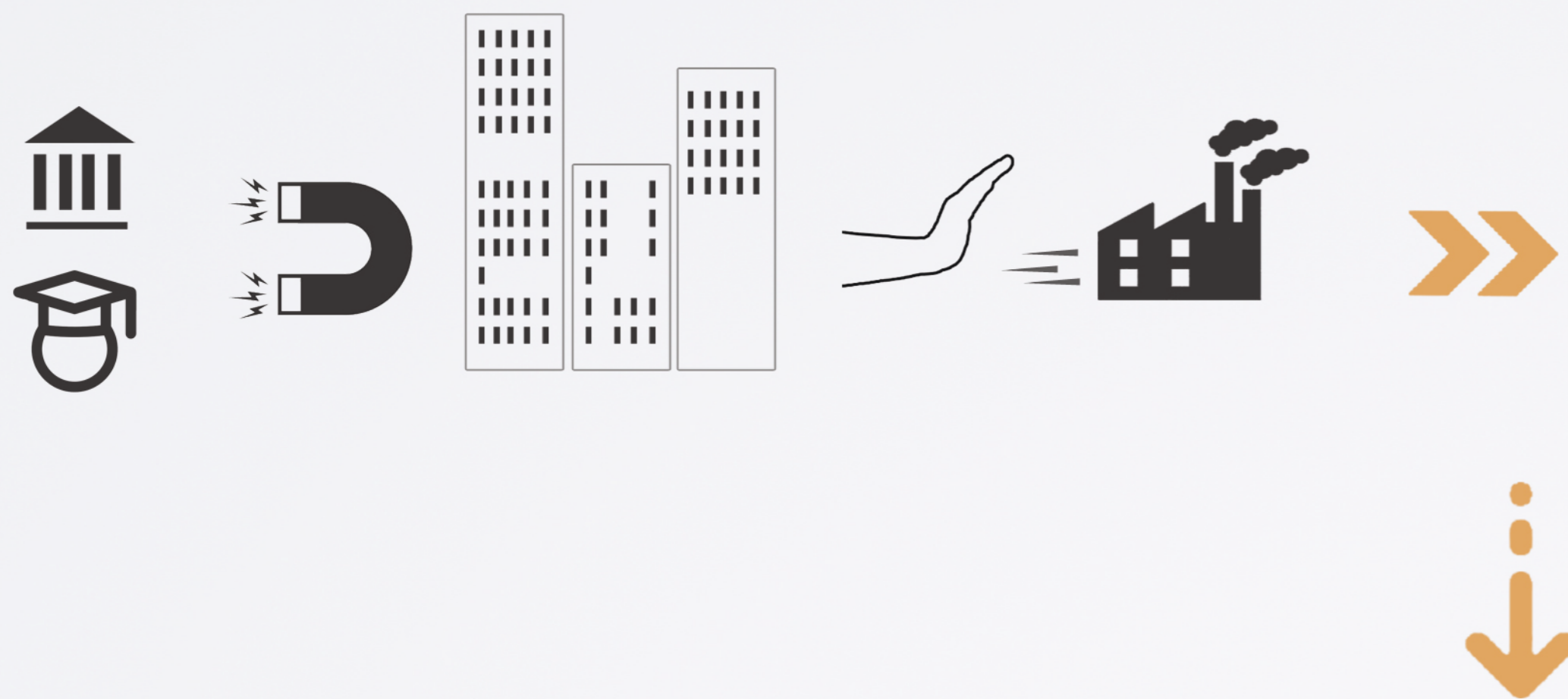


THE NEW URBAN DEVELOPMENT PARADOX: PUSHING FOR INNOVATION AND ECONOMIC GROWTH, WHILE LEAVING BEHIND THE ISSUE OF INEQUALITIES

