THE PURPOSE OF THE EUROPEAN UNION AND THE RELATIONSHIP OF ITS MEMBERS

Twenty-seven countries are members of the European Union or EU. The purpose of the EU is for its members to work together for advantages that would be out of their reach if each were working alone. The EU nations believe that when countries work together they are a more powerful force in the world because they involve more people, more money, and more land area. This helps make the smaller countries of Europe more competitive in the world market. Look at the table. Notice that together the EU has more people and a greater Gross Domestic Product than the United States. (The GDP is the combined value of the goods and services produced in a country each year.) The United States is much larger than the separate EU countries. When the EU countries combine, they have more people and a larger economy.

<table>
<thead>
<tr>
<th></th>
<th>EU</th>
<th>UNITED STATES</th>
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</thead>
<tbody>
<tr>
<td>Land Area (approximate</td>
<td>1,500,000</td>
<td>3,700,000</td>
</tr>
<tr>
<td>square miles)</td>
<td></td>
<td></td>
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<tr>
<td>Population (approximate)</td>
<td>500,000,000</td>
<td>305,000,000</td>
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<tr>
<td>Gross Domestic Product</td>
<td>$14 trillion</td>
<td>$13.5 trillion</td>
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<tr>
<td>(total)</td>
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<tr>
<td>Gross Domestic Product</td>
<td>$28,213</td>
<td>$43,444</td>
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<tr>
<td>per Capita (person)</td>
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One result of the EU is the creation of the euro. Just as the United States has dollars, the European countries have their own currencies. The euro is the currency of most of the EU. Member countries can choose to give up their own currencies and exchange them for euros. France used to have French francs as currency. Germany used to have marks. Today, both countries use the euro. This makes trade between the countries much easier and less expensive. The United Kingdom uses the British pound, however. Citizens in the U.K. have decided to keep their own currency even though they are in the EU. Twelve EU countries do not use the euro.

The EU does not handle all the government business for the member countries. Each country still makes its own laws, has its own military, and elects its own leaders. The EU works to improve trade, education, farming, and industry among the members. For example, there are no tariffs (taxes) between countries in the EU. This makes a large free-trade zone. Citizens of one country can freely move to another country. They can live and work in any other EU nation. They can even vote in local elections even if they aren’t citizens of the country.

Answer in complete sentences on your OWN paper.

1. How many countries are part of the EU?
2. What is the European Union’s stated purpose?
3. What three things are in greater supply when the EU countries work together?
4. How does this make the economy stronger or better?
5. Why would the countries be more competitive?
6. What does GDP mean?
7. What factors affect the GDP?
8. If a country has a higher GDP, how do you think that
9. Which is larger in land area? How would more land affect a country’s economy?
10. What common currency was created for the EU?
11. Name specific currencies that were replaced by the euro?
12. What are the benefits to a common currency?
13. What are some drawback to a common currency? (Think historically/culturally).
14. What types of “business” is not handled by the EU? Give 2 specific examples.
15. What is the EU trying to improve? Be specific.
16. What are tariffs?
17. How does the removal tariffs increase trade?
18. How do the citizens of the EU benefit from membership?
19. Do you think the EU is a good idea? Why/why not?
20. Create a slogan to promote the EU.
21. Design a logo that would illustrate the goal of the EU.