



DIVIDED CITIES: UNDERSTANDING INTRA-URBAN INEQUALITIES

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Divided Cities

UNDERSTANDING INTRA-URBAN INEQUALITIES





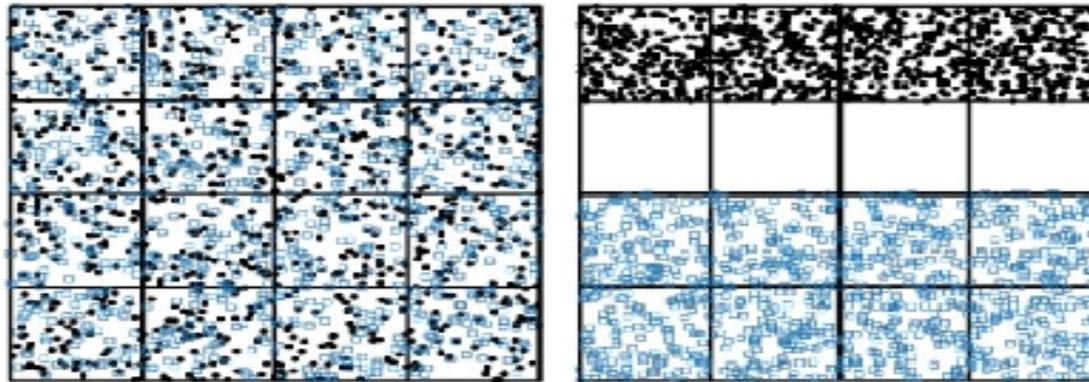
Context: cities are places of opportunities, but they can be divided

- In OECD countries, people living in **metropolitan areas** have **higher income** (on average 18% higher) than those living elsewhere
- The proportion of working-age population with **tertiary education** in cities is on average **10 percentage points** higher in cities than elsewhere
- However, income **inequalities** are **higher** in cities than in other places.
- The **higher** the city **size**, the **higher** the observed level of **inequality**



Inequalities in cities can assume a clear spatial dimension

In unequal cities, often rich and poor people live in different and clearly separated neighbourhoods



This phenomenon is often called “spatial segregation”



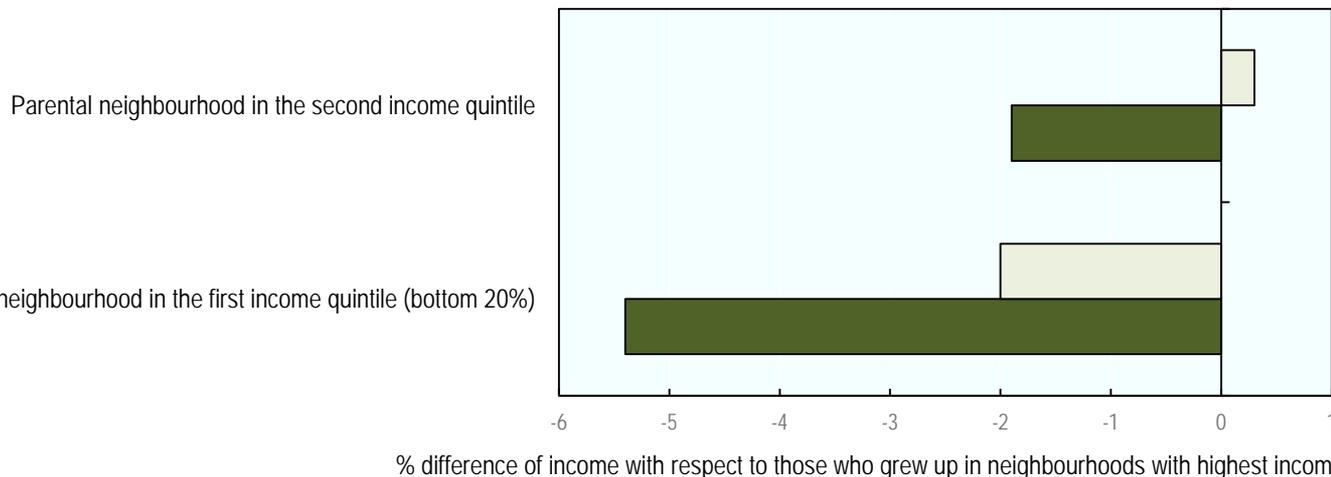
Why looking at inequalities in cities?

