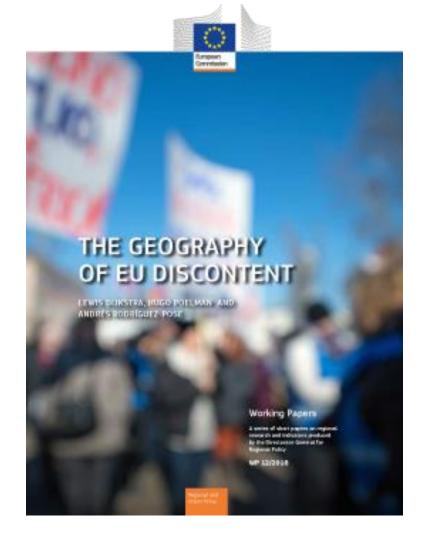


The geography of EU discontent & the regional development trap

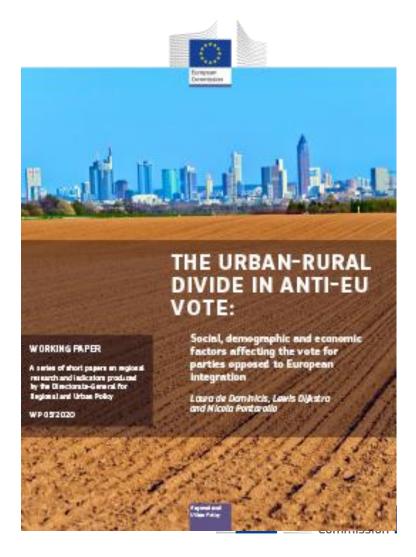
by Andrés Rodríguez-Pose, Lewis Dijkstra and Hugo Poelman

