

new rapid transit station at Roissy-Charles de Gaulle Airport in Paris, Italian contractors build roads in Spain, a Spanish company sweeps streets in British towns, and U.K. personal computers help keep the German parliament going.

**Significant Start.** The new way of operating means state-owned industries will have to do without massive injections of aid. This affects roughly half of all workers in Germany, Belgium and Italy who work in state-owned and protected enterprises. Governments are already selling off national banks, airlines, telecom monopolies, railways and other loss-makers. Even sacred cows like post offices and utilities are feeling the breeze.

It is unique in history that 12 modern states (plus seven more eventually) would willingly sit down to coordinate their material interests. That they would succeed in overcoming the difficulties of a multitude of languages, currencies, legal systems and countless clashes of culture and outlook is a formidable demonstration of European willpower.

Certainly the nuts and bolts of integration have to be tightened and adjusted, and it will take perhaps a generation for it to percolate into

every element of business and personal life. For the moment, electric plugs are still different, as countries cannot be rewired overnight. The British still drive on the left, and Europe remains a patchwork of national air spaces where planes are controlled by 22 different computer systems, mostly unable to talk to each other.

And national habits, thankfully, will never change. German businessmen will address each other by surname, the Danes will think staying in the office later than 4:30 p.m. is a sign of incompetence, and nothing will ever persuade the French to put a tea bag in a cup before the hot water.

But the real work of forging a new Europe has begun. To succeed, it will take the efforts of countless individuals, making the most of fresh opportunities and using European laws to fight for their rights. In this way, the Single Market can become a powerful mechanism propelling Europe's people toward a more rewarding and satisfying life. "People think of the Single Market in terms of interference by Eurocrats," says Colm Mac Eochaidh at the Brussels office of the British Law Society. "We've yet to wake up to what an enormous and liberating thing it is."



ایک ہو کر ان سرحدوں کو ختم کریں، مفادات کی بنیاد پر حکومتوں پر براجمان افراد سے خلاصی حاصل کریں اور نو  
آبادیاتی نظام کے نتیجے میں مراعات یافتہ طبقات کو انقلاب کی نذر کرتے ہوئے سازشیوں، مفاد پرستوں اور اغیار کے  
مسائندوں سے پاک افراد کے انتخاب کی بنیاد پر ملت اسلامیہ کے ایک مرکز کی تشکیل کیلئے اپنی تمام تر توانائیاں اور  
صلاحیتیں وقف کر دیں۔ یاد رہے کہ "تم میں سے کوئی شخص اس وقت تک مسلمان نہیں ہو سکتا جب تک اسے الط  
اور اس کا رسول ﷺ اپنے مال، اپنی اولاد اور اپنی جان سے پیارا نہ ہو" وقت آگیا ہے کہ اب اپنی وابستگی کے ثبوت  
میں انتہائی وارستگی کے ساتھ مروانہ وار میدان کارزار میں اتریں۔ ورنہ اکیسویں صدی آپ کے (مسلمانوں) وجود کو  
بھی برداشت نہیں کرے گی۔

scratch or be a certain nationality, although it can require language and brush-up tests or familiarization periods. Students can attend any university as long as language and academic abilities are acceptable. And anyone can start a business, manage a company or teach, as long as he follows local laws.

Where people and goods can move freely across frontiers, so can services. Transport, for one thing, is changing dramatically. Governments no longer set high fares and block rival services to protect inefficient national carriers. Airlines can fix their own fares as long as they are not predatory, setting the stage for intense competition on all except quiet regional routes. From April 1997 any EC airline can fly anywhere in the Community - Lufthansa could start services between London and Edinburgh, for instance - if it can find room at congested airports. High-cost airlines like Alitalia and Olympic Airways will have to struggle to compete with the likes of the privatized British Airways.

Trucks and coastal ships also have an open market, although not yet buses. Permits and quotas for trucks are ending, and rights to carry loads anywhere are being phased in. Dutch truckers can thus run against German trucks on the Berlin-Munich route, but will also be up against cheaper Spanish trucks. And everywhere the time-consuming red tape at border crossings is disappearing.

**Economic Changes.** The biggest shake-up of all, however, is that money and financial services can move across borders as easily as planes and trucks. Exchange controls have all but vanished, although Greece and Portugal will retain some restrictions until 1995. Banks approved in one country can now operate anywhere, and many have rushed to get ahead of the game by buying into new markets. Deutsche Bank and Crédit Lyonnais now

own whole networks of branches in other EC countries, while the Crédit Commercial de France, the Royal Bank of Scotland and the Spanish

Banco Santander have linked arms.