The concentration of similar individuals in space is a common phenomenon

- Clustering of individuals can foster **positive externalities**, especially for those living in **affluent** and **high quality** neighbourhoods (Morrison, 2015)
- Growing up in an area where **disadvantages** are concentrated can be a **life-long obstacle** to opportunities available (Chetty & Hendren, 2015)

Parental neighbourhood and individuals' income, the Netherlands

□ 6 years after leaving parental home ■ 12 years after leaving parental home



Source: OECD (2016),
Making Cities Work for All.



Inequalities and segregation in cities are evident in different domains

The OECD report provides evidence on neighbourhood inequalities and segregation across metropolitan areas in three main dimensions:

- 1. Income**
- 2. Migrants vs. native born**
- 3. Access to public transport and jobs**

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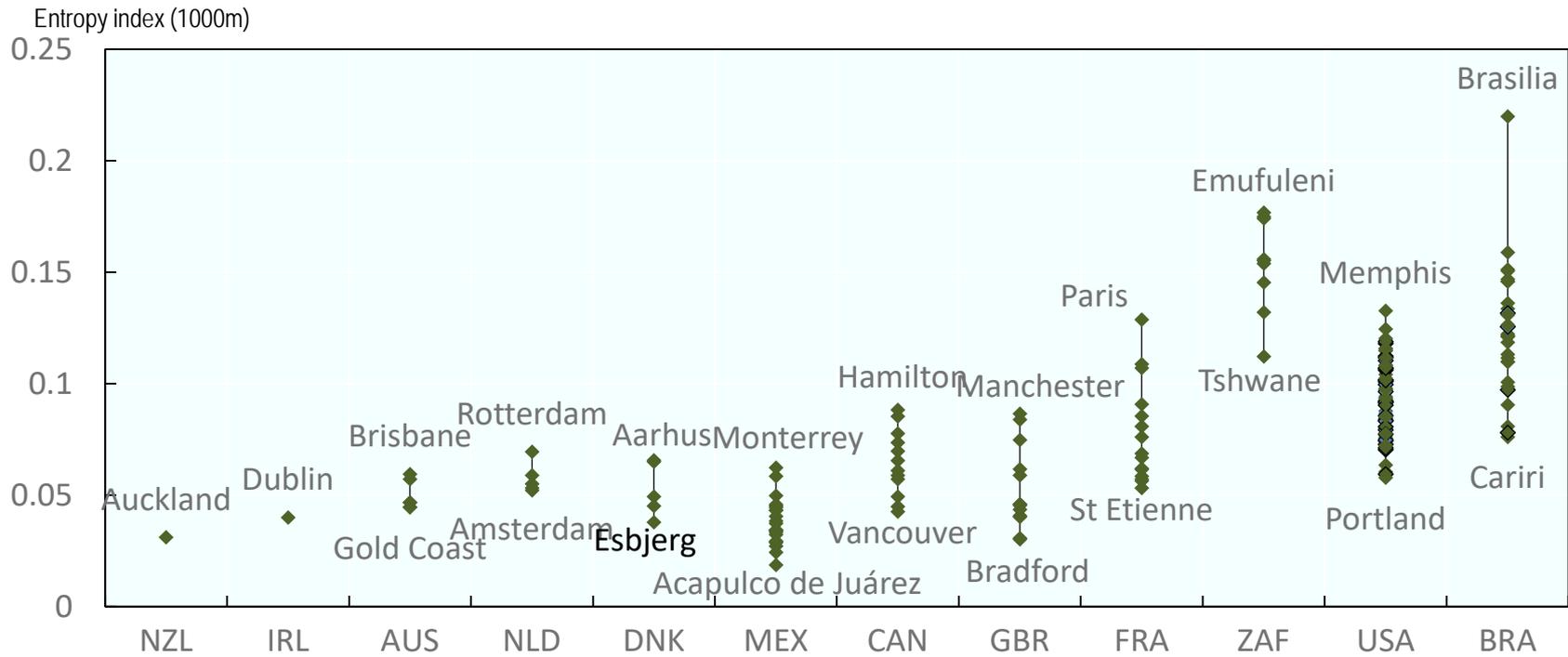
INCOME DIVIDE



