

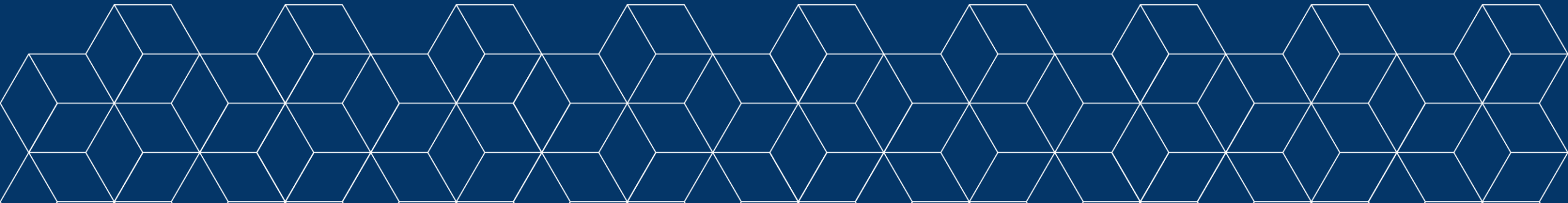
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REVERSE URBANIZATION

Evaluation of regional and urban policies: Methods and
empirical evidence

Convegno dell'Associazione Italiana di Scienze Regionali

9 Settembre 2021



- The forces of the City: centripetal vs centrifuge
 - **Pressure: too much or too little**
 - **Geography without space and time**
 - Serendepity
 - **Measurement problems – new parameters**
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- This presentation is basically a reflection on the **capacity of traditional tools** for analysing socio-economic areas in the light of the digital transition.
 - To understand change, an adequate **cultural elaboration** is needed, not only technical, because technology has a great impact on relational, economic and civil aspects.



Cities make an **extraordinary contribution** to culture and the economy, to growth and progress.

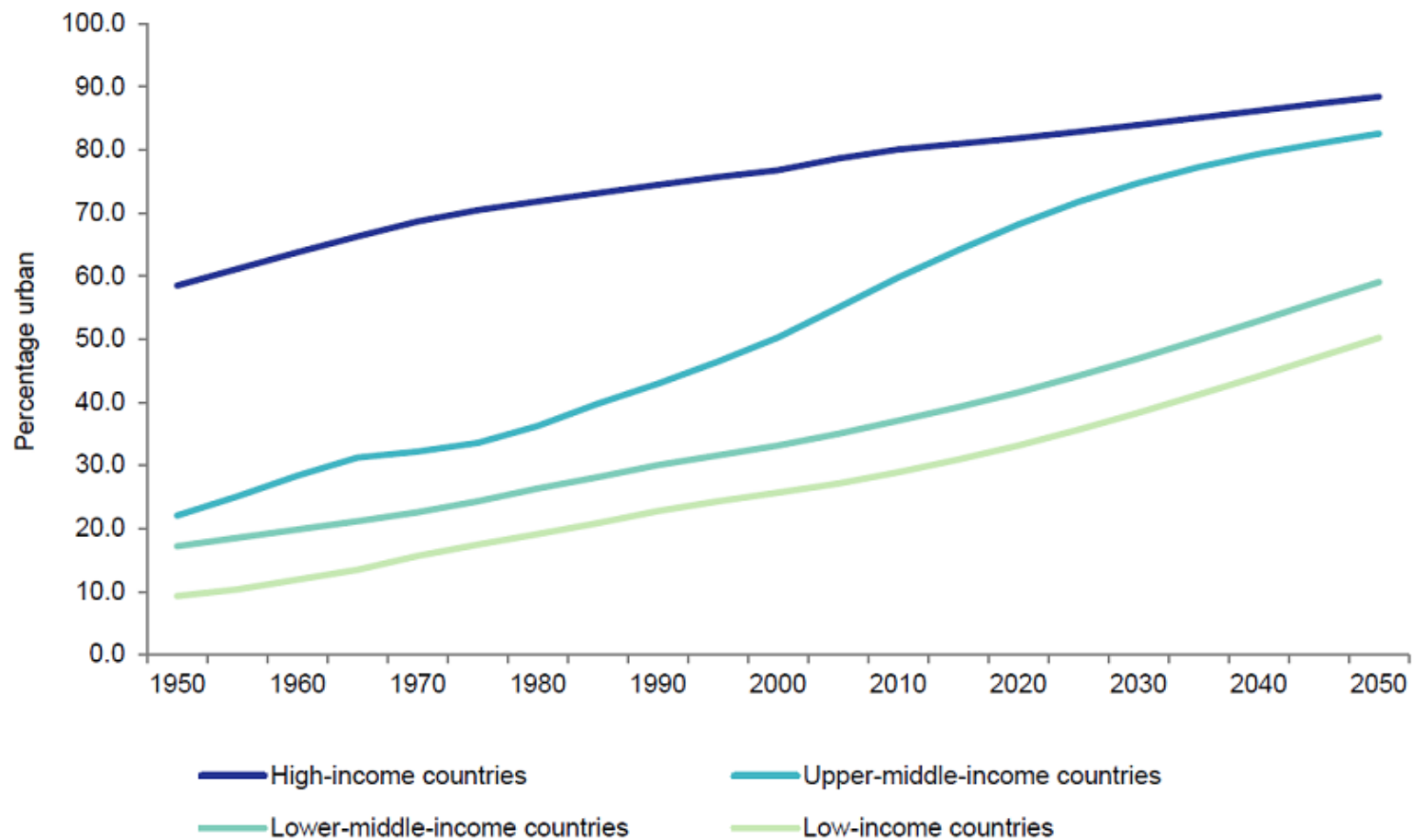
They feed needs that become demand for services that, in turn, become employment: a virtuous circle as Lucas and Jacobs argued, a multiplier of human, social and financial capital, an environment of contamination and synthesis of new and different ideas, where needs are created and met...

