

Introduction
**Localization and income inequality:
new challenges for urban areas**

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In a world of rapid urban, economic and societal mutations, the combination of globalization and accelerated conversion of the productive apparatus transforms urban and regional territories. But it must be recognized that the changes associated with globalization affect individuals differently according to their social position and geographical location. Cities and regions are facing new challenges in the changing European landscape. The aftermath of the economic crisis has created a new environment which affects their functioning and call for a reshaping of European and national policies. Unbalanced development on different geographical scales from global to local, and inequalities in wealth and prospects within cities raise important issues for the theory and policy of urban and regional development. This special issue focuses on stakes regarding inequalities, inclusive and sustainable development of cities and regions within a changing economic context.

If cities are segregated and unequal for long-standing, urban segregation as such – whose study had been inaugurated in the 1920s by the sociologists of the Chicago School (Park et al., 1925) – became an issue in Europe and other parts of the world more recently, especially since the 1970s. Most of the research has carried out systematic empirical analysis of the different dimensions of segregation and inequalities and were interested in analyzing the socio-spatial inequalities linked to the differentiation of (i) places of residence, (ii) access to urban services or amenities, (iii) general attractiveness.

The most widespread idea today is that of an accentuation of segregation, of the emergence of a "two-speed city" marked by the separation between the "excluded" and the others. This thesis of the dualisation of the city – especially of the great metropolis – has been developed by many authors. The most elaborate theoretical model is undoubtedly that of the "global city" (sketched by J. Friedman and Wolff, 1982, then developed by Saskia Sassen, 1991). Whereas many of the earlier theoretical models of the post-industrial society hypothesized a general "averaging" of society, the global city, for Saskia Sassen, links on the contrary the growth of the service society and increased social dualisation. In many cases, the thesis of the spatial dualisation of large metropolises is supported by the examination of the particular

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case of spaces that are more or less striking illustrations: pretty districts and "gentrified" neighborhoods on one side, neighborhoods degraded or large peripheral units hit by unemployment and poverty on the other. But these examples of striking contrasts – which are very real – do not provide an overall picture of the evolution of the urban system, and do not allow us to affirm that what opposes them is the effect of a dualization process of the entire urban system. The main approaches that enable us to have such an overall view are those of typologies of territories built from census data, the only sources allowing a homogeneous and rather spatially fine description of urban spaces. Today, access to increasingly refined data is enabling regional science researchers to offer more and more detailed studies on ongoing processes. In this special issue, some papers are dealing with this method.

The main process that produces residential segregation in European cities is the appropriation of the best residential locations by the upper categories, which results in exclusive real estate and property prices for the lower income categories, which fall back on the following best locations and so on. It is the principle of this hierarchy of land and real estate prices that produces, in the first analysis, the prioritization of the social status of residential spaces and leads, at the end of the chain, to the concentration of the poorest in the most devalued areas. However, this general model is not sufficient to account for the relative complexity of the observed structures and quite a few articles in this issue are tackling this socio-economic and spatial complexity of inequalities.

The first article of this issue focuses on the residential segregation of a world metropolis – in this case Paris – from an original database of the Directorate General of Public Finance which describes the housing stock and its occupants, especially their income. The database extracted from this file and used in this study make it possible to draw a geography of the socio-economic and residential inequalities on the 1,300 municipalities of the Ile-de-France region. **Antonine Ribardière** highlights the sub-communal social heterogeneity by characterizing the residential contexts as well as the level of segregation of each category of households. The paper shows the strengthening of the socio-spatial disparities of the residential area of the Paris region and, in particular, the accentuation of the social profile of the different types of municipalities. A double movement is observed: the widening of the gaps between the richest territories and the poorest territories on the one hand, but also the reinforcement of the social specialization of the middle-class space, in other words an accentuation of the separation of social groups in space. This inscription of income disparities in the metropolitan space is not only the reflection of social inequalities, it constitutes a dimension *per se*, as the induced spatial divisions are sufficiently powerful to fuel into processes of social inequality. The growth of segregation in the residential space is problematic at the local level; it poses a greater problem at the level of society as a whole, in that it frees different access to services and fundamental rights.

The second paper by **Anastasia Panori and Yannis Psycharis** sets out to estimate the impact of the economic crisis and austerity measures on income and welfare conditions across municipalities in the Athens metropolitan area over the period 2004-2015. Using data from a unique dataset, which incorporates economic, social and demographic variables for the Athenian municipalities, it illustrates the evolution of three main socio-economic indicators within Athens: mean equivalised income; at-risk-of-poverty rates; and material deprivation. Analysis of the results indicates that the economic crisis has had a tremendous impact on welfare conditions across the metropolitan area of Athens. At-risk-of-poverty rates have increased, and welfare conditions have deteriorated substantially. Moreover, the least

well-off areas have shown an increased vulnerability to crisis, thus leading to enlarged income and welfare inequality, as well as social polarization across space.