Income segregation across cities within countries

Income segregation levels vary greatly across and within countries

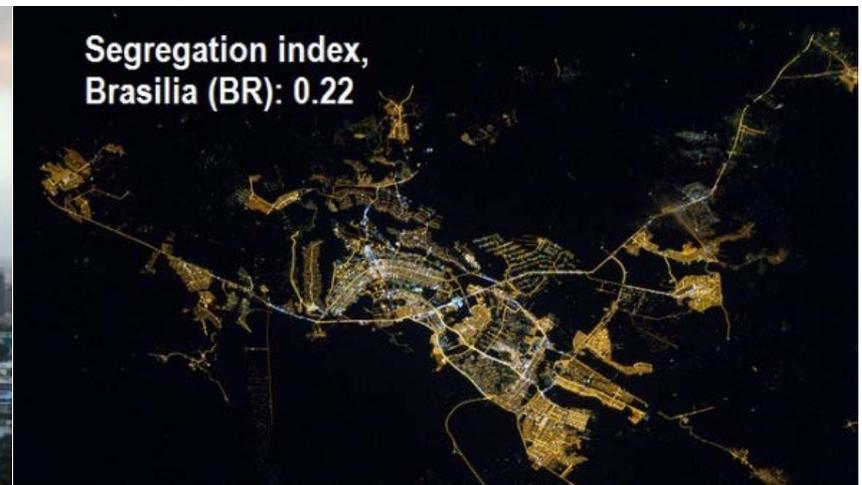
Income segregation levels across cities in each country
Spatial entropy (1000m scale), 1 = perfect segregation





Inter-country and intra-country differences in segregation levels are substantial

- Average income segregation levels in **Brasilia**, the most segregated city in Brazil, are **seven times higher** than in **Auckland**, the most segregated city in New Zealand
- Average income segregation levels in **Memphis** are **2.3 times higher** than in **Portland**

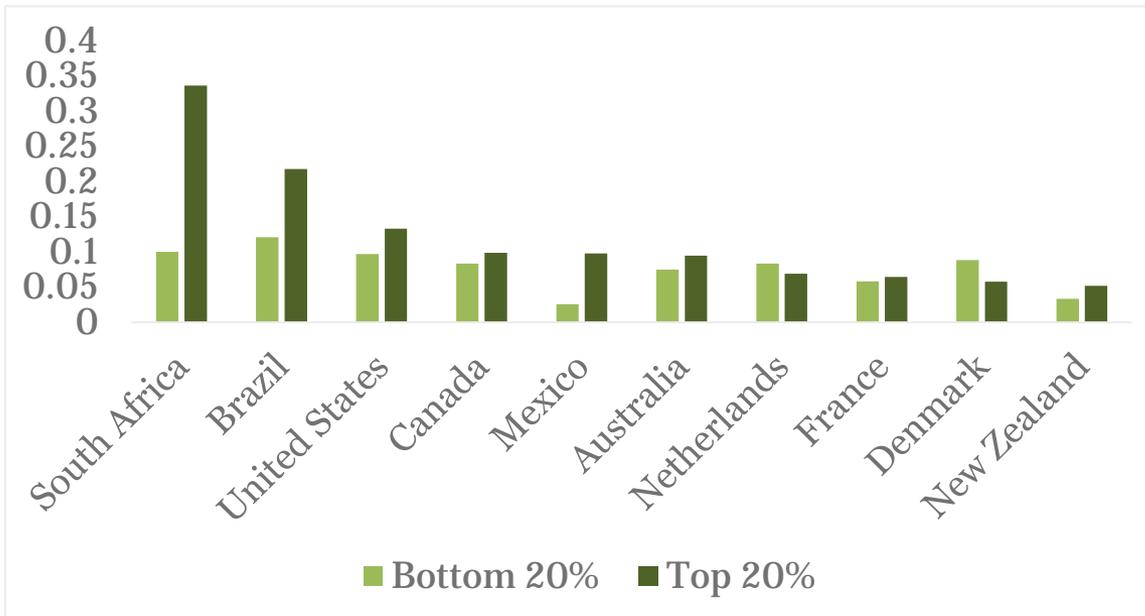




Income segregation across income groups

In most countries, segregation is highest at the top of the income distribution

Income segregation in the bottom and top income groups by country
Entropy index for top and bottom 20% income groups (1= perfect segregation)