These alliances are only part of the largest wave of cross-border mergers and takeovers in history. Throughout Europe, companies are streamlining and internationalizing their operations. Take supermarkets: a Danish chain has opened 39 new shops in Britain and 40 in Germany. Carrefour, one of France's largest hyper-market chains, now does a third of its business abroad, mainly in Spain.

The essence of the updated EC is competition on even terms. "The Single Market is a kick in the pants for unfit companies," reports Zygmunt Tyszkiewicz, head of UNICE, the Brussels-based association of national employers' federations. "But real benefits will come as companies pool resources and get into shape to take on the world."

This is already happening. Europe's eight manufacturers of telephone exchanges, none viable on its own, have become three big companies that can flourish with market access to all of Europe. Twenty makers of locomotives and railway carriages have combined into three major players - each with a turnover of 800 million ecus a year - claiming a large part of the market. Not only companies are affected. The lifting of borders means importers in France, for instance, can avoid inefficient dockers by shipping freight through Antwerp in Belgium.

One of the biggest prizes of the Single Market is open access to major public contracts. Worth more than 500 billion ecus a year in the EC, they had long been reserved for favored national companies to keep local people in jobs. Now those protectionist days are over. Already German and British companies are constructing parts of the showpiece

to inform consumers. Any product permitted for sale in one country can be sold in all others provided key information about its origin, ingredients and quality are on its label. German shoppers, for instance, can discern whether beer conforms to their purity laws or contains additives, and whether their *wurst* is pure meat or cheaper "English sausage" with as little as 55 percent meat. Either way, they can decide for themselves whether higher quality is worth the price.

Businesses benefit too. Sales of diet cola were negligible in Italy because only one kind of sweetener was permitted. "Few people liked the taste," says Walter Brinkmann of Coca Cola Europe. "Now that we can use a multitude of sweeteners, we've blended a better taste and sales are soaring. The Single Market means there are tremendous opportunities to be grabbed."

Another case in point is that differing technical standards were an obstacle to buying a car more cheaply in one country and importing it to another. The French blocked cars without yellow headlights, for instance. But no more. Uniform technical specifications are being phased in throughout the EC and will be standard in new cars after three years.

Not every anticipated benefit of the Single Market has come about. Doing away with identity checks at internal frontiers was supposed to be the most important symbol of the new-look EC. It's ironic, then, that while suitcases can go straight through customs, travelers to most countries still need identity papers. On the continent most countries require identity documents of some sort to be carried. Britain and Ireland will still make quick checks of documents to ensure non-EC nationals do not sneak through the system.

**Wider Opportunities. At the heart**

of a free-travel EC are the nine countries\* that have signed the 1985 "Schengen Agreement." Although not yet ratified by all, its groundwork is effectively in place. One result is that after next December, airline passengers flying to and from the Schengen countries will be separated from other international passengers. At the Paris airports, for example, special terminal facilities will help whisk them through without identity checks. Schiphol airport in Amsterdam proposes that intra-Schengen travelers will bypass immigration controls by showing a disembarking card. At Frankfurt such passengers will either pass through domestic facilities or be bused to and from special gates where they don't have to show identity documents.

Even if they must still carry identification in most countries, all nationals of EC and EFTA states have a legal right to work and live anywhere within the 19 member states. They can even use local employment offices to find a job. A residence permit may have to be obtained within a specified time, a formality as long as they are employed. If they are not working, they must demonstrate financial support, such as an adequate pension.

This new freedom is having a big effect. Tens of thousands of Britons and Dutch have already settled in France. In the Alsace border region, the number of French people working in high-wage Germany has skyrocketed, while many Germans are buying cheaper houses in France. The right to work extends offshore as well. For example, Spanish fishermen will be able to trawl traditionally protected Norwegian waters for cod.

Generally, each country must recognize professional qualifications and job skills. No country can demand that a person must start from

\*Belgium, France, Germany, Greece, Italy, Luxembourg, the Netherlands, Portugal, Spain.

on. Sweden, Finland, Austria and Switzerland hope to gain full EC membership by 1995, with Norway possibly next. Waiting down the line are the new democracies of Eastern Europe. Across the board, the way Europeans live and do business together has been transformed - perhaps forever.

THE BREAKTHROUGH came in 1985 when EC governments, snapping out of nearly two decades of lethargy, launched an ambitious program to eliminate all obstacles to the free movement of people, goods, capital and services across shared borders. The genius of the plan was to impose a deadline - 282 frontier-busting measures to be agreed upon and enforced before the end of 1992.