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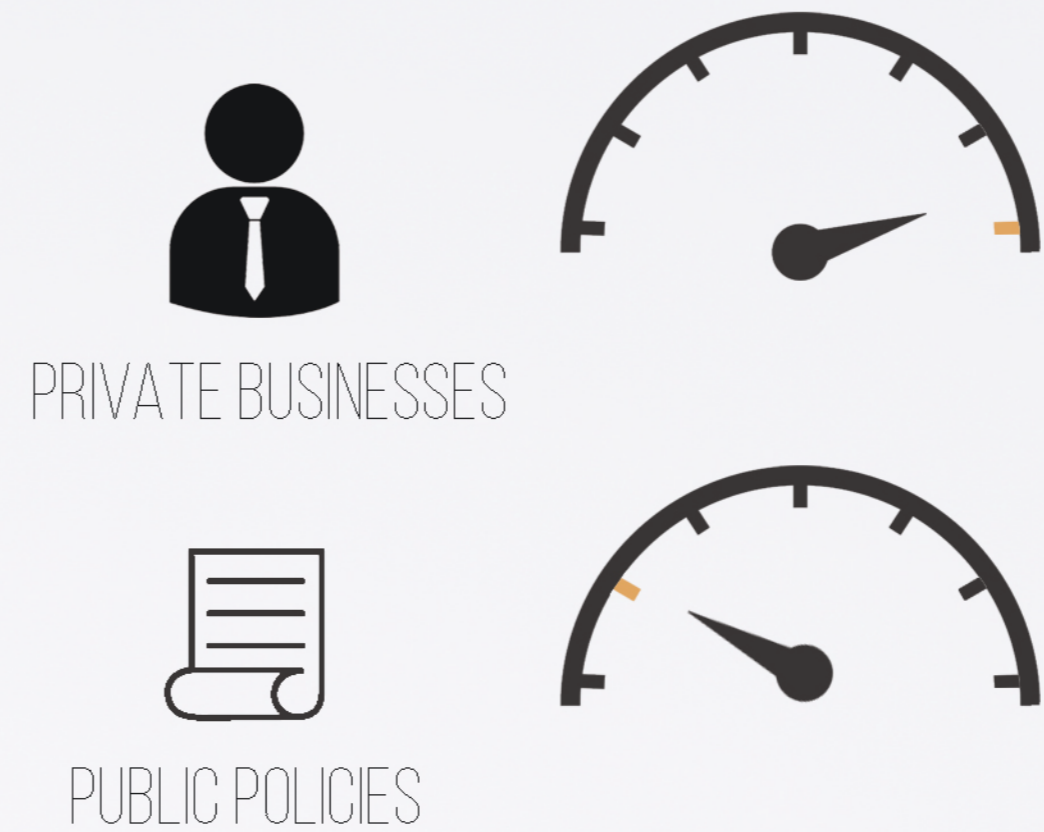
NEW ECONOMY

WITHIN THE CONTEXT OF THE NEW INNOVATION ECONOMY CITIES ARE SAFER AND RICHER THAN IN THE PAST AND POSSESS THE ABILITY TO ATTRACT THE HUMAN CAPITAL. MOREOVER, THEY STRENGTHEN HIGHLY SPECIALISED PROFESSIONAL SECTORS, LOSING OTHER LESS SPECIALISED SEGMENTS THAT HAVE RELOCATED TO THE SUBURBS.



ADAPTATION TO THE CONTEXT OF THE NEW ECONOMY

THE ADAPTATION OF PRIVATE BUSINESSES TO THE CONTEXT OF THE NEW ECONOMY IS MORE FAST-PACED, COMPARED TO THE ONE OF PUBLIC POLICIES.



SOCIAL BUFFER TOOLS, WHEN RELEASED, TARGETED THE WHOLE CITIES. POLICIES AT A NANO-SCALE, WHICH FOCUS ON NEIGHBORHOODS AND CITY BLOCKS, ARE MISSING.

CONSEQUENCES

THE DIRECT RIPPLE-DOWN EFFECT IS THE SHARPNESS OF SPATIAL INEQUALITIES, SO THAT, NOT ONLY SOME PLACES ARE BECOMING POORER EVEN IN RICH CONTEXTS AND SOME OTHERS ARE BECOMING RICHER IN DEVELOPING CONTEXTS, BUT ALSO WITHIN THE SAME NEIGHBOURHOOD POCKETS OF INEQUALITIES ARE POPPING UP, CREATING UNEVEN GEOGRAPHICAL AREAS.

WHAT ARE THE FEATURES THAT CREATE POCKETS OF SPATIAL INEQUALITY (ACCOUNTING FOR ABOUT ONE THIRD OF OTAL INEQUALITY) AT THE MICRO/NANO SCALE?

Author	Year	Method of measuring inequalities
Gini	1921	Inequality of Incomes
Bourguignon, Delta and World Bank Paris	2001	Microeconomics of Income Distribution Dynamics (MIDD) of Brazil, Mexico, Indonesia and Taiwan, and cross-country macro analyses of that relationship growth-distribution.
Ioannides and Seslen	2002	Bourguignon decomposable inequality index for analysing neighborhood data American Housing Survey and the Panel Study of Income Dynamics and its 1989 wealth supplement to study the distribution of wealth within US residential neighborhoods
Pittau	2005	Kernel density estimation of the real GDP per capita across EU regions
Glaeser, Resseger and Tobio	2008	Gini coefficient of Income Inequalities across U.S. Metropolitan Statistical areas
Banerjee	2010	Multidimensional Gini index as the unidimensional Gini index of the resulting vector of individual well-beings
Alvaredo	2011	Connection between top income shares and the Gini coefficient
Palma	2011	Proposition of an alternative measure of inequality to the Gini - the 'Palma Ratio'. The author crunches the numbers on inequality decile by decile (decile 10 is the richest 10% of a country's population, decile 1 the poorest 10%).
Belhadj	2012	Fuzzy theory approach to multidimensional well-being indices to analyze the specific role of the dimension weights
Arawatari and Ono	2013	Correlation between inequality and intergenerational mobility, including accessibility of tertiary education for poor-born agents and multiple self-fulfilling expectations of agents
Bosmans, Decanq and Ooghe	2015	Normative indices of multidimensional inequality to capture the inequity and inefficiency exhibited by a distribution. Decomposition of normative inequality into its inequity and inefficiency parts for a generic class of social welfare functions.
Pasha	2017	Weighting scheme for the Multidimensional Poverty Index (MPI) and correlation of the weights of 28 low-income countries

