

# Building-back-better after the Covid-19 crisis in Europe: The twin transition and cohesion



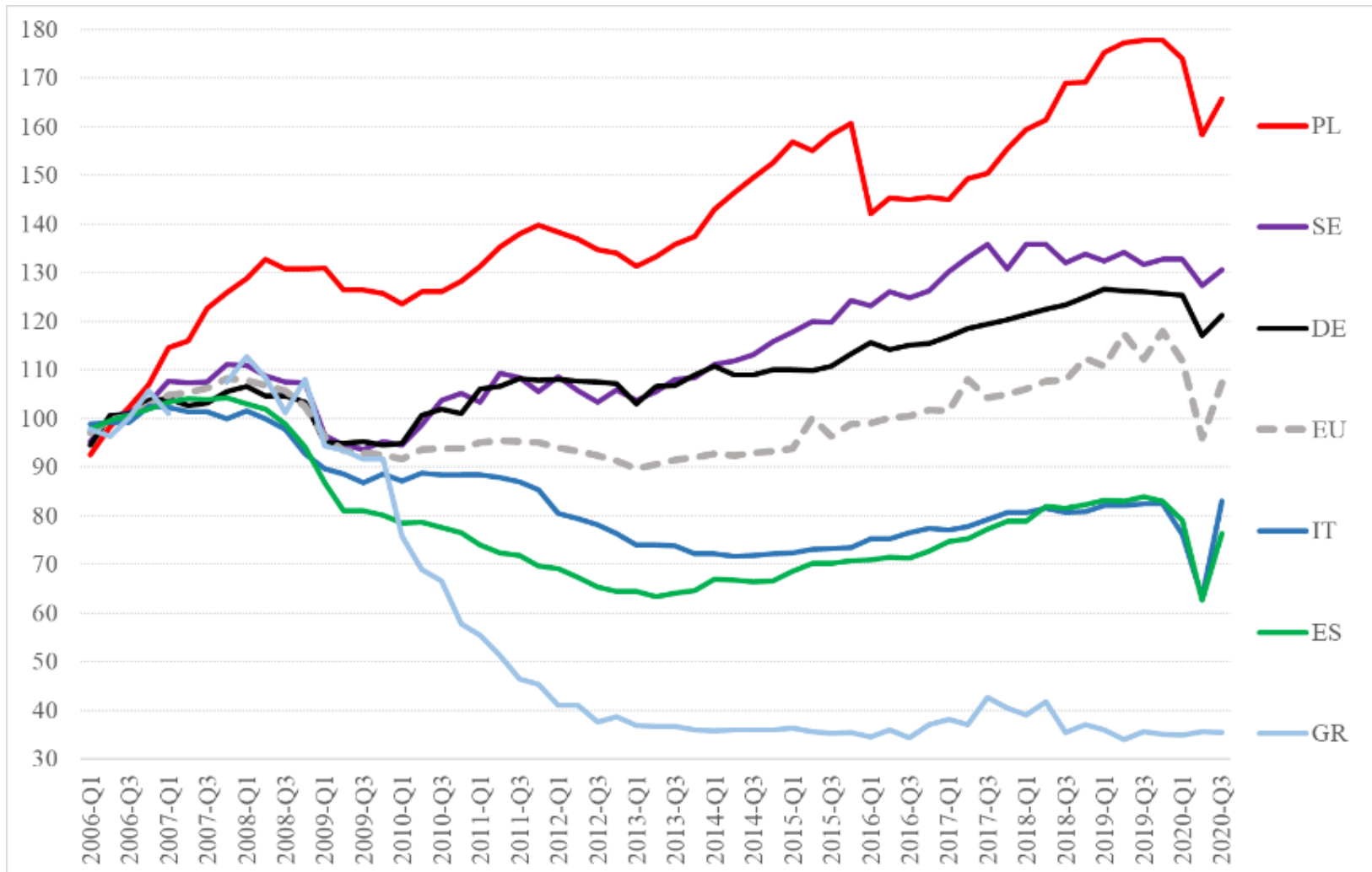
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*Online Panel: The Corona Effect: Structural Shifts and International Trade  
organized by WKO, SUERF, and OeNB, June 28, 2021*

# Divergence in investment in the EU following the 2008-13 crisis



Sources: The authors' own calculations based on data from Eurostat.