The third paper by **Polyzois Kanelleas, Charalambos Kyriakidis, Filippos Iliadis and Anastasia Tsolaki** explores a framework that combines Spatial Analysis with the Hedonic Modelling method identifying a possible spatial correlation between house prices and railway infrastructure in Athens. Results, which were formed via a semi-log model and through the Ordinary Least Squares (OLS) method and Multi-Regression Analysis (MRA), show that properties near railway infrastructure and especially near the train station tend to have lower prices than the ones that were distant. Thus, several actions can be proposed for the existing railway infrastructure and the neighboring areas in order to be upgraded and further developed. This, however, affects the specific case study area which was defined through a buffer zone of approximately 700 meters around Athens Central Station.

The Great Recession (2008-2009) and the following years have affected Europe more severely than any other crisis since the end of the Second World War, with notable effects on output growth and unemployment rates. In his paper, **Sébastien Bourdin** highlights that the geography of resilience to the economic and financial crisis is different from the geography of regional economic development. Regions with a high growth rate and a low level of development (Eastern Central Europe) relatively withstood the crisis better than those with low levels of economic growth and regional development (Southern Europe). In addition, while urban regions suffered the full-blown crisis, some managed to absorb it while others had great difficulty getting out. Thus, the crisis has revealed a considerable diversity in the ability of regions to adapt to economic and financial shocks. In addition, his study shows the spatial interdependencies that exist between the localized regions in the neighborhood and how the resilience observed in a region has impacts on neighboring regions.

The fifth paper by **Samuel Ettouati** deals with local migration issues regarding elderly and retirees in a region of South France. The paper highlights the different criteria of territorial attractiveness of seniors' mobility and their main residential trajectories within the region. The author delivers estimates of a flow model stating the motivational differences in elderly mobility by age and level of education. The paper shows that young retirees move long distances and locate in suburban areas. These territories allow retirees to access a better quality of life without breaking with their previous consumption habits. Older retirees who are at risk of dependency, are moving closer to metropolitan areas with accessible housing and dedicated infrastructure such as support or housing services. With the retirement of the baby-boom generation, the territorialized development of infrastructure dedicated to seniors appears as a factor of local attractiveness for retirees in the region and a challenge for regional planning.

The sixth paper questions the question of accessibility in terms of attractiveness. More specifically, it is questioned the choice of location of business services. In recent decades, they have grown considerably in industrialized countries. These activities have greatly favored the metropolises, especially their center. However, in the last ten years, studies have shown that centrifugal tendencies are profoundly changing the intra-metropolitan structure. The study by **Ioannis Baraklianos, Louafi Bouzouina and Patrick Bonnel** makes it possible to understand the implementation mechanisms of business services firms, especially with regard to their perception of accessibility in the metropolis of Lyon. They examined the effect of accessibility of the location choices of the business sector, differentiating the establishments based on their functional characteristics. In a context of massive and rapid growth, business services are investing in the metropolitan periphery, specifically

the Back office businesses that offer their services by distance because direct proximity is less important for their economic activity. The metropolitan periphery has become strategic because (i) the demand has reached a sufficient level, (ii) sites are well connected to the axes of transport and are offering quality premises that constitute a real alternative to the center. At the opposite, Front Office services – for which face-to-face interaction is important – have a stronger preference for central areas, where they can enjoy very good accessibility to population and where the location externalities are strong.

Among the challenges facing cities and regions of the world, there is that of pollution and the need to reorganize daily mobilities. In the seventh paper, **Guillaume Pouyanne, Laëtitia Guilhot and André Meunié** shed light on the notion of the “compact city”. With the example of China, it is questioned how the spatial and urban characteristics influence the mobility in the cities of the Chinese provinces. More precisely, the authors show that the gravity index has a positive impact on the use of the automobile. They also confirm that a polycentric structure tends to reduce the ecological impact of travels. In addition, the urbanization (urbanization rate) and intensity (built density) variables have a negative effect on motorization, in other words, the urban environment makes it possible to use alternative modes to the automobile in a more efficient way (without losing too much time) or, quite simply, offers alternatives to the automobile (public transport). Faced with some of the highest environmental degradation and some of the highest levels of air pollution in the world, Chinese cities are looking for their pathway. While the energy and urban transition is taking place under the impetus of the Central government, the authors question the capacity of cities and their authorities to act on their morphology and their spatial structure (density, mixed urban functions, polycentrality) to influence daily commuting behavior.

This special issue includes a selection of that were first presented in the ASRDLF and ERSA-GR joint conference that was held in Athens 5-7 July 2017. The conference, which attracted more than 350 participants, turned out to be a very important scientific event in Regional Science and Urban Economics. This selection of papers is focused on urban dynamics and processes and provides empirical evidence from different case studies. The analysis and results are relevant to urban economic and urban development and policy.

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