

The macroeconomic development of the MentorChem's regions Saxony-Anhalt, Principado de Asturias and Lombardia

During the first phase of the MentorChem project the partners have completed a SWOT Analysis and Benchmarking study to compare the three regions Saxony-Anhalt, Asturias and Lombardia. The first part of the study is looking at the macroeconomic development in the regions (demography, employment and economy). The second part is dealing with the development of the chemical industry and the last chapter is answering to the questions of the three priority topics 1. Restructuring and development of old industrial sites and chemical sites, 2. Development and strengthening of cluster structures for the support of innovation and 3. Innovative Approaches for the development of human resources. The complete study can be downloaded at the website www.mentorchem.net This paper contains a short summary of the first part of the study.

Demography

Saxony-Anhalt, Asturias and Lombardy have different macroeconomic characteristics in many fields due to their specific geographical position and historical development. Saxony-Anhalt is located in the eastern Part of Germany, Asturias is located in the northwest of Spain and Lombardy is set in the northern part of Italy.

The following tables show the main regional indicators about the population in the three partner regions:

POPULATION (1000 Inhabitants), 2001	
EU 15	379.604
EU 25	454.349
SACHSEN-ANHALT	2.598
PRINCIPADO DE ASTURIAS	1.052
LOMBARDIA	9.150

Source: Eurostat, Third report on Economic and Social Cohesion

POPULATION DENSITY (Inh/Km ²), 2001	
EU 15	117
EU 25	114,2
SACHSEN-ANHALT	127
PRINCIPADO DE ASTURIAS	99,5
LOMBARDIA	383,4

Source: Eurostat, Third report on Economic and Social Cohesion

The demographic development is a growing challenge for the future regional development by taking into consideration a decreasing population which is becoming older. The latest forecasts for Germany see a decreasing population growth rate. Especially in Eastern Germany the unification has caused a sharp decline of the birth rate, which will cause a clear decrease of population in the long term. In Asturias too there is a fall of the population growth rate: the biggest drops are generally located in the most outlying rural municipalities. In Lombardia, one of the most densely populated regions in Europe, the drop of the birth rate is still compensated by the inflow of immigrants and the forecasts see a growing population until 2015.

Constant emigration is a severe demographic problem in Saxony-Anhalt. Bad economic conditions, unemployment and missing perspectives have lead to a constant outflow of people. Instead in Asturias the positive effects of the immigration flows are balanced by a significant slowing down of the birth rate. There is a different situation in Lombardia where immigration exceeds emigration, due to the migration from the south Italian regions and from foreign countries.

Employment

The division of the labour force regarding the economic sectors in Saxony-Anhalt shows a clear dominance of the services and the relatively small industry employment. The situation on the labour market has been characterised by a high unemployment. The transformation process and the industrial decline have caused a sharp reduction of employment.

Since 1997 a net job creation process has been realised in Asturias, which represents a radical change from the course followed by employment in the region since the seventies. Even though the decrease of the rate of unemployment was lower than the national average. The largest part of people is employed in service sector, while there has been a gradual decline of employment in the primary and industrial sector.

The situation on the labour market in Lombardy is characterised by a high employment with a very strong percentage in the industrial sector. If we compare the Lombardy labour force per sector to the other European regions Lombardy has a lower rate of employment in agriculture, higher rate in industry, and medium-high in services.

LABOUR MARKET		
	Employment rate (ages 15-64 as % of pop. Aged 15-64), 2002	Unemployment rate (%), 2002
EU 15	64,2	7,8
EU 25	62,8	9
SACHSEN-ANHALT	59,2	23,5
PRINC. DE ASTURIAS	51,5	9,8
LOMBARDIA	63,2	3,8

Source: Eurostat, Third report on Economic and Social Cohesion

Employment by sector (% of total), 2002			
	Agriculture	Industry	Services
EU 15	4	28,2	67,7
EU 25	5	28,8	65,8
SACHSEN-ANHALT	4	31	65
PRINC. DE ASTURIAS	7,2	31,4	61,4
LOMBARDIA	1,9	40,1	58

Source: Eurostat, Third report on Economic and Social Cohesion

According to the data of the "Third report on economic and social cohesion" (2002) the major part of population between 18 and 24 in Saxony-Anhalt has a medium educational level instead in Asturias and Lombardy the major part of this population has a very low educational level.