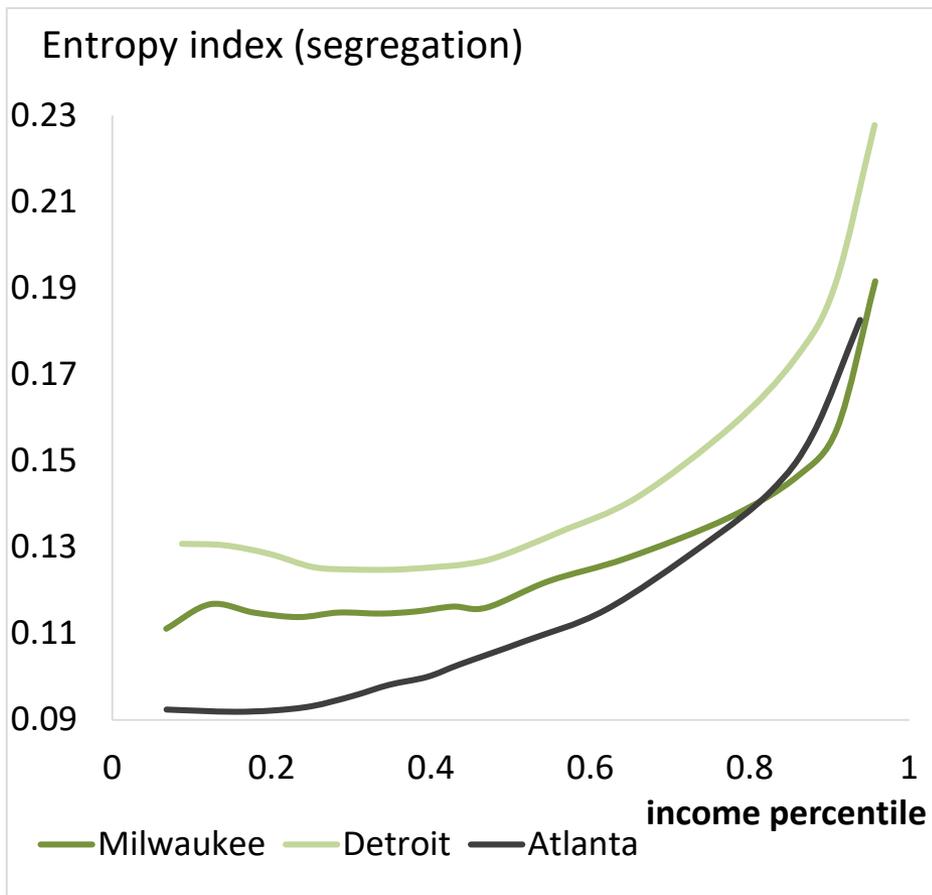
In **South Africa**, households at the **top 20%** income category are **3 times more** segregated than households at the **20% bottom**

In **Denmark** and **The Netherlands**, two countries with low inequality levels, households at the **bottom 20%** income are **more** segregated than households at the **top 20%**



In many cases levels of segregation grow with levels of income

Income segregation by income group for selected cities in the United States



In many cities in the twelve countries considered, including the **United States**, segregation was found to be highest at the top income group.

In most countries, people in the **middle income group** – which are also the most numerous – display the **lowest levels of segregation**



City characteristics and income segregation

Income segregation is higher in larger, more productive and more unequal cities

A clear and positive association is observed between income segregation and the following city characteristics:

- **Size**
- **Income levels**
- **Inequalities**

Other specific characteristics playing a role:

- Demographic composition
- Urban form
- *Housing characteristics (Brazil)*
- *Differences in local taxation rates within metropolitan areas (France)*