High Level Committee on the Future of Cohesion Policy, 19 June 2023

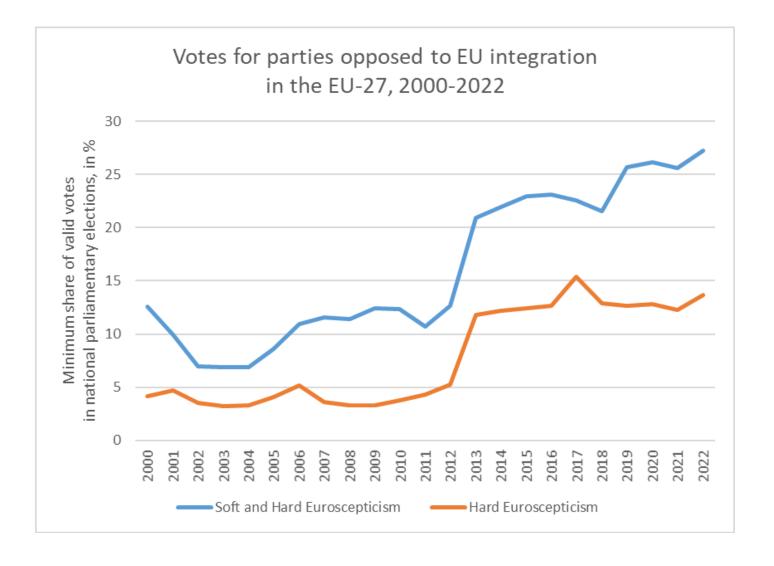
Three initial REGIO Working Papers





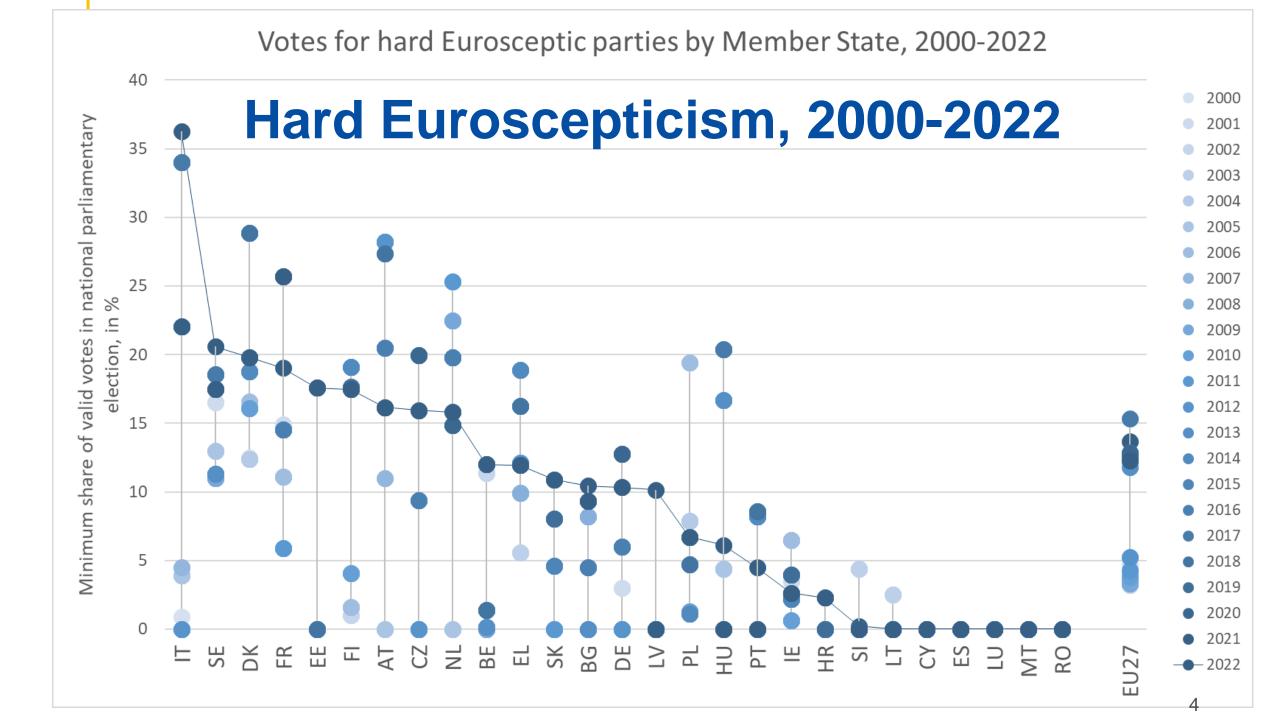


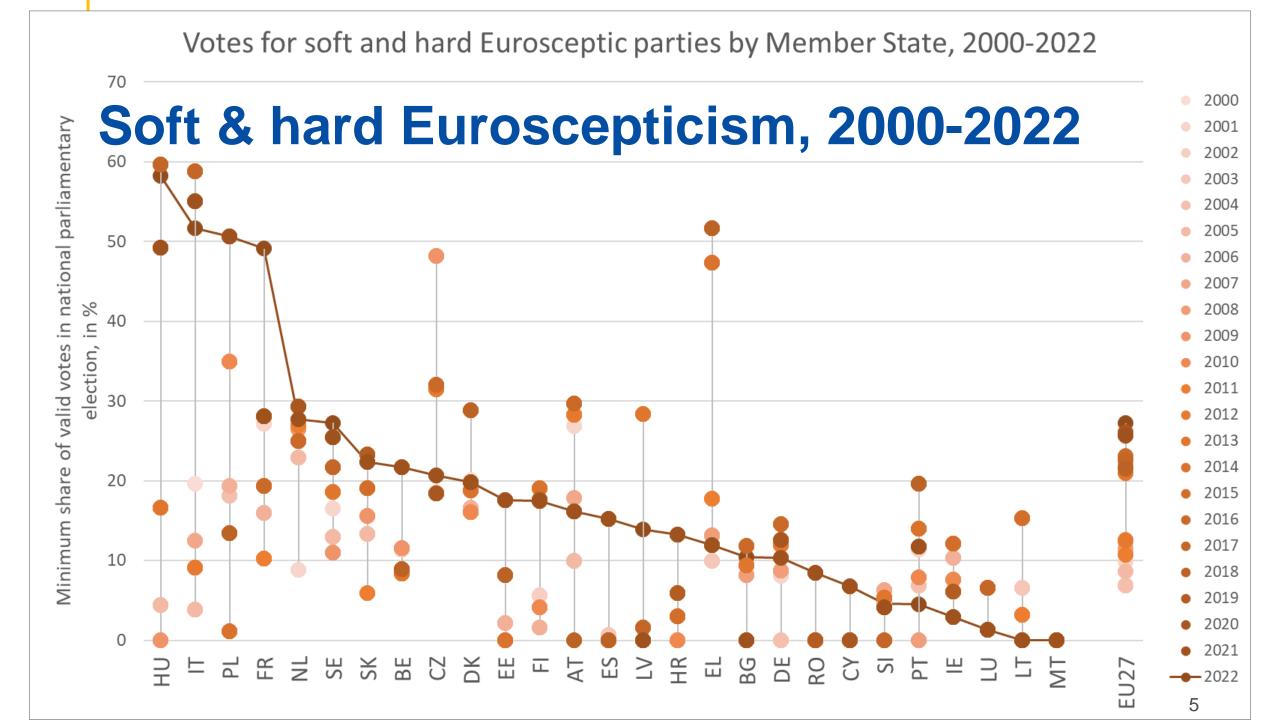
