

DOES EU FUNDING PROVIDE
A SHIFT OF WEALTH FROM
RICHER TO POORER
COUNTRIES?

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SUMMARY

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Introduction

2

How EU is financed ?

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How wealth is
redisutributed in EU ?

& Limits

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INTRODUCTION

- EU : Multilateralism
- Treaty of Rome in 1957 : EEC
- Treaty of Maastricht 1992 : EU

1 - HOW EU IS FINANCED ?

- 70 % of national income of members
- Customs duties on imports
- Value added taxes
- Recent contribution from plastic wastes



2 – HOW IS WEALTH REDISTRIBUTED?

Cohesion policy : collecting taxes from wealth people and redistribute

-> Largest investment : 351.8 billion euros (2014-2020)

Largest beneficiaries : Poland, Italy and Spain



GINI

COEFFICIENT

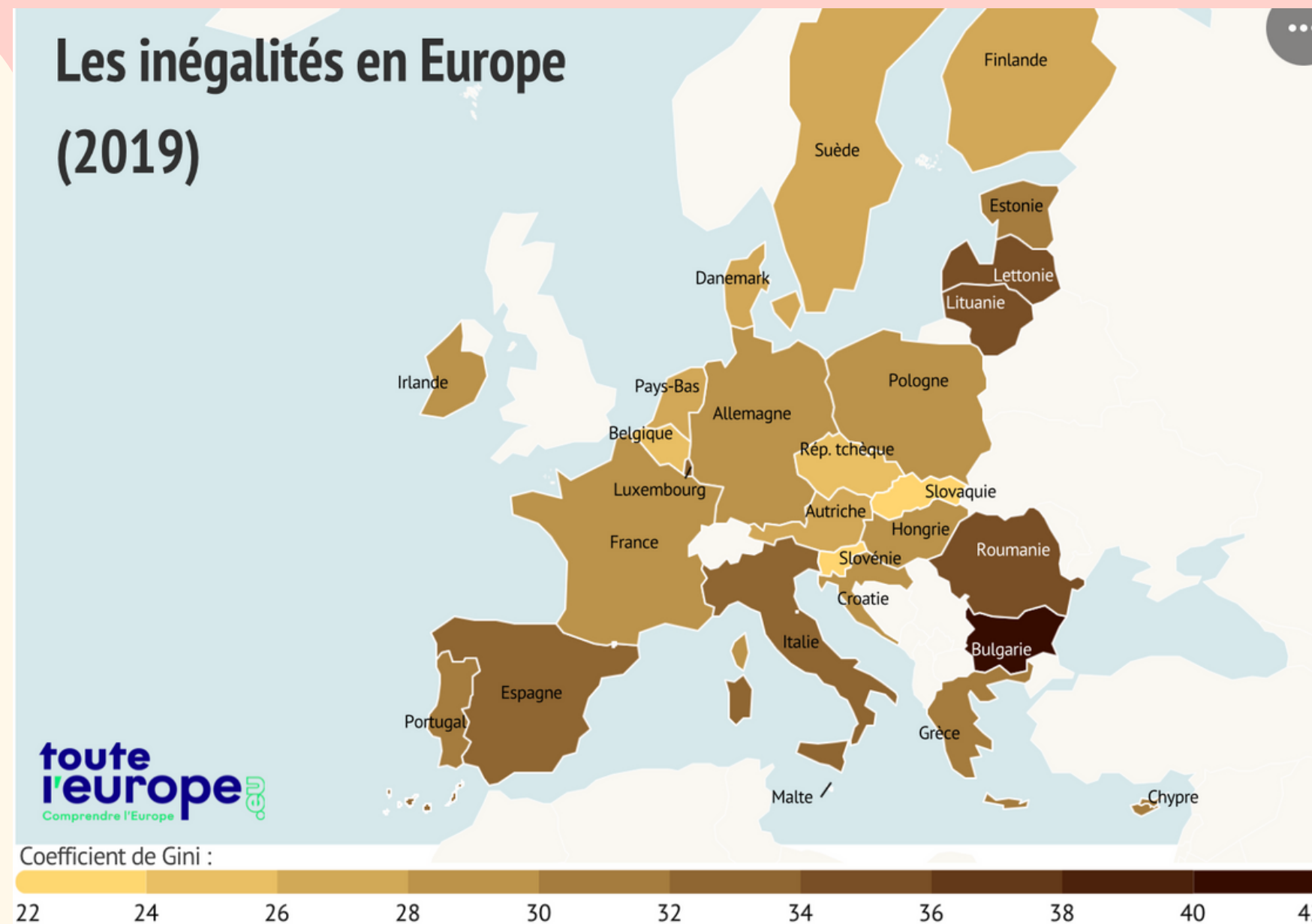
The closer the score is to 100, the stronger the inequalities