Table 1 - Summary of the main methods of income inequalities in the last years studies.



GEOGRAPHICAL FEATURES: PROXIMITY TO MOUNTAINS, COASTS, FORESTS, RIVERS, DESERTS, THE URBAN/RURAL DIVIDE.



POLITICAL AND ECONOMICAL FEATURES: ECONOMIC GEOGRAPHY FACTORS, SUCH AS CLIMATE AND NATURAL RESOURCES, MARKET ORIENTATION, SIZE AND OWNERSHIP OF FIRMS, POLICY REGIMES.



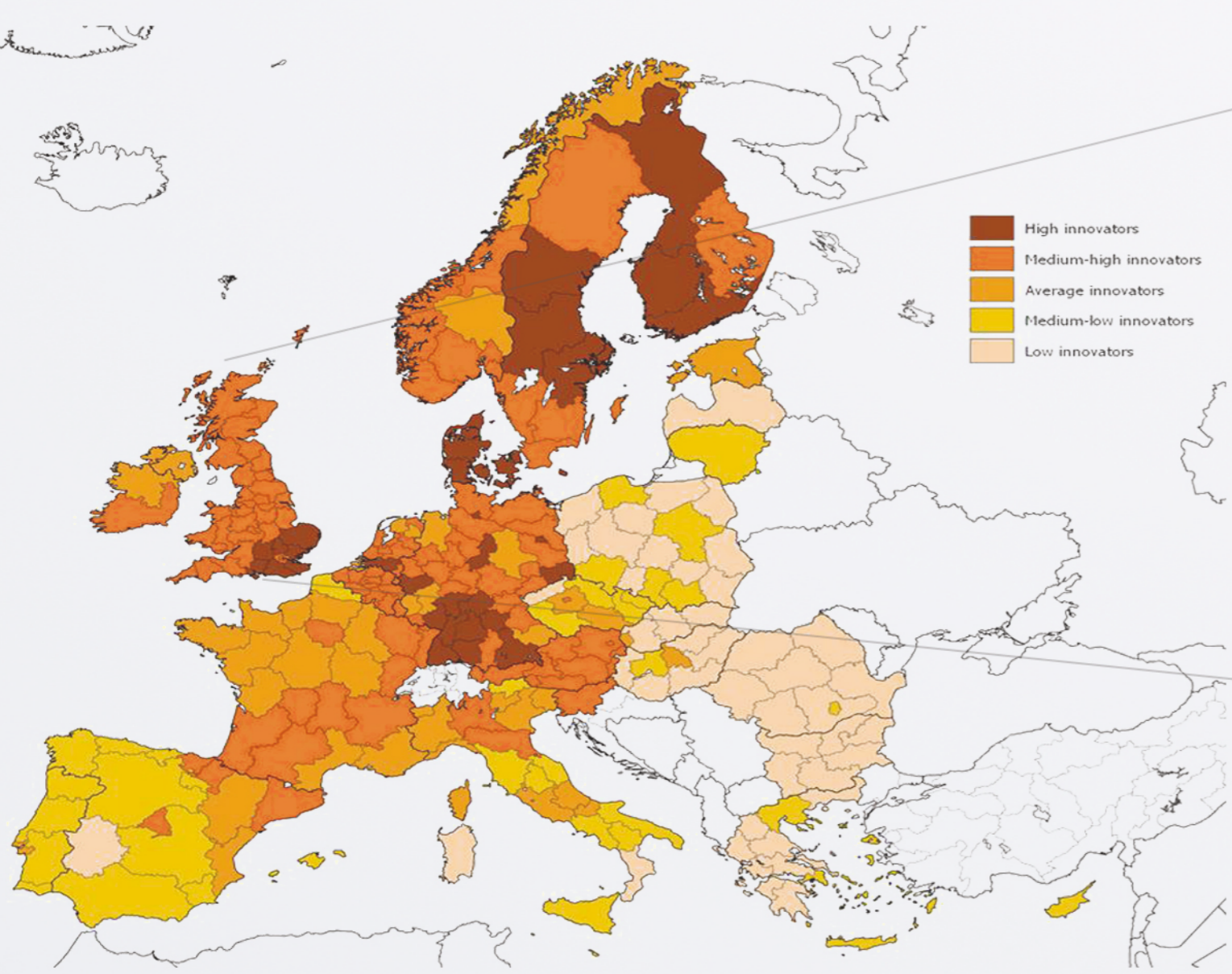
PHYSICAL FEATURES: DISTRIBUTION, QUALITY AND QUANTITY OF INFRASTRUCTURES, PUBLIC SERVICES AND ECONOMIC ACTIVITIES.



