the rate at which a tax is applied on a given income or asset, as prescribed by tax regulations.

**Structural Unemployment:** in general terms, that part of unemployment which is not reversed by subsequent economic upturn. It is often identified with the component of unemployment that cannot be influenced by macroeconomic policy (fiscal policy, monetary policy) but requires structural reform of labour markets.

**Subsidiarity:** a guiding principle of federalism stipulating that decisions should be taken at the lowest level consistent with effective action within a political system. Specifically, it is the principle whereby the European Union does not take action (except in the areas which fall within its exclusive competence) unless this is more effective than action taken at national, regional or local level.

**Sustainable Development:** a model of economic development which takes into account society also in the very long run – particularly the need to control the pressure of human activities on the natural environment and...
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to improve the range of people’s opportunities, in terms of income, health, education.

**tax base:** the part of available income or assets forming the base for the calculation of taxes.

**techno crime:** criminality which presupposes advanced skills in information and communication technologies (ICTs), e.g. data pirating, manipulation of computer networks, etc.

**tertiary education:** university education.

**Third Industrial Revolution:** according to some economists, the appearance of ICTs may trigger such a change in the economy and society that it could compare to the First Industrial Revolution (starting towards the end of the eighteenth century, with the introduction of steampower) and the Second Industrial Revolution (starting at the end of the nineteenth century, with the introduction of electric power and the combustion engine).

**third way (of Europe):** political idea meaning that Europe should develop its own model between a purely market-oriented economy and a state-managed economy.

**total factor productivity:** measure of the efficiency with which capital and labour are employed in the economy or in an industry. It is measured by the weighted average of capital and labour productivity, the weights being the income shares of capital and labour, respectively.

**trade-bloc:** group of geographically close countries which co-ordinate their foreign trade policies.

**transparency:** openness and clarity in the daily operation of administrations and institutions, e.g. right to information, public access to official documents, consultation mechanisms, etc.

**Treaty of Amsterdam:** in force since May 1, 1999, it constitutes the latest review of the European Union’s ‘constitutional’ framework (see Treaty of Maastricht). The main accomplishments of the Treaty are: the introduction of guarantees of specific fundamental rights within the European Union; improvements in areas directly concerning the citizens (such as employment, social and
environmental policy); a strengthening of the EU’s instruments in external policy (common commercial policy and Common Foreign and Security Policy); and some modifications of the EU’s internal procedures (extension of qualified majority voting, possibility of closer co-operation between member states, enhanced roles of the Economic and Social Committee and other consultative EU institutions).

Treaty of Gibraltar: see Scenario No. 5.
Treaty of Maastricht: or Treaty on European Union, entered into force in November 1993. The Treaty of Maastricht established the Economic and Monetary Union (EMU, ultimately leading to the adoption of the ‘euro’) and the European Union (paving the way towards a Common Foreign and Security Policy and co-operation in the field of Justice and Home Affairs).

triumvirate: in Ancient Rome, the periods when power was exercised by three leaders (first triumvirate = Pompey, Caesar and Crassus; second triumvirate = Octavius, Antony and Lepidus). By analogy, a group of three people or countries exercising power.

UN General Assembly: one of the six principal organs of the United Nations (UN). The General Assembly, which is convened yearly or by special session when necessary, includes representatives of all members of the UN, each nation having one vote.

unanimity voting: the term ‘unanimity’ refers to the requirement for all the Member States meeting in the Council to be in agreement before a proposal can be adopted. As a consequence, the unanimity procedure gives a Member State the right to veto a decision. In the policies forming the first pillar of the European Union the application of unanimity voting is restricted and qualified majority voting applies to most cases. The second and third pillars, however, still operate almost exclusively according to the intergovernmental approach and the unanimity requirement.
underground economy: see informal economy.
United Nations (UN): international organization established in 1945 with the purposes of maintaining international peace and security, developing friendly relations among nations and encouraging international co-operation.
universal individualism: sociologists usually make a difference between two aspects of ‘individualism’: ‘particularist individualism’, reflecting individuals’ will to follow their own desires, regardless of the effect on society; and ‘universal individualism’, i.e. the principle according to which every person is equal and free to choose his or her way of life as long as the freedom of others and the limits needed for the smooth functioning of the society are respected.
value added: the difference between the value of goods and services sold and that of purchased input. It is equal to the sum of compensation of labour and gross operating surplus.
vocational training: specialized education aiming at the procurement of certain skills or the preparation for a certain activity on the labour market.
wage-price spiral: the mechanism by which wage increases feed into price rises and these in turn, by influencing expectations, prompt further wage increases.
welfare state: concept of government in which the state has a major responsibility in the protection and promotion of the economic and social well-being of its citizens. Specifically, it denominates the set of public policies to protect income against the risks of unemployment, sickness, disability and old age and to provide health care, education and housing.
Westernization: the spreading of Western concepts and values (such as rationalism, the supremacy of the rights of the individual) to non-Western regions of the world.
WEU: Western European Union. Founded in 1948, the WEU is an association of ten Western European nations (who are at the same time EU Member States: Belgium, France, Greece, Germany,
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Italy, Luxembourg, the Netherlands, Portugal, Spain, and the United Kingdom), plus five observers (Austria, Denmark, Finland, Ireland and Sweden), three associate members (Iceland, Norway and Turkey) and ten associate partners (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia). It operates as a forum for the coordination of matters of European security and defence, in co-operation with NATO. It is envisaged to become the EU’s defence arm.

**working poor:** low-wage workers whose income falls below a given poverty threshold.

**World Trade Organization (WTO):** international organization designed to supervise and liberalize world trade. The WTO, which came into being in 1995 with 104 founding members (currently 136 members), is the successor of the General Agreement of Tariffs and Trade (GATT).

**WTO:** see World Trade Organization.

**YES-zone**: see Scenario No. 1.

**zero-sum game:** a game in which the gains of one player are exactly offset by the losses of the other player(s). By analogy, a situation in which there is no net overall benefit to share.