2019, average in EU of 30.2

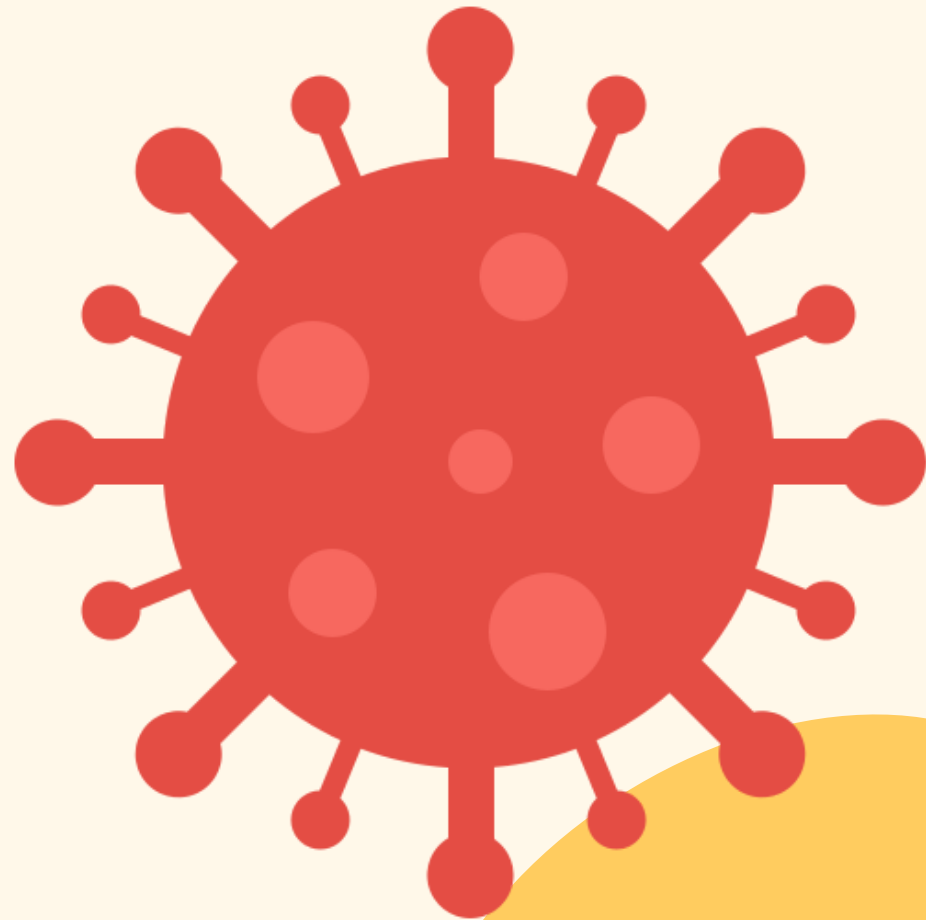
Slovakia leading with 22.8

France is about 29.2

On a scale of 0 to 100



LIMITS



The Covid crisis shows us the weaknesses

Richest people and societies enrich themselves and poor people become poorer

Tax systems not equitable

Poor regions or country : more exposed to virus

CONCLUSION

- Objective of cohesion and sharing of wealth: facing inequities
- It works in some regions but not strong enough in the face of big crises

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