

The Mediterranean Poor

a key part of EU-wide inequality

The growing *perception of unfairness* is undermining support for the European Union. Research shows that, beyond a certain point, inequality is harmful to both societies and economies. The European Commission's Joint Research Centre has analysed *EU-wide income inequality* and its trends, and pointed out that *people in Mediterranean countries* are facing particular challenges.



How can income inequality be measured?

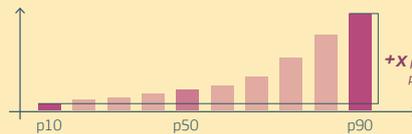
1 Working people are ordered according to their income



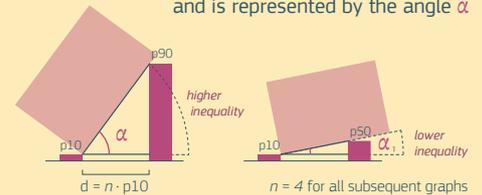
Working population of 25-64 years old for 2006-2014 was considered for calculations

2 The income levels of, for instance, the poorest and richest 10 percents of the population* are compared

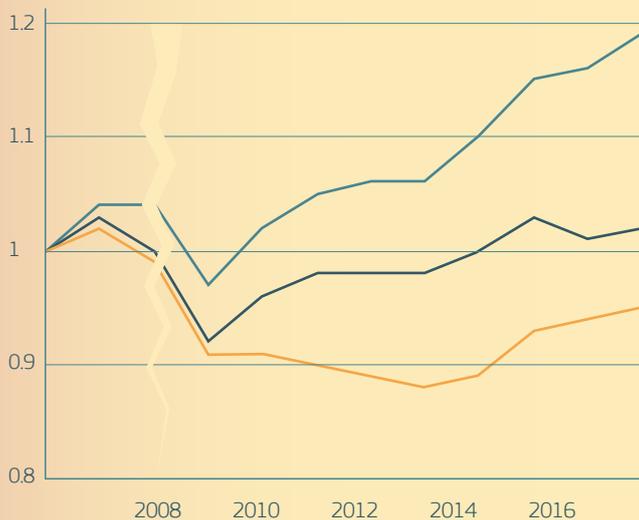
* p10 and p90



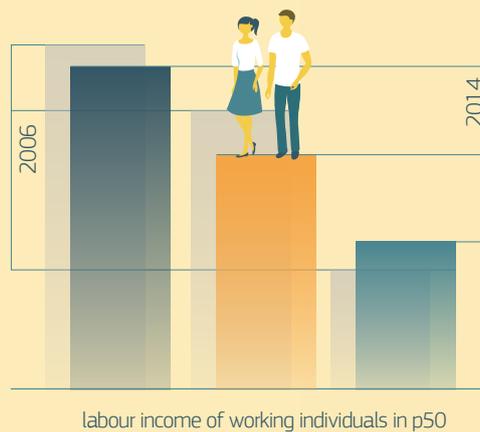
3 Income inequality is the ratio between the income levels of two groups of people and is represented by the angle α



EU economies fell together, then *grew apart* during the crisis



Mediterranean income is still more than 50 % higher than that of Central and Eastern European countries, *but the gap is closing from both sides*



