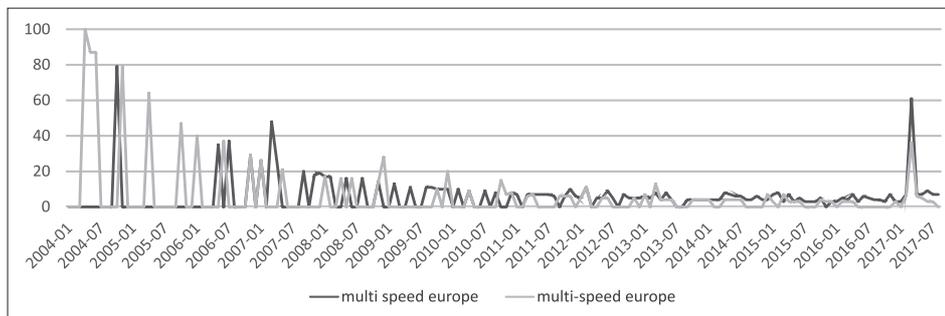


policymakers should bear in mind when using this concept to underpin their political strategies.

## 2. „Multi-speed“ Europe

In recent years, the European Union has faced the most severe crisis since its existence. The private debt crisis followed by a public debt crisis has created economic stagnation and high rates of unemployment in many parts of Europe. Serious doubts have been raised about the design and viability of the single currency, and simply keeping the European Union integrated and stable has been a challenge for politicians. In addition to an increasing sense of economic insecurity, recent developments in migration trends have led to a rise in popularity of far-right parties that promote nationalist and protectionist views and Euroscepticism, both in countries that have been part of the EU-project from the beginning and in new Member States. In Britain, this led to the decision to leave the EU.

**Figure 1: Frequency of the search terms „multi-speed europe“ and „multi-speed europe“ on Google since 2004**



Google Trends data, own representation.

This was the situation when Commission president Jean Claude Juncker put the idea of a Europe of different speeds back on the table in his „White Paper on the Future of Europe – Reflections and scenarios for the EU-27 by 2025“, published in March 2017. The resurgence in interest is reflected in the Google searches of the term (see figure 1). Juncker does not use the term directly but proposes a closer union of „those who want to do more“ as one of five possible scenarios for the future of the European Union (European Commission, 2017).

While such increased cooperation of a smaller number of countries could facilitate policy progress on issues that are blocked by a veto of one or a few countries, the general idea of multi-speed is not supported by all Mem-

ber States. Peripheral countries fear being left behind and do not like the idea of multiple standards. On the other hand, some argue that a „multi-speed Europe“ could encourage cherry-picking and be the first step in giving up the idea of Europe as a single, common project. To some extent, integration at different speeds is already happening. The Eurozone, the Schengen-Area and the European Economic Area represent frameworks of different stages of integration.<sup>1</sup>

### 3. EU Regional Development Policies and Convergence

The integration of different markets and policy frameworks is supposed to go hand in hand with economic convergence. However, this is not always the case, which is one reason for the strategic targeting of weaker regions by the EU. In the following section, we will first provide an overview of funds available for EU development policies and examine the recent evolution of EU-wide convergence in order to ground the concept of a „multi-speed Europe“ in economic realities. One of the central goals of the European Union is to create economic cohesion by improving economic well-being and fostering development in all regions. Especially structurally weak and poor regions are supported with the aim of limiting regional disparities. In order for this to be achieved, the European Union relies on targeted policy instruments aimed at levelling economic divergences between countries and regions. Development is measured in terms of GDP per capita, giving rise to three categories of regions: „more developed“ (with GDP per capita over 90% of the EU average), „transition“ (between 75% and 90%), and „less developed“ (less than 75%).

There are five major funds available to different categories of regions, which together account for about one third of the EU budget: the Regional Development Fund (ERDF) and the Social Fund (ESF) can be accessed by all regions, whereas the Cohesion Fund (ECF) makes up an additional source of financing only accessible to less developed and transition regions. There are two supplementary, specialised funds: the Maritime and Fisheries Fund (EMFF), reserved for funding the Common Fisheries Policy of EU MS, and the Agricultural Fund for Rural Development (EAFRD), which makes part of the common agricultural policy and has spatial targets, such as strengthening the competitiveness of the agricultural sector and improving the quality of life in rural areas. Finally, the Youth Employment Initiative fund is designed to offer targeted assistance in regions where unemployment of young people is most acute (exceeding 25%).

In this section, we mostly address the first three funds, which together contribute to the Convergence Objective (previously known as Objective 1) of the Cohesion policy of the EU.