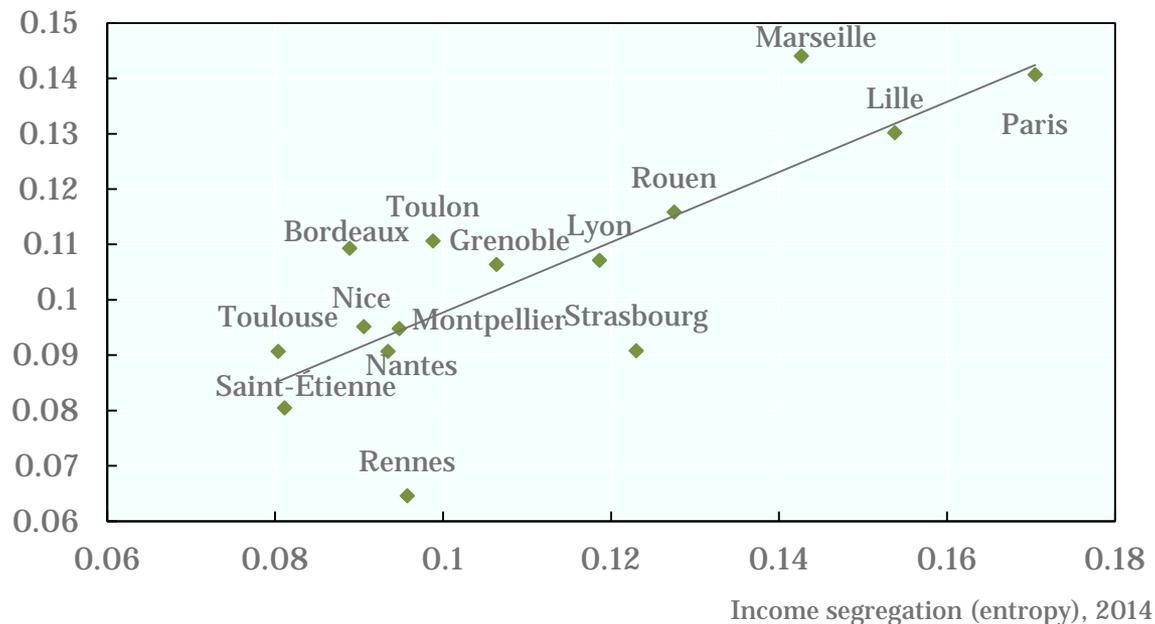


The role of local tax heterogeneity within metropolitan areas

Metropolitan governance and local taxation might have a role in explaining segregation level

Income segregation and tax fragmentation within French metropolitan areas

Gini of the housing tax block rate



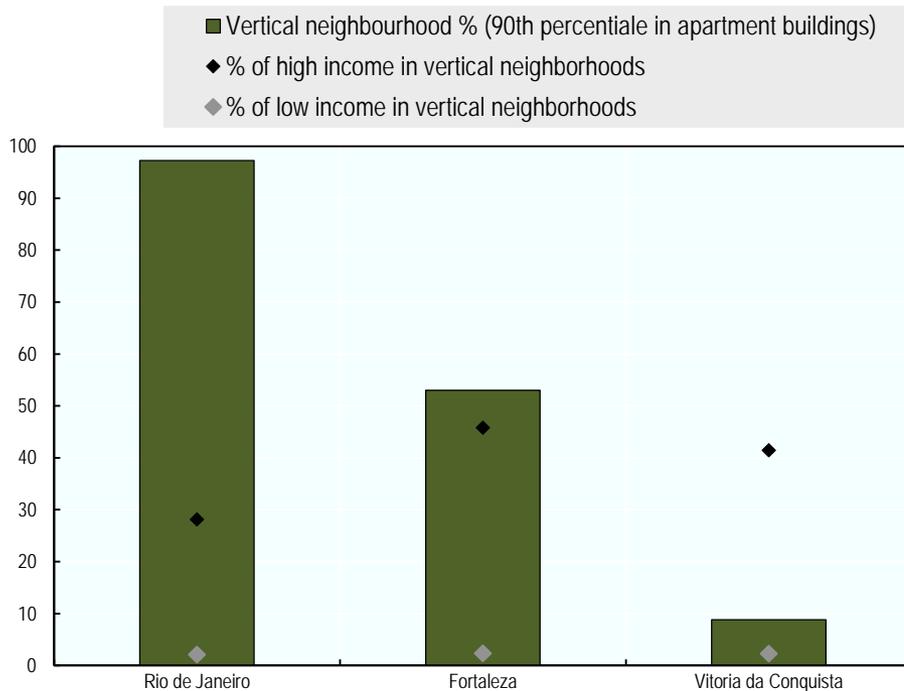
In **France**, metropolitan areas with greater inter-municipal differences in local housing taxation show on average relatively higher levels of income segregation



Income segregation and vertical neighbourhoods in Brazilian cities

In cities where the concentration of households in apartment buildings is higher, the affluent are more segregated

Percentage of households in vertical neighborhoods by income levels, selected cities in Brazil



In some “vertical neighbourhoods” in **Rio de Janeiro** where more than **95% of households** reside in apartment buildings, **30% of households earn 15 minimum wages or more** while **2% earn one minimum wage or less**

In **Brazil**, whole neighbourhoods with only apartment buildings are more likely to arise as **cities get larger**