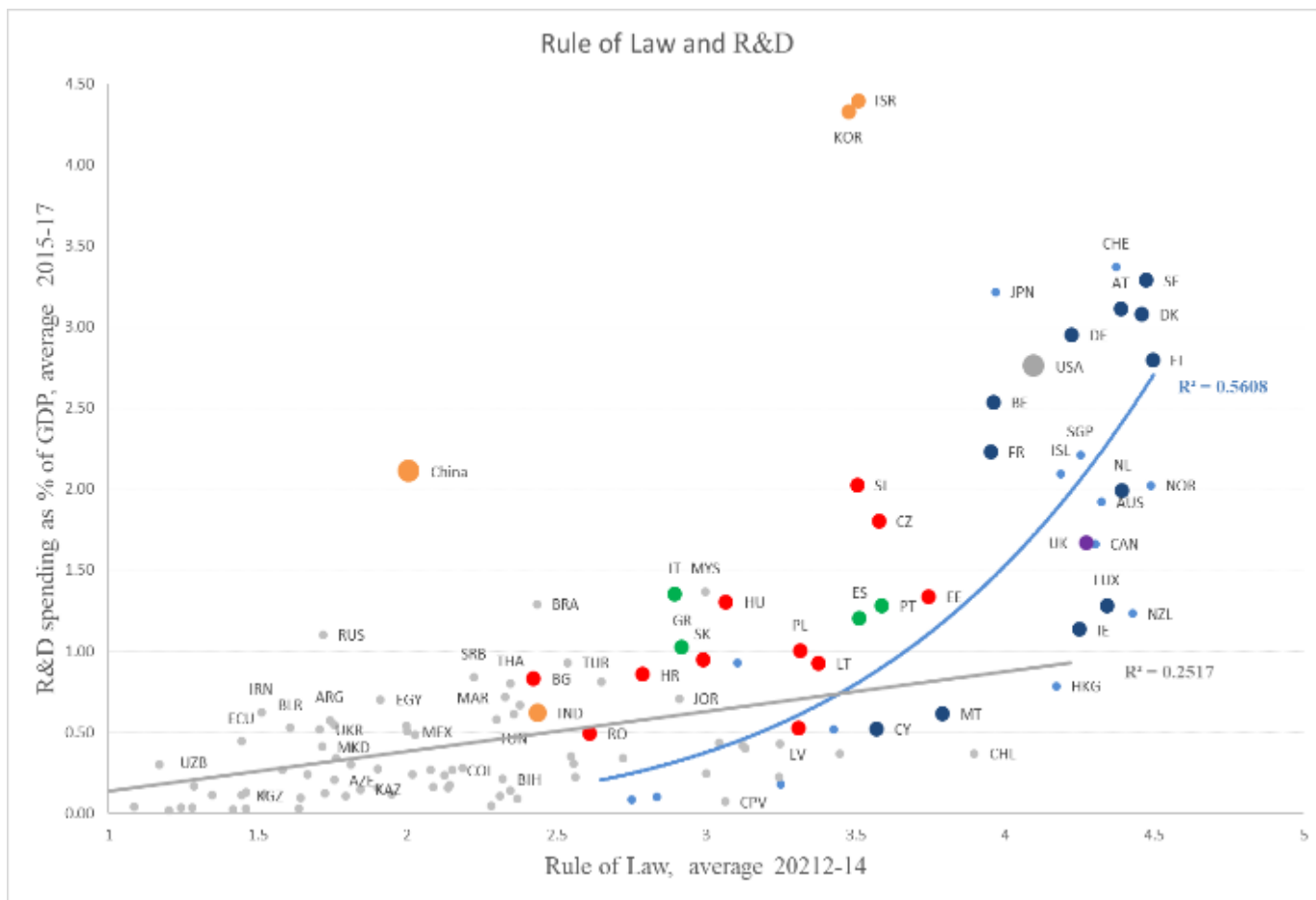
Notes: Gross fixed capital formation. Quarterly data, volume indices, the average for 2006=100.

Seasonally and calendar-adjusted data.