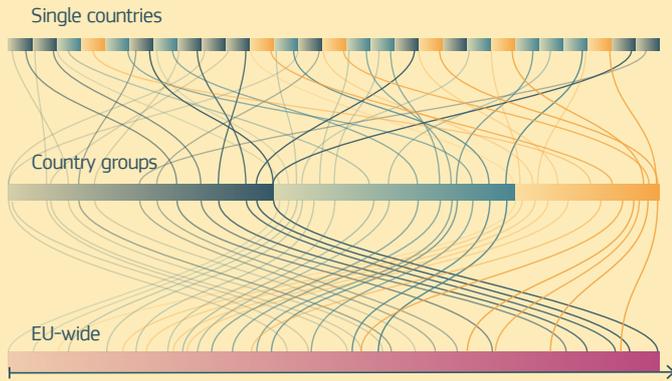
■ NW
North and Western EU

■ MED
Mediterranean countries

■ CEE
Central and Eastern EU

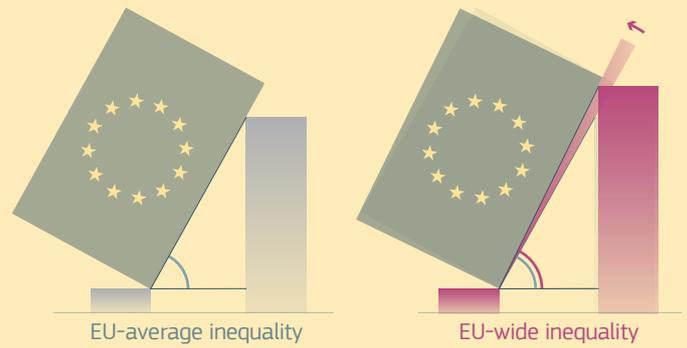


1 **2** To measure *EU-wide* and *country-group inequality*, working population from all EU countries is rearranged according to their income on a broader scale.



3 *EU-wide inequality is higher than single countries' or EU-average* inequality.* This is why it is alarming for a small group of countries to reach EU-wide inequality.

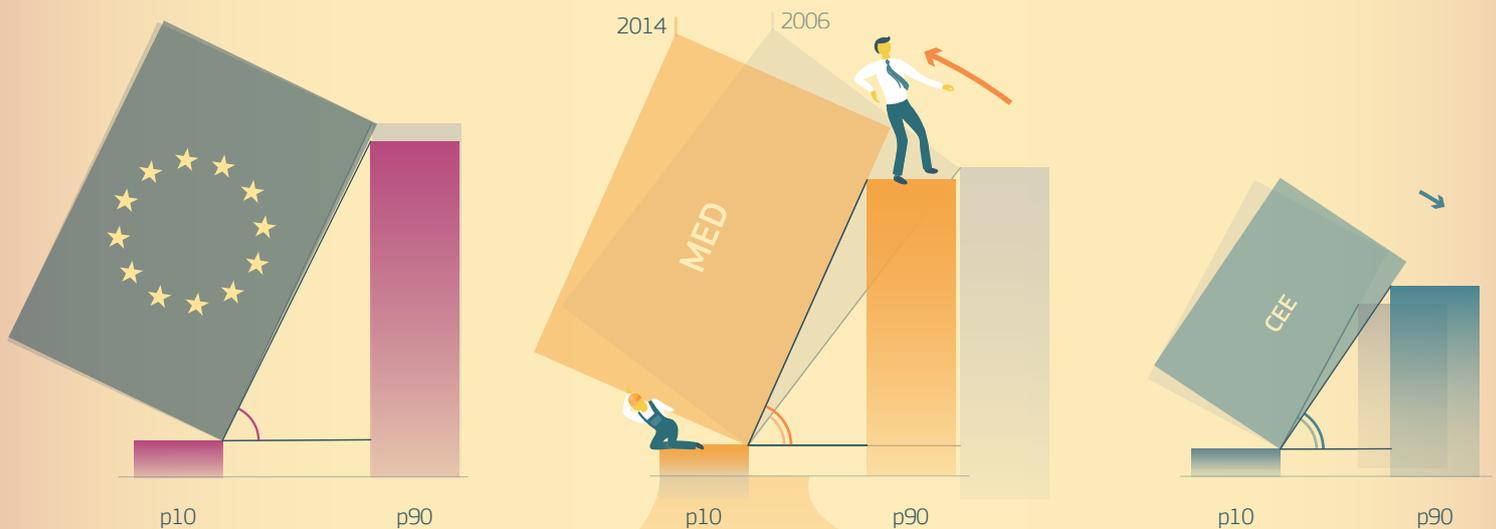
*accounting for the average income levels of p10 and p90 in the three country groups in 2014



Inequality¹ in the Mediterranean area grew

while it remained stable across the EU after the crisis, and even improved in Central and Eastern Europe

¹ between p10 and p90



Among the poorest half of the population² in the Mediterranean area, *inequality grew by half, hitting mostly men*

² between p10 and p50