That is, in cities a **centripetal force** is generated that holds things and people together, a sort of center of gravity that attracts human and economic resources, an engine that burns energy and continuously requires new resources, services, personnel ...

In 2018, a UN report estimated that 54% of the world's population lives in urban areas, an incidence destined to rise to 70% in 2030. However, the rapid quali-quantitative set-up of urban areas for the changed social costumes post-Covid, makes **it necessary to reconsider these projections.**

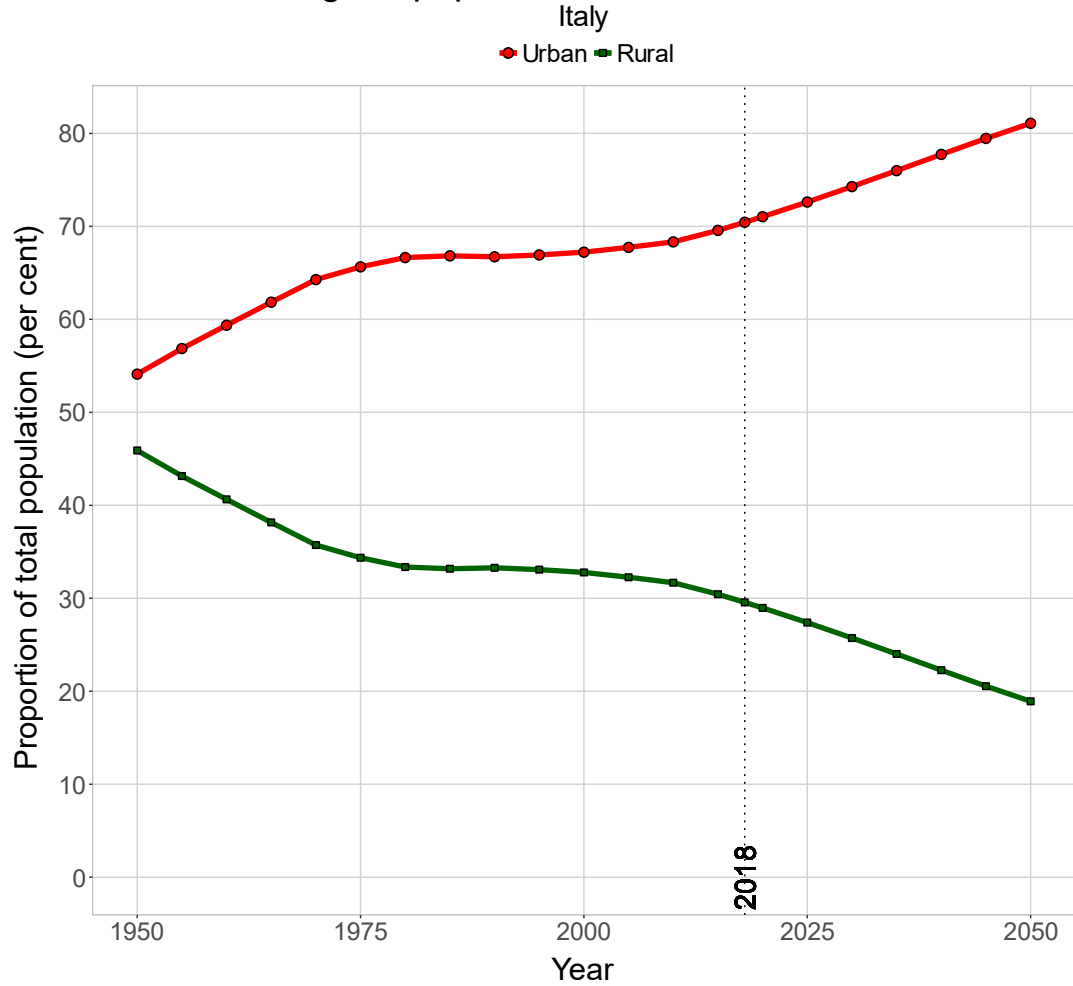


Figure I.9. Percentage of population residing in urban areas by income group, 1950-2050



