

$$T_{prod} = \sum_{i=1}^n \left[\frac{y_i}{Y_c} \ln \frac{\frac{y_i}{Y_c}}{\frac{l_i}{L_c}} \right]$$

L_c is the total labour force of a country, the rest of the notation was explained above. We combine the within-between decomposition with the productivity-employment decomposition in order to find out where the sources of disparities lie.

Annex 2

Regions analysed

be1	de6	el3	es51	fr41	fr83	itg1	nl2	ukh	at32	se33	mt	sk04	bg41	pl51
be2	de7	el4	es52	fr42	ie01	itg2	nl3	uki	at33	cz01	hu1	ro11	bg42	pl52
be3	de8	es11	es53	fr43	ie02	ith1	nl4	ukj	fi19	cz02	hu21	ro12	pl11	pl61
dk01	de9	es12	es61	fr51	itc1	ith2	pt11	ukk	fi1b	cz03	hu22	ro21	pl12	pl62
dk02	dea	es13	es62	fr52	itc2	ith3	pt15	ukl	fi1c	cz04	hu23	ro22	pl21	pl63
dk03	deb	es21	fr1	fr53	itc3	ith4	pt16	ukm	fi1d	cz05	hu31	ro31	pl22	hr03
dk04	dec	es22	fr21	fr61	itc4	ith5	pt17	ukn	se11	cz06	hu32	ro32	pl31	hr04
dk05	ded	es23	fr22	fr62	itf1	iti1	pt18	at11	se12	cz07	hu33	ro41	pl32	
de1	dee	es24	fr23	fr63	itf2	iti2	ukc	at12	se21	cz08	si01	ro42	pl33	
de2	def	es3	fr24	fr71	itf3	iti3	ukd	at13	se22	ee	si02	bg31	pl34	
de3	deg	es41	fr25	fr72	itf4	lu	uke	at21	se23	cy	sk01	bg32	pl41	
de4	el1	es42	fr26	fr81	itf5	iti4	ukf	at22	se31	lv	sk02	bg33	pl42	
de5	el2	es43	fr3	fr82	itf6	nl1	ukg	at31	se32	lt	sk03	bg34	pl43	

Notes

- 1 See figure 2, Annex.
- 2 http://ec.europa.eu/regional_policy/en/funding/erdf/
- 3 http://ec.europa.eu/regional_policy/en/funding/social-fund/
- 4 http://ec.europa.eu/regional_policy/en/funding/cohesion-fund/

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Abstract

This paper aims to shed light on the evolution of regional disparities with respect to economic activity, productivity and employment across the European Union. While the „multiple Speeds of Europe“ are a buzzword often quoted to underpin different political strategies and visions, they are usually not connected to an analysis of the actual inequalities and the existing trends. We employ the Theil-index of concentration to conduct such an analysis for 191 EU regions from 1991 to 2014, showing the evolution of disparities in terms of regional GVA, labour productivity and employment, both on the between country and within country level.

We find a descending trend in disparities following each enlargement period after 2004, which has however slowed down in the wake of the recession and has since been outpaced