# Institutions and innovation

## A highly non-linear relationship

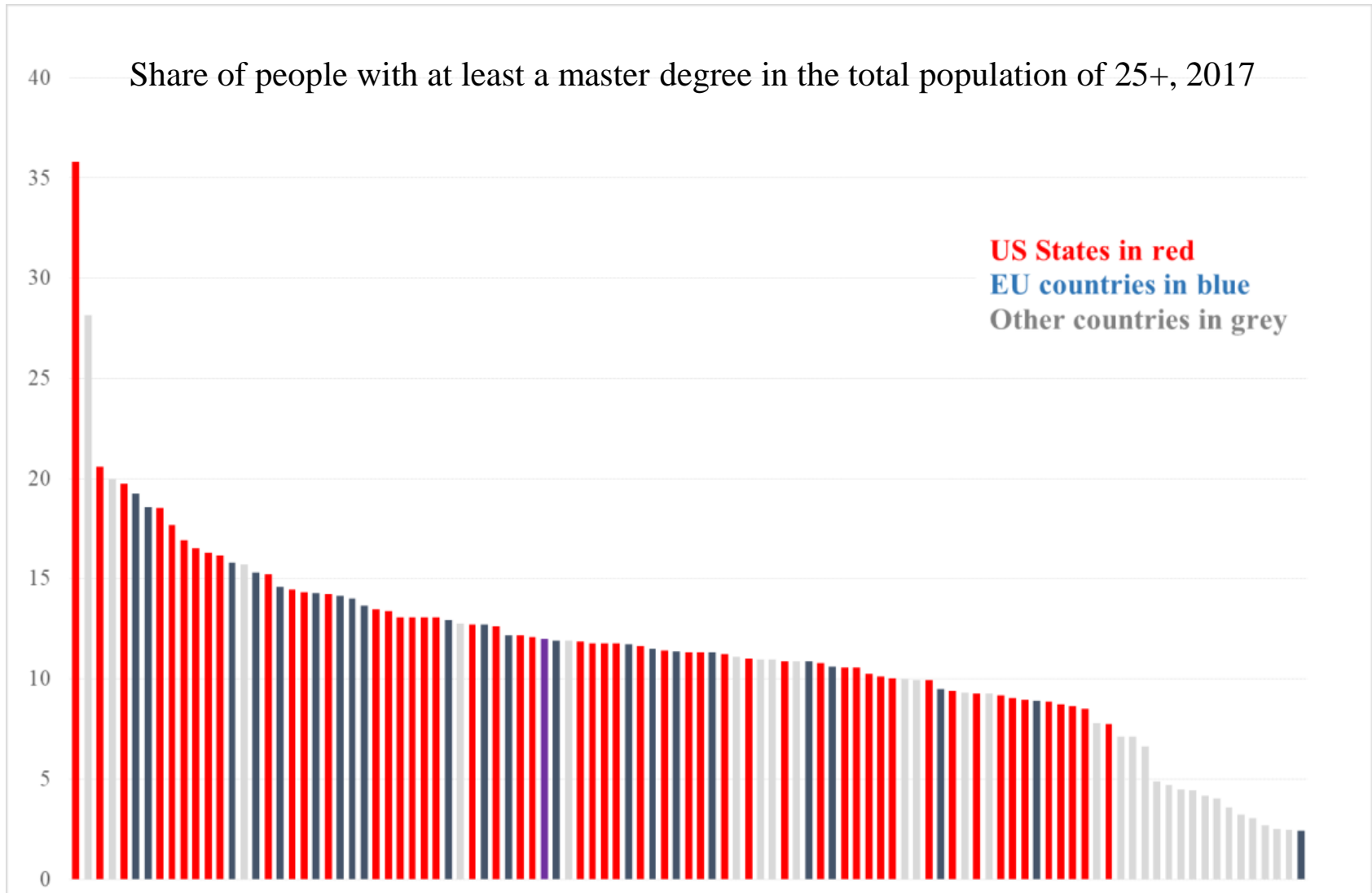


Source: Székely, 2020, the author's own calculations based on data from the World Bank.

Notes: Based on the corresponding WGI sub-indices, both calculated as averages for 2012-14 and increased by 2.5 to make observations non-negative. Trend lines in gray are for the bottom four quintiles of countries by per capita GDP in PPP, averaged for 2015-17, observations in grey. Trend lines in dark blue are for the upper quintile countries, observations in light blue. Observations in dark blue are EU countries. Southern European EU countries are in green, EU11 are in red.