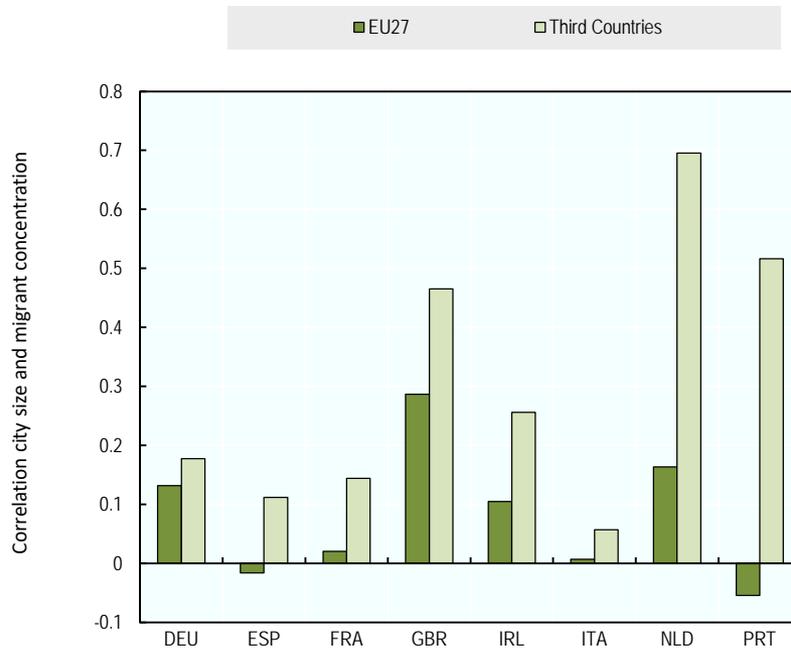
MIGRANT DIVIDE



Migrant background is a relevant dimension in the study of inequalities in cities

In some countries migrants are also likely to settle in small cities

Correlation between city size and the concentration of migrants from Third countries and intra-EU



The relationship between city size and migrant concentration is smaller (and even negative) for migrants from **EU countries**

In **The Netherlands, UK and Portugal** the association between city size and non-EU migrant concentration is stronger



Migrant concentration and diversity can be found also in medium and small cities

Top 10 EU cities in terms of migrant concentration

Name	Population	Migrants as % of total population
Torre Vieja (ES)	91,863	45%
Fuengirola (ES)	142,245	34%
Benidorm (ES)	142,043	28%
London (UK)	11,729,234	28%
Arrecife (ES)	132,474	26%
Luton (UK)	281,753	24%
Frankfurt am Main (DE)	2,470,181	24%
Pforzheim (DE)	240,909	23%
Marbella (ES)	235,288	23%
Heilbronn (DE)	364,889	23%

Top 10 EU cities in terms of diversity of country of origin of migrants

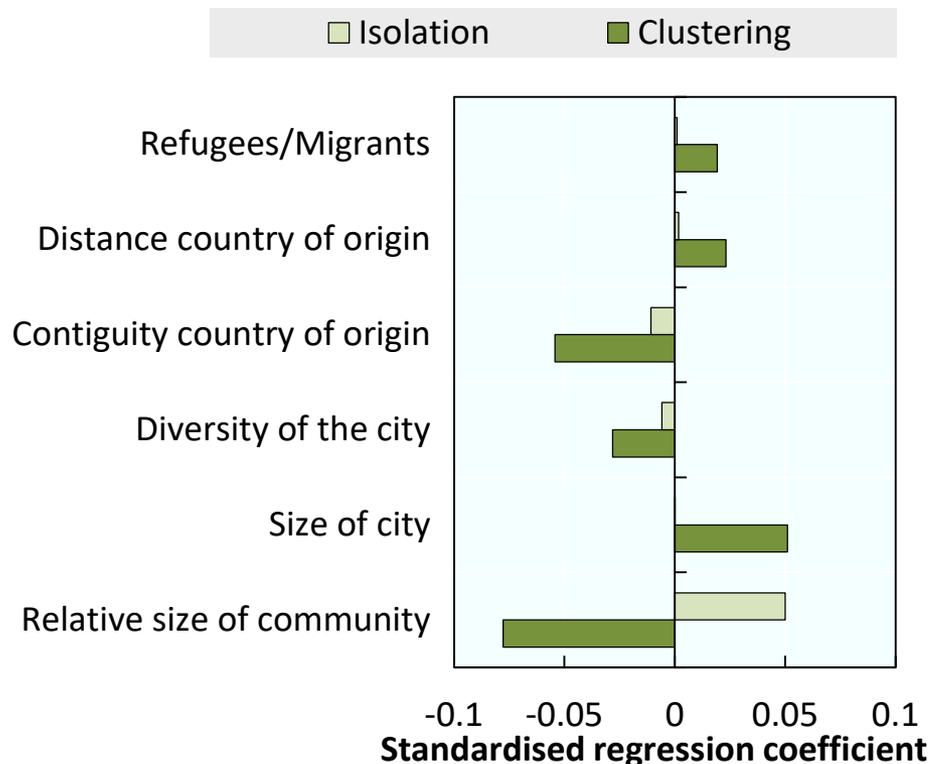
Name	Population	Diversity index (1 = maximum diversity)
Torre Vieja (ES)	91,864	0.99
Creil (FR)	65,302	0.94
Mulhouse (FR)	165,218	0.82
Paris (FR)	9,362,982	0.82
Melun (FR)	80,740	0.81
Luton (UK)	281,754	0.77
Pforzheim (DE)	240,909	0.76
Frankfurt am M. (DE)	2,470,182	0.73
Arrecife (ES)	132,475	0.73
Strasbourg (FR)	364,370	0.72