SOCIAL FEATURES: SOCIO-ECONOMIC VARIABLES, LABOUR MIGRATION, LEVEL OF FORMAL EDUCATION.

THE MAIN METHODS GENERALLY USED FOR MEASURING INEQUALITIES, NAMELY, DESCRIPTIVE STATISTICS AND VISUALIZATION OF DATA AT A MACRO SCALE, RISK TO LOSE THE MICRO DYNAMICS, THAT CONTEMPLATE CONTINUOUS CHANGES IN THE BLINK OF AN EYE.

"IF ALL ECONOMIC ACTIVITY WERE TO TAKE PLACE ON A 'FEATURELESS PLANE', AND IF ECONOMIC ACTIVITY HAD THE STANDARD NEOCLASSICAL PROPERTIES, ECONOMIC ACTIVITY WOULD BE EVENLY DISTRIBUTED ACROSS SPACE AND THERE WOULD BE NO SPATIAL DIMENSION TO INEQUALITY. BUT THE WORLD DOES NOT SATISFY EITHER OF THESE TWO ASSUMPTIONS." (KANBUR, R., & VENABLES, A. J. (EDS.), 2005).



MOST INNOVATIVE REGIONS IN EUROPE



WHILE BEING THE MOST INNOVATIVE CITY IN THE UK AND ONE OF THE MOST INNOVATIVE CITIES IN THE WORLD, LONDON IS TAKEN AS A CASE STUDY SINCE IT SHOWS ONE OF THE HIGHEST INCOME INEQUALITY RATES AMONG THE UNITED KINGDOM. "LONDON IS THE MOST UNEQUAL REGION, AS IT HAS A RELATIVELY HIGH PROPORTION OF PEOPLE WITH HIGH INCOMES AND LOW INCOMES. AS A CONSEQUENCE, THE CITY HAS A RELATIVELY HOLLOWED OUT MIDDLE OF THE INCOME DISTRIBUTION WITHIN THE UK." (TRUST FOR LONDON, 2017).



CASE STUDY BERMONDSEY ST., LONDON - UK

FROM A POOR, INDUSTRIAL AREA IN THE 19TH CENTURY, WITH PROBLEMS OF OVERCROWDING AND DISEASES, TO THE CONTEMPORARY VIBRANT PACKED STREETS, BERMONDSEY STREET, A FEW MINUTES BY WALKING FROM THE LONDON BRIDGE STATION AND THE RIVER OF THE THAMES, ATTRACT A NUMBER OF YOUNG CITY PROFESSIONALS WHO APPRECIATE ITS VILLAGE APPEALING AND ITS CONVENIENCE TO THE CENTRE OF THE METROPOLY. THIS 500M ARE DOTTED BY ART GALLERIES, MUSEUMS, CAFES, RESTAURANTS, LOCAL MARKETS, OPEN SPACES. IT IS EXTREMELY WELL CONNECTED AND IS CONSIDERED THE BEST AREA TO LIVE IN LONDON. THE MASSIVE REGENERATION PROJECTS AND INVESTMENTS ARE RESHAPING THE PROFILE OF THIS AREA, BUT BERMONDSEY ITSELF COVERS A GREAT AREA OF SOUTH LONDON, SO THAT IT STILL REMAINS A SPOT WITH BIG CONTRAST AND INEQUALITIES, EVEN IF IT IS CHANGING AT A FAST PACE. IN 2017, INEQUALITIES IN THE NEIGHBOURHOOD OF SOUTHWARK WERE BERMONDSEY STREET IS LOCATED, WAS 129% (MEASURED BY THE MEAN INCOME AS A PROPORTION OF MEDIAN INCOME), RANKING AMONG THE FIRST NEIGHBORHOODS (TRUST FOR LONDON, 2017). THE SPEED OF THE INTERVENTIONS AND THE SPEED WITH WHICH IT IS POSSIBLE TO EXPERIENCE A DIFFERENT ENVIRONMENT JUST AROUND THE CORNER ARE ALMOST EQUAL.