A) Deviation from average income of Central Europe B) Deviation from average income of the Core 140% 125% Deviation (average GDP p.c. of core countries=100%) 120% Deviation (average GDP p.c. of Central Europe=100%) Core Central Europe Germany 80% 60% Eastern East 50% 40% Europe 1995 2000 2005 2010 2015 2020 25% 1995 2000 2005 2010 2015 2020 **Finance** Italy Central Europe ▲ Eastern Europe ■ Southern Europe Periphery Germany C) GDP per capita in the four development models Core Periphery East Finance 125k GDP per capita (PPP; population weighted avg.) 25k 2015 1995 2005 2015 1995 2005 2015 1995 2005 1995 2005

Data: World Bank; own calculation.

Income polarization in the EU