EDUCATION			
Educational attainment of persons aged 25-64 (% of total), 2002			
	Low	Medium	High
EU 15	35,4	42,9	21,8
EU 25	32,6	46,7	20,6
SACHSEN-ANHALT	8,2	66,4	25,3
PRINC. DE ASTURIAS	56,6	20,2	23,1
LOMBARDIA	53,7	35,2	11

Source: Eurostat, Third report on Economic and Social Cohesion

Economic Development

Today the economy of the three regions is characterised by SME dominated structures. The economy in Saxony-Anhalt and Asturias has successfully increased their international trade integration. After the loss of the traditional markets in the East caused by the collapse of the socialist economic cooperation, the enterprises of Saxony-Anhalt have improved their access to the international markets. In 2002 more goods have been exported than imported and the trade balance is positive. Lombardy international trade is very important, the value of Lombardy import is almost 9,5% of total European 25 value and the value of Lombardy export is almost 7,5% of total European 25 one. Lombardy is a region with an highest GDP per inhabitant.

GDP/head (PPS)			
	Average 1999-2000-2001, EU15 = 100	2001, EU15 = 100	2001, EU25 = 100
EU 15	100	100	109,7
EU 25	91	91,1	100
SACHSEN-ANHALT	65,9	65,3	71,7
PRINC. DE ASTURIAS	71,9	72,4	79,4
LOMBARDIA	133,1	131,3	144

Source: Eurostat, Third report on Economic and Social Cohesion

Despite its high value, the Lombardy GDP per head hasn't grown so much in the last years while Asturias had had a strong positive change in GDP. After high growth rates in the beginning of the 90s In Saxony-Anhalt the process of catching up to West Germany has ended in 1995. Asturias and Saxony-Anhalt are both threatened by the statistical effect of enlargement to lose considerable assistance from the European Structural Funds.

GDP GROWTH (annual average % change), 1995-2001	
EU 15	2,5
EU 25	2,6
SACHSEN-ANHALT	1,6
PRINCIPADO DE ASTURIAS	2,4
LOMBARDIA	1,9

Source: Eurostat, Third report on Economic and Social Cohesion

The number of patent registration at the European Patent Office shows the comparably level of innovation activities. The SME in Saxony-Anhalt and Asturias have often problems to use the innovation to develop processes or products for the market. Instead in Lombardy some of the 740.000 SME are very innovative and the number of patent registration show this aspect.

EPO PATENT	
applications per million inh., average 1999-2000-2001	
EU 15	153,6
EU 25	128,6
SACHSEN-ANHALT	47,8
PRINC. DE ASTURIAS	9,3
LOMBARDIA	158,5

Source: Eurostat, Third report on Economic and Social Cohesion

Contact Details:

Andreas Fiedler, Project Coordinator

isw Gesellschaft für wissenschaftliche Beratung und Dienstleistung mbH

Hoher Weg 3

D - 06120 Halle/Saale

Tel.: +49 345 299 82 70

Fax: +49 345 299 82 711

E-mail: fiedler@isw-gmbh.de



Gesellschaft für wissenschaftliche Beratung
und Dienstleistung mbH

Ana Elena Fernández

Instituto de Desarrollo Económico del Principado de Asturias (IDEPA)

Parque Tecnológico de Asturias

ES - 33420 Llanera (Asturias)

Tel. +34 985 98 00 20

Fax: +34 985 26 44 55

Email: anae@idepa.es



IDEPA

Instituto de Desarrollo Económico
del Principado de Asturias

Paola Peduzzi

**Cestec SpA – Centro Lombardo per lo Sviluppo Tecnologico e Produttivo
dell'Artigianato e delle Piccole Imprese**

Via G. Fara 35

I - 20124 Milano

Tel. +39 0 266 73 731

Fax. +39 0 266 93 147

Email. peduzzi@cestec.it



cofinanced by the European Commission DG Research*

* The Project „Mentoring European Knowledge of the Chemical Regions“ receives a funding from the European Commission. The sole responsibility for the content of this newsletter lies with the author. The Commission is not responsible for any use that may be made of the information contained therein.