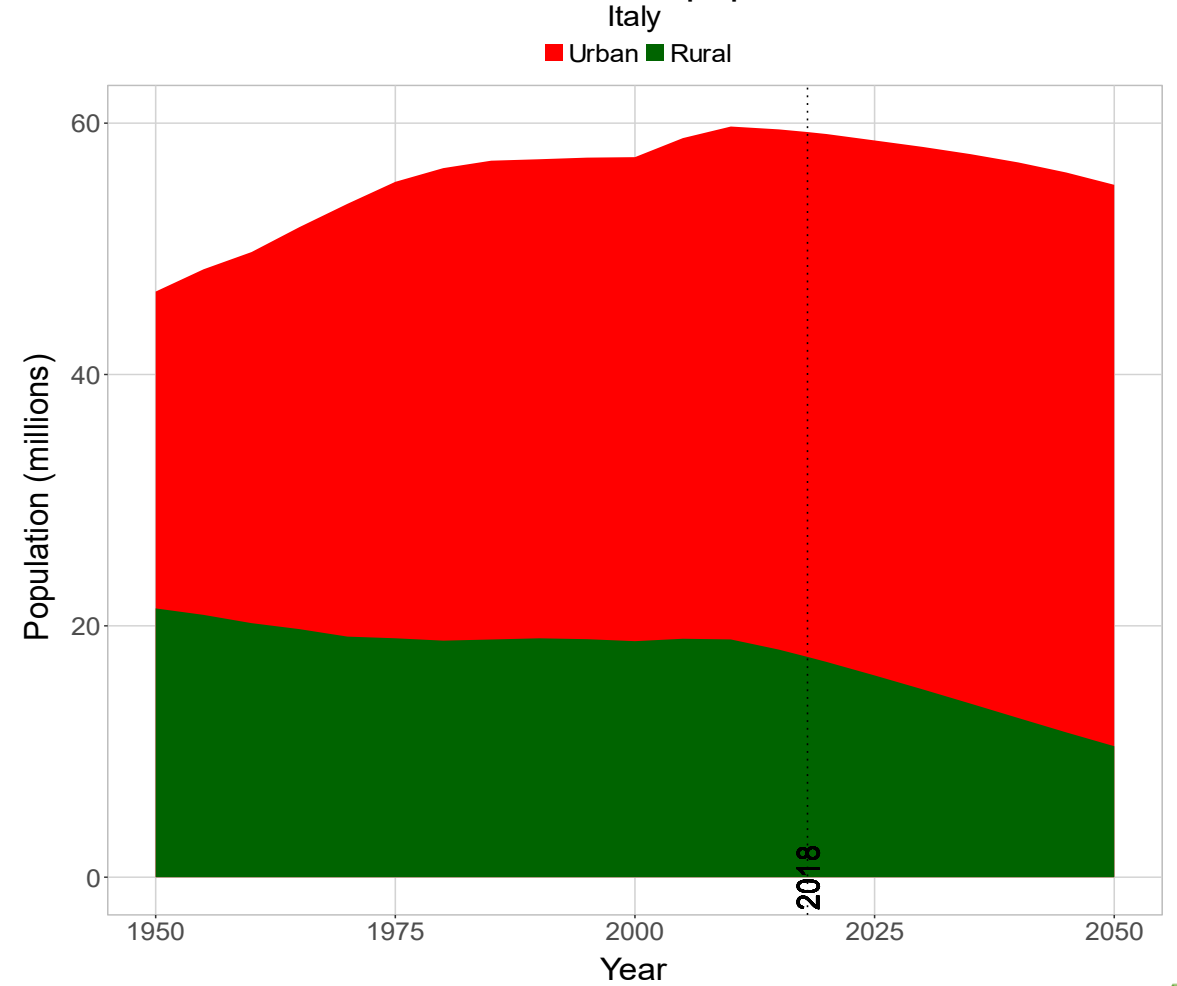
Reverse urbanization

Percentage of population in urban and rural areas



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Urban and rural population



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Reverse urbanization

The **perfect storm hit the city**.

On the one hand, technological progress has allowed the dematerialization of a large part of the work activity, now made at a distance.

On the other hand, the health emergency has made social distancing a desirable, sometimes indispensable, condition.

The interaction between the health emergency and the available technology is producing an extraordinary metamorphosis of social and economic customs. **Technology and the pandemic conspire together against the city**, understood as a "container and content", compromising its economic value and undermining its cultural role.

This energy has released an **intense centrifugal force** that has displaced activities and people quickly and radically, with strong consequences on the structure of cities. Suddenly citizens are exposed to a centrifugal force that projects them away from each other: the worker from the workplace, the student from the school, the researcher from the university, the customer from the store.



This **reverse urbanization** has given rise to a process of decongestion of cities that, indirectly, will have repercussions on the development strategy of internal or isolated areas – provided they are connected – which will finally be able to repopulate with activities, projects and people.

However, **the risk of displacement is high**. Distributing resources concentrated in the city center throughout the community will change the socio-economic structure. Highly anthropized environments are great catalysts for human, financial and cultural resources, policies that take time to be reconverted.