Euroscepticism on the rise



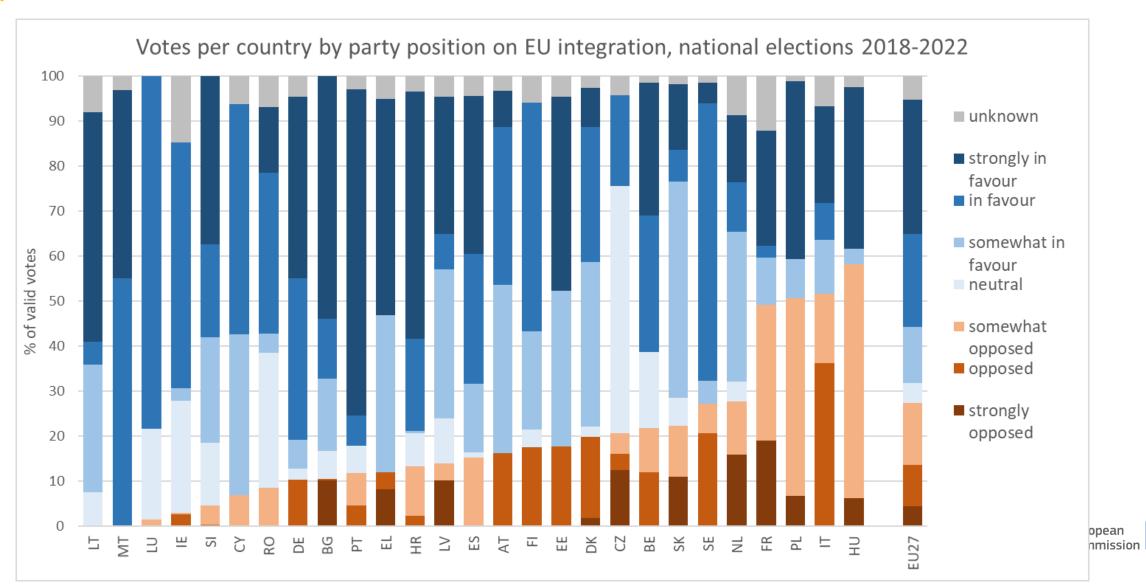
- A big increase following the economic and financial crisis of 2008
- Brexit may have reduced appeal of hard Euroscepticism
- But softer Euroscepticism continues to grow

