MAKING INCLUSIVE GROWTH HAPPEN IN REGIONS AND CITIES:
PRESENT AND FUTURE DEVELOPMENTS FOR THE METROPOLITAN DATABASE

SCORUS conference 16th - 17th June 2015

Daniel Sanchez-Serra
OECD Regional Development Policy Division,
Directorate for Public Governance and Territorial Development
Daniel.sanchezserra@oecd.org
Emphasis on distribution among social groups

- People, independently of their socioeconomic background, gender, place of residence or ethnic origin, should have fair opportunities to contribute to growth and that their contribution should yield equitable benefits.

Multidimensionality

- GDP captures only part of economic welfare.
- Multidimensional living standards defined in terms of income and selected non-income aspects of life that an individual can enjoy.
- OECD’s work on well being identified health and education outcomes, social connections, personal security, work-life balance, environmental quality of life and subjective well-being as important non-income aspects of well-being.

Policy orientation

- IG should be policy-actionable.
- IG calls for a policy toolkit.
How’s life in your region?

• Part of the **OECD Better Life Initiative** and builds on **Regions at a Glance**

• Two key insights:
  - It recognises the need to go beyond national **averages** and measure well-being where it happens: people’s well-being is shaped by individual and place-based characteristics.
  - It provides a tool for **results-oriented policymaking** at national and regional levels.
Wealth and poverty are concentrated spatially

Figure 1.31. Relative poverty in many countries is highly concentrated in space

Regional relative poverty rates, 2010

Significant regional disparities in health outcomes are in part the product of unequal access to health services.
1. Cities are unequal...
2. ... but they are also places of higher economic growth & better opportunities for people
3. Some well-being dimensions are particularly relevant in cities (e.g. environment, access to services, education, transport and housing)
4. Capacity of local governments to act can be very different
How to measure IG in cities and regions?

**Multidimensionality**

<table>
<thead>
<tr>
<th>Material</th>
<th>Quality of life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (levels, inequality)</td>
<td>Environment (pollution, ...)</td>
</tr>
<tr>
<td>Job outcomes (employment, unemployment, ...)</td>
<td>Social and health</td>
</tr>
<tr>
<td>Housing</td>
<td>Education</td>
</tr>
<tr>
<td>Innovation</td>
<td>Access to services (hospitals, ...)</td>
</tr>
</tbody>
</table>

**Medium- & long-term statistical agenda**
Present and future developments

• **Need to work on more indicators for metropolitan areas (and if possible for FUA)**
  – Advance in assessing outcomes in cities (i.e. income, education, etc.)
  – Measure the inequalities that are particularly relevant (amenable to change by policies) at the local scale: environment, poverty, access to services

But...

• **Do our FUAs represent the cities of today?**...

• .... Need to update the boundaries with more recent data (on commuting and pop. grid cells)
Variables will be estimated with different methods

Average population exposure to air pollution (PM2.5)

- **Traditional source**: Ground-based stations
- **Challenge**: Coverage within OECD countries tends to be heterogeneous
- **Source used**: Raster PM2.5

van Donkelaar et al. (2014)
Levels and trends in OECD cities

- 68% of the urban population in OECD countries (376 million people) are exposed to pollution above the WHO’s recommended levels.
- OECD estimates show wide variation in PM$_{2.5}$ exposure levels across cities within countries, the largest in Mexico, Italy, Japan and Korea

Source: Brezzi and Sanchez-Serra (2014)
Current and future developments

- **Current:**
  - Income levels,
  - Income inequality
  - Spatial disparities (segregation)
    - in metropolitan areas using administrative tax records (transform in household disposable income)

- **Future:**
  - Education
  - Health
  - Access to services

Any advice on methods, sources of data, etc.?
For further information on regional well-being work:

Report & case studies

Interactive web-tool to compare regional well-being across 362 OECD regions
http://www.oecdregionalwellbeing.org/

Inclusive growth
http://www.oecd.org/fr/sites/inclusivegrowth/

Metropolitan areas database