Behind the doors of the European Commission in Brussels, teams of experts horse-traded thousands of humdrum details to rejuvenate Europe commercially. Against all odds, decisions were reached by the Council of Ministers on every crucial issue. A few were left to the last minute, such as how to deal with Value Added Tax (VAT) on gold and secondhand goods, and how to control exports of national cultural treasures. But by the end of last month over 95 percent of the legal framework was in place.

Along the way, anticipation has provided an additional boost. Despite the high costs of German reunification, the Gulf War, and a world recession, foreign investment in Europe has leaped by 275 percent in the past five years. Trade between EC countries has soared by 50 percent.

**Shopping Boon.** Now, since the first of the year, the internal gates of the EC are wide open. Trucks go straight through borders and paperwork is done on arrival. Luggage on intra-Community flights is marked with green-edged tags, and exempt from customs searches. (Security checks for such things as weapons,

pornography or drugs might still be made.) You can buy anything you like in the EC and, as long as it's for personal use, bring it home with no grilling from customs officers and no taxes. Even for tobacco and alcohol - unless bought in duty-free shops, which will operate until 1999 - "personal use" allowances are generous.

A bargain-hunter's paradise is unfolding because VAT and prices still vary widely country to country. And since VAT is considered part of the purchase price, there are no restrictions on what you can bring home for personal use, even if your own country has a higher rate. Shoppers facing a 25 percent VAT in Denmark, for example, can make big savings in Spain, where the rate is only 13 percent. For cars and business-to-business sales, a different system applies until 1997.

Moreover, while some companies such as the LEGO group are setting nearly uniform prices for their products across Europe, many others - including Philips and Sony - are not. Italians and Spaniards in need of a TV, for instance, can save up to half the cost if they buy it in the Netherlands or Germany.

**Choices.** The wide variety of goods in local supermarkets, too, is dramatic evidence of the EC in action. Before the Single Market program, every country thwarted imports with a maze of niggling rules and standards. For instance, Germany allowed beetroot juice extract to color fruit in yogurt but not the yogurt itself, while in Belgium it was the other way around. Such differences cost Europe 200 billion ecus a year in lost production, and it took 14 years to formulate a "Euro-jam" acceptable to all members.

But the Single Market has taken a fresh approach: EC legislation is needed only to protect health and safety, to ensure fair trading and

Despite political setbacks and unresolved disputes,  
a borderless Single Market is now a reality

# A New Europe Dawns

BY JOHN DYSON

**J**ANUARY 1, 1993. Europe's Single Market is up and running, right on time. The 12 European Community (EC) member countries have created the most imaginative enterprise in its history: an area of open frontiers in which workers, businesses, products and finance can move without controls. Already this Euro-express is firing up powerful new economic engines, intent on speeding 350 million Europeans into the next century.

By closely integrating the countries of Western Europe, the Single Market is on the verge of creating the world's biggest, richest and most powerful trading partnership. Now any European person or business can seek fresh opportunities in any part of this new Europe. After centuries of guarded borders, duties and obstacles, **products can be loaded on trucks and delivered anywhere.** For thousands of European companies, the potential is immense.

Take computers, for example. Compaq runs its 1.3 billion-ecu business from Munich, manufactures in Scotland, and will dispatch orders from a central warehouse in the Netherlands to customers all over Europe. "Savings could run into millions of dollars," reports finance vice president Franz Egermann. Meanwhile Honeywell, a control

components company, once forced by conflicting national standards to make 50,000 different products, is on the way to slashing that number to 10,000. "It's a whole new way of doing business," says Alex Profili at the company's headquarters in Brussels, "and it works - growth is up five percent every year."

Even physically, Europe's neighborhoods are drawing closer, with road and rail lines bridging the Baltic countries, a new waterway joining the North Sea with the Black Sea, the Channel Tunnel linking Britain and France scheduled to open at the end of this year, and the rapid growth of high-speed trains.

Obstacles remain. About a quarter of the Single Market agreements are yet to be worked into national laws. A heavy agenda for change stretches ahead, loaded with such issues as ending unfair state subsidies. And behind many of the hurdles is a widespread fear among Europeans of losing national sovereignty.

Even so, the trading potential of the new EC under the Single Market program is so alluring that all seven member countries of the affluent European Free Trade Association (EFTA)\* are progressively latching

\*Austria, Finland, Iceland, Liechtenstein, Norway, Sweden, Switzerland.