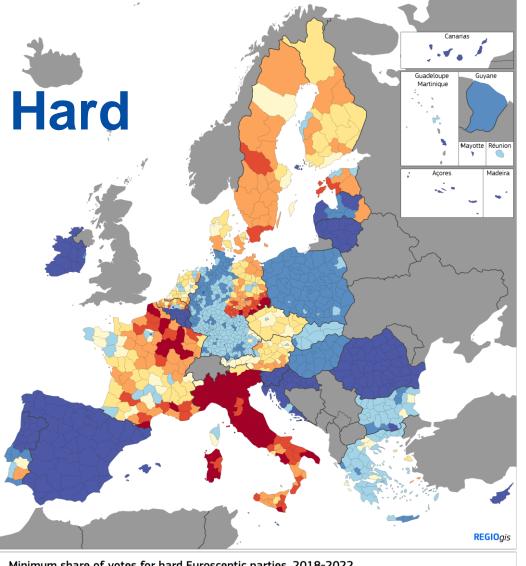




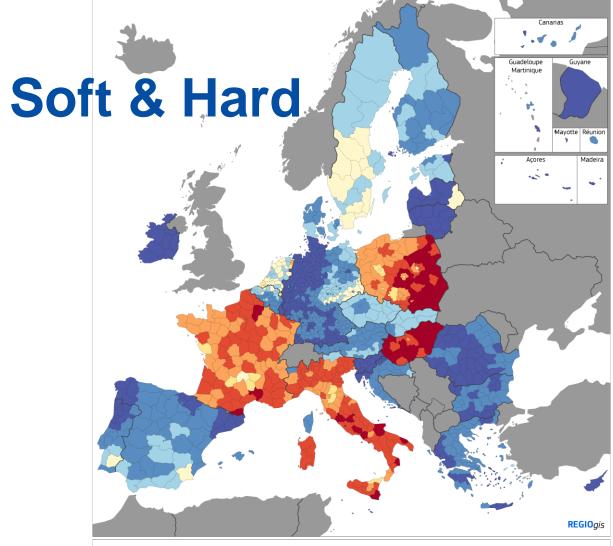


Votes by party position on EU integration

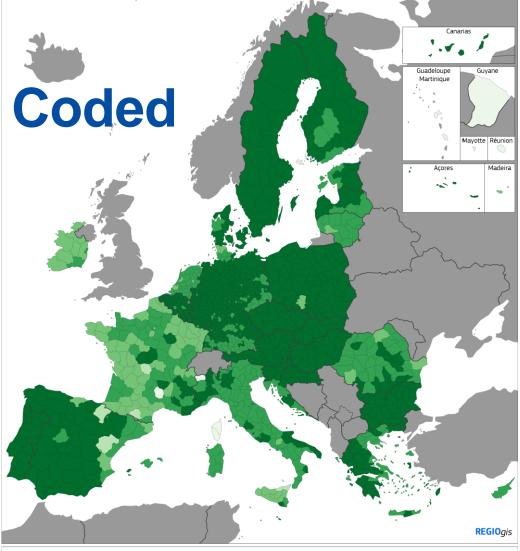




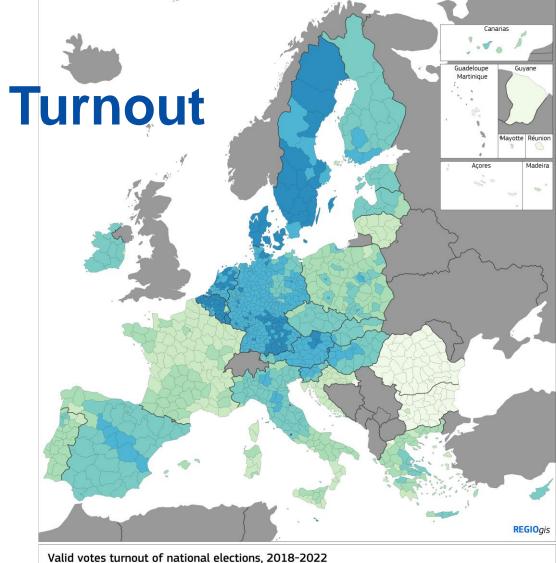


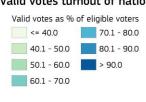












BG, FR, IT, LV, HU, MT, PT, SI, SE: 2022
CZ, DE, CY, NL: 2021
IE, HR, LT, RO, SK: 2020
BE, DK, EE, EL, ES, AT, PL, FI: 2019
LU: 2018
Source: DG REGIO based on EU-NED database and national administrative sources.

