

countries and continents, with particular emphasis on North Africa and the Middle East.

In the period of world-wide prosperity and stability since World War II, Austria has built a high capacity industrial and economic structure. Living standards have gradually moved up to the level of other western industrial countries. Its unique system of "Social Partnership" has helped maintain industrial peace at home (average length of strike down-time per worker is 18 seconds per year). Throughout the post-war years Austria has achieved among the lowest rates of price-wage inflation and unemployment in the Western world.

Austria is also one of the great tourist attractions of Europe, having both extensive historical and cultural attractions as well as highly profiled summer and winter recreation seasons. Tourism provides an important source of foreign income.

History and Government

Historically, modern Austria is a descendant of the mighty Habsburg Austro-Hungarian Empire. Until World War I, this Empire controlled from its capital, Vienna, a multi-national, multi-cultural state of 56 million people comprising, as a core, large regions of today's Austria, Czechoslovakia, Hungary and northern Yugoslavia. The Empire, situated in the centre of Europe at the intersection of the most important cultural zones of Europe, (the Germanic, the Slavic, and the Romanic) was also at the cross-roads of the age-old European transportation routes between north and south, east and west.

The name Austria (*Österreich*, in German) means "the realm in the east" and first appeared approximately 1,000 years ago (in a text dated 976). Austria became differentiated as a distinct territorial area of Europe during the late Middle Ages under the Babenbergers, who ruled it from their Vienna residence for 270 years from the tenth to the thirteenth centuries. In 1273, the Austrian region passed to the Habsburgs, who ruled it as the central part of their Empire for the next 640 years and had a decisive influence over its history and cultural make-up until its demise at the end of World War I.