What makes migrants more isolated in cities?

Migrants from distant countries are more likely to be segregated than migrants from neighbouring countries

Drivers of isolation and clustering of migrant communities in eight EU countries



Migrants coming from countries experiencing **forced migration** are **more likely** to be clustered and isolated within cities

Although **larger migrant communities** are **more scattered** throughout cities, each migrant community is **less exposed** to communities of different backgrounds



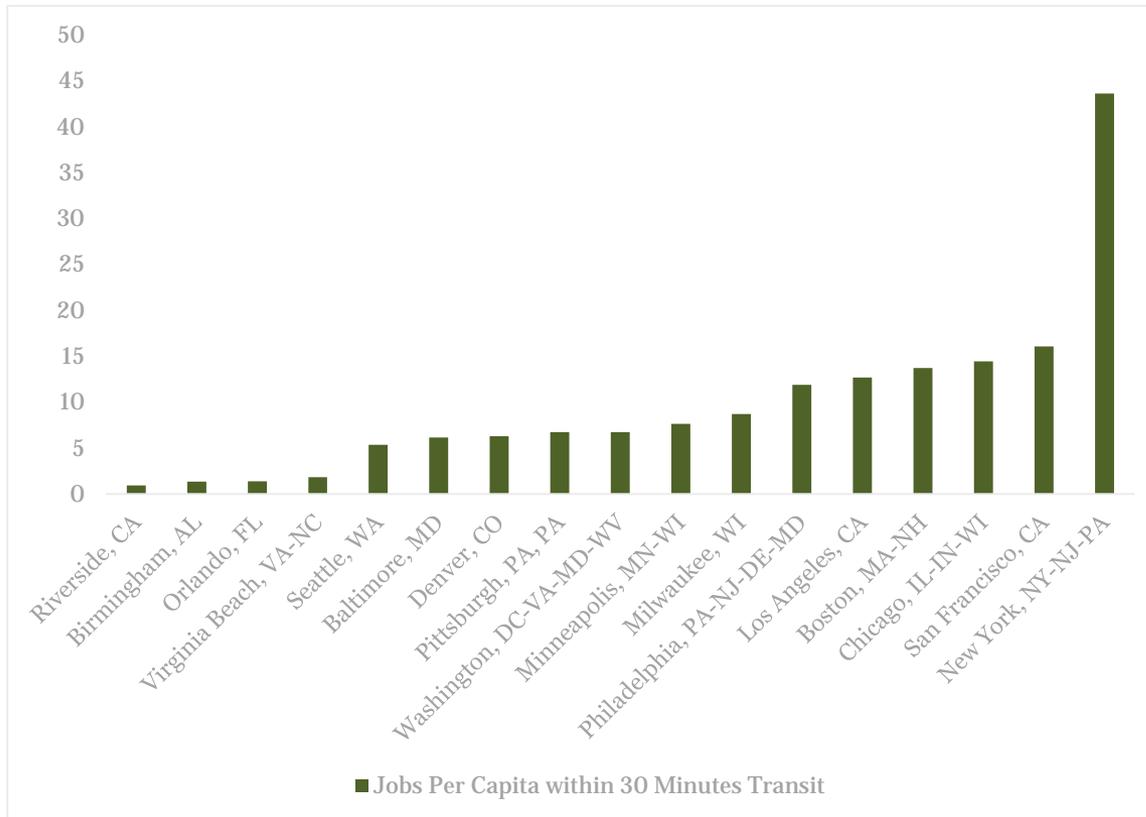
ACCESSIBILITY DIVIDE



Job accessibility by transit in US cities

Accessibility to jobs by public transit varies widely across and within cities

Number of jobs accessible in a 30-minute commute by public transport, selected US cities



While in **New York** (NY) **44 jobs per person** can be accessed within a 30 minute **public transit** commute, in **Riverside** (CA) only 1 job per person can be accessed

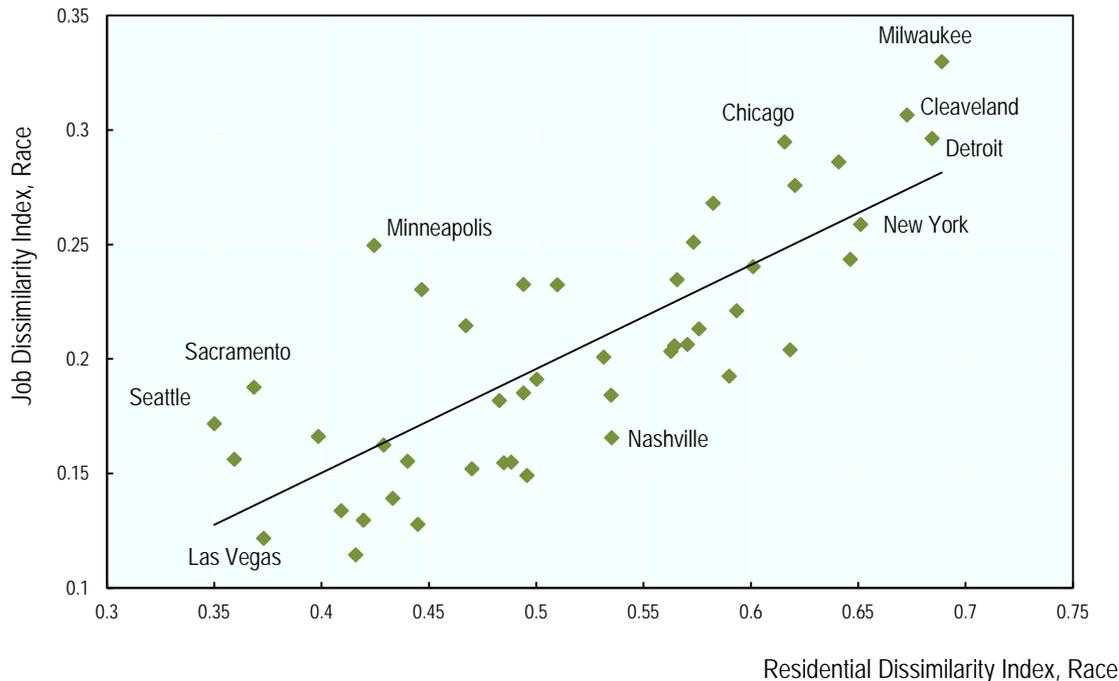
Residents in **40 out of 46 cities** have access to **less than 10 jobs** within a 30 minute transit commute



Minorities can face higher constraints in accessing job opportunities through public transport

Jobs carried out by minorities are located in places that are relatively less well served by public transit

Workplace and residential segregation along racial lines across United States cities



In the **most segregated** city along racial lines, **over 35%** of minority population would have to move to have a **homogenous distribution by race** across neighbourhoods

A neighbourhood with only **1% more white-residents** has access to **18 extra jobs** within a 30-minute commute by public transport



BRIDGING DIVIDES



What can policies do to break vicious cycles of inequality?

Promote housing affordability

- Land-use regulations that are not too restrictive to new developments, when needed; and suitable social housing systems that do not lead to a concentration of disadvantage

Promote individual opportunities in the long term

- Adequate provision of high-quality education (including pre-school) and training available at the metropolitan scale

Promote access to transport and jobs

- Transport policies that connect employment and residential locations where needed

Prevent isolation

- Public spaces promoting interactions and livable communities



Thanks!

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