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Classic and new explanations

Classic



Individual factors: Education, ageing, migration



New: Development trap

Risk of a development trap



Geography: Location, rurality, density



Intensity of the trap



Economy: Employment, industrial decline, lack of opportunities



Length of the trap



Defining a development trap

Three measures of economic dynamism



GDP per capita



Productivity



Employment per capita

Measured at three geographical scales



The region itself in the past



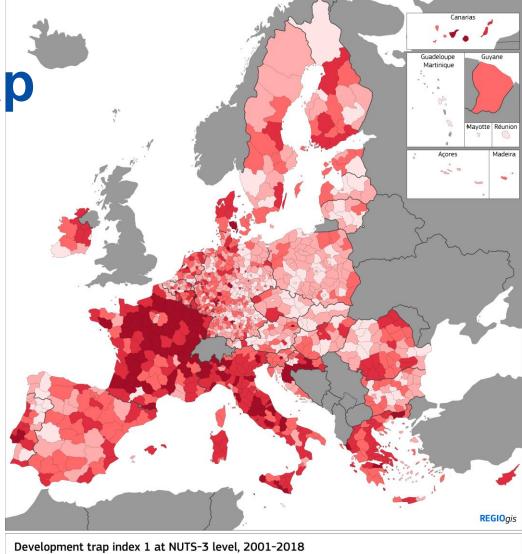
The country it belongs to

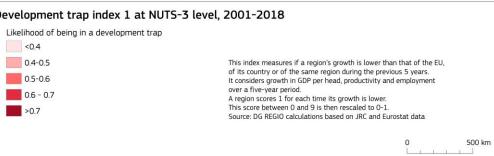


The EU

Risk of a development trap

- Counts how many times (out of a possible maximum of 9) a region scores below others in the country or the EU or itself in the past
- Standardised to 0-1
- Average over the number years observed

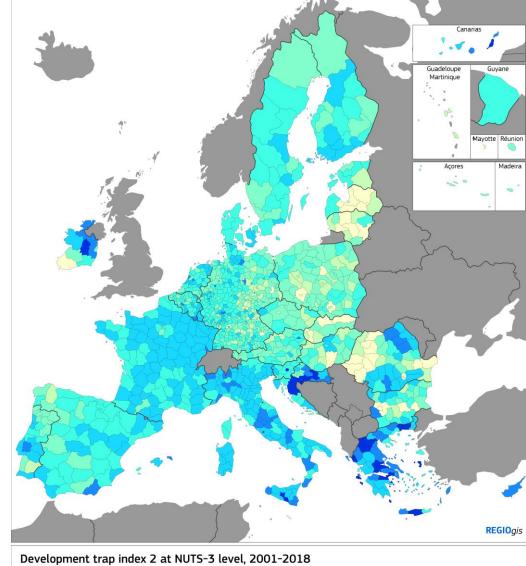


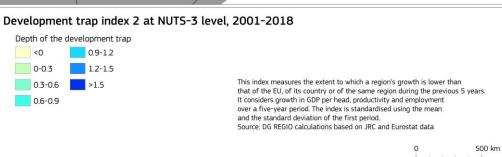


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Intensity of the trap

- This measures how much lower growth is in a region compared to the EU, the country it belongs to and its own performance in the past for the three economic indicators (GDP per head, productivity and employment per head)
- Higher figures imply a more intense trap