# High-skill labor

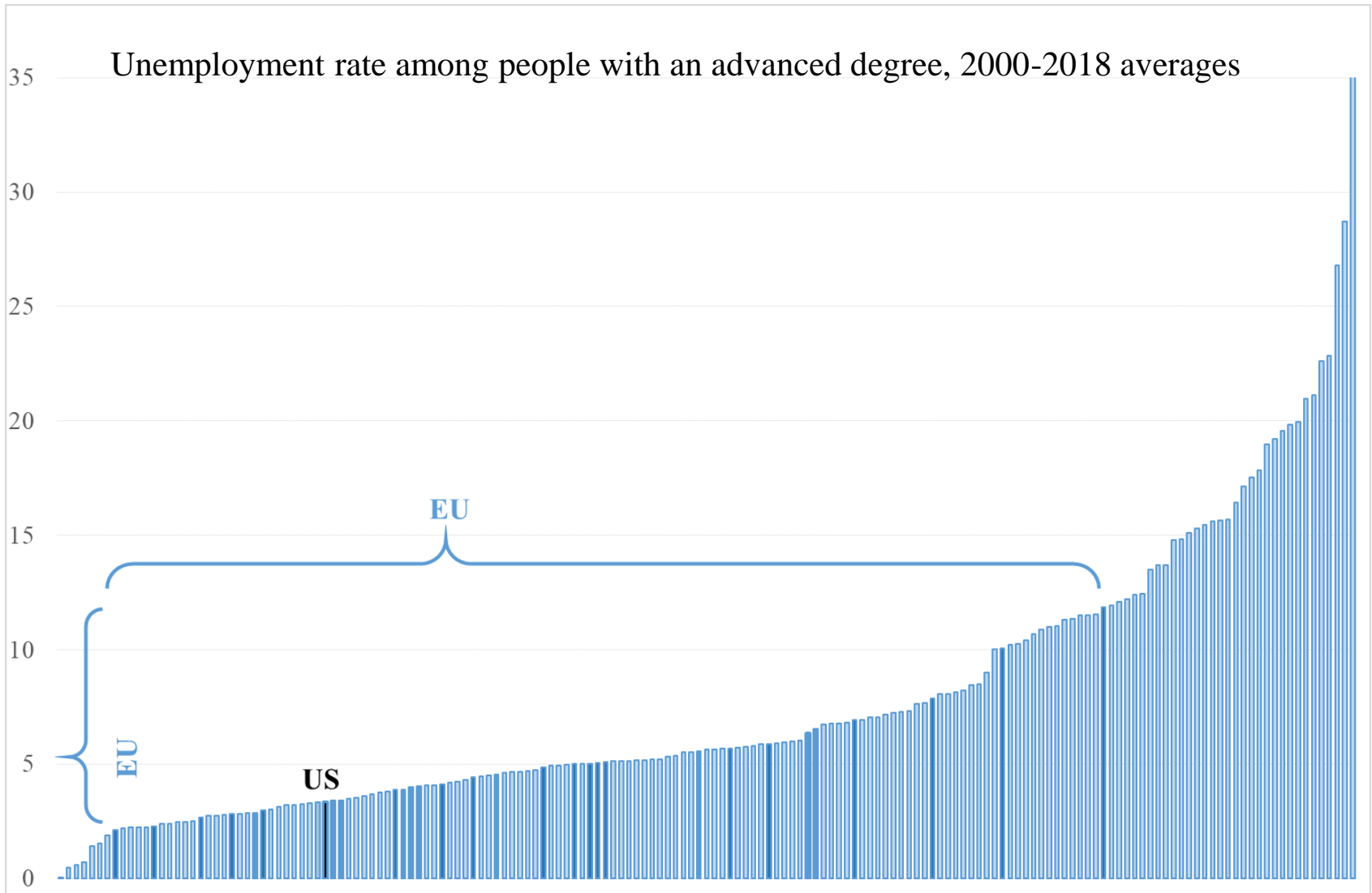


Sources: World Bank, World Development Indicators and US Census Bureau, American Community Survey (ACS).

Note: Data for US states are centered 5-year averages for 2017 (2015-19). In calculating the ranges for the US and EU shown in the chart, the averages are taken for the top and bottom three countries.



# Utilization of human capital



Source: World Bank, World Development Indicators.

Note: The columns for the EU countries are shaded in dark blue, for the US in black.