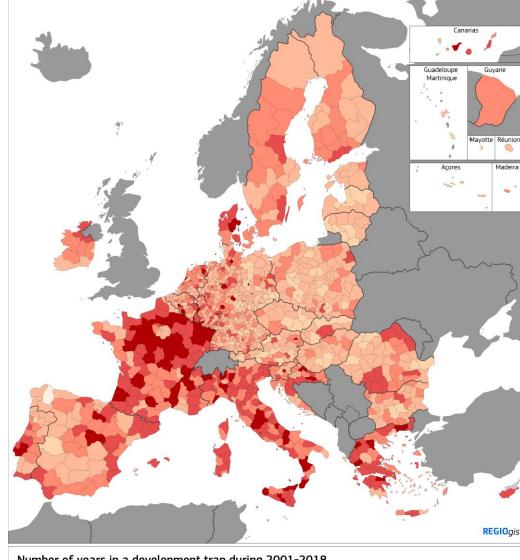


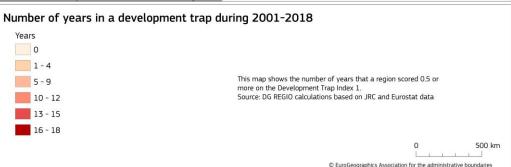


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Length of a trap

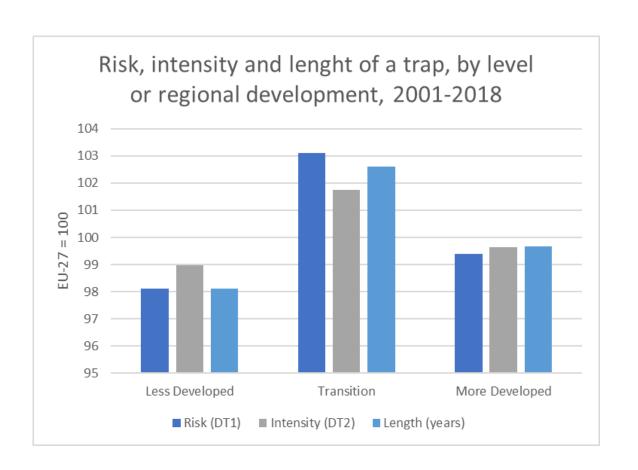
- Captures the number of years a region is considered development trapped (score of 0.5 or more in DT1)
- Only one region has not registered a single year of entrapment
- Regions in France, Italy, Greece, & Croatia are confronted with persistent entrapment





Development trap by level of development

- All regions can be at risk of a development trap
- But the risk is highest in the transition regions, followed by the more developed regions
- The risk is lowest in the less developed regions, but they are not immune to this risk





Results

Less Eurosceptic voting



Higher population density



More people born in another MS



Higher employment rates



Higher quality of government



More people with higher education



Higher turnout



Results (II)

More Eurosceptic voting



Higher GDP per head



More industrial jobs



Higher net-migration



More elderly residents (hard)



More people born outside the EU (hard)



People vote more Eurosceptic if



Their region (1) is at risk of a development trap, (2) is in an intense trap or (3) spent more years in a trap



This applies to both hard and soft plus hard Euroscepticism



For two electoral cycles (2013-2028 and 2018-2022)



Effect increases with time: Seven times bigger if measured over the entire 2001-2018 period than if considering 2018 alone

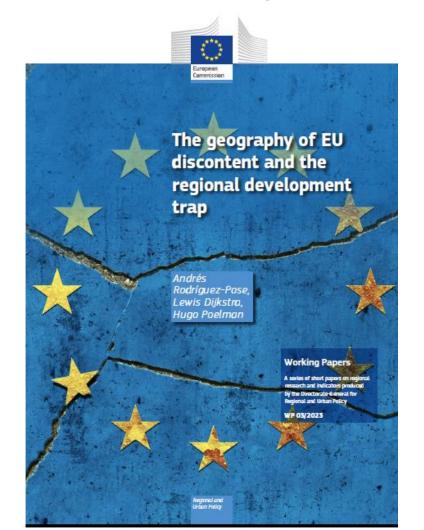


Conclusions: What do we need?

- A strong, better-targeted policy that can help regions to escape from their development traps;
- A better understanding of the causes of the regional development traps and how they can be overcome;
- To improve the quality of government, increase innovation and boost education and training in trapped areas;
- To engage with residents of smaller cities, towns, and rural areas to grasp their needs and to adapt policies on the basis of their territorial impacts;
- To investigate on whether disinvestments in local public and private service generate feelings of discontent and being left behind

Working paper now available

https://ec.europa.eu/regional_policy/whats-new/newsroom/06-12-2023-geography-of-discontent-regional_development-traps-lead-to-less-support-for-european-integration-and-values_en





More information

- https://ec.europa.eu/regional_policy/information-sources/publications/working-papers/2018/the-geography-of-eu-discontent_en
- https://ec.europa.eu/regional_policy/information-sources/publications/working-papers/2020/the-urban-rural-divide-in-anti-eu-vote-social-demographic-and-economic-factors-affecting-the-vote-for-parties-opposed-to-european-integration_en



Thank you



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