The settlement could be traumatic: a **strong relocation** of the population, a general downsizing of commercial real estate and an eccentric demand for services compared to the more structured areas (south-working). Are offices, subways, restaurants and half-empty shops a step towards a – so longed for – society more human-friendly or the beginning of a downward spiral of decline?



Reverse urbanization

When a force (demographic, financial) acts on a space, **pressure** is created; in our cities this tension has taken the name of stress, traffic, competition, congestion, cost of living...

The health emergency has succeeded in what so many urban planning policies have failed: **rationalizing the distribution on lands of activities and population.**

This has reduced – temporarily – the pressure.

But the **pressure is a bit like inflation**: too much overheats the system, too little turns it off.

The Economist reflected on the hundred years of established routines shattered: from the office to the school, from crowded public transport to congested traffic, from weekend queues to queues at restaurants, from the factory to the theater.

That routine – good or bad – is over.

It takes a little adaptation to overcome the initial disorientation.



We have entered a hyperbolic phase: machine learning, pandemics, big-data, climate, quantum computers... will twentieth-century rules and institutions be able to keep up?

The very strong hybridization between the disciplines and the transversality of the digital plan **require a profound updating** of the relationships between all the components of the system: adequate measuring instruments, new codes, different reward systems and social areas must be built.

Will the **virtual system be able to do without its physical nodes**? From squares to blogs, from shopping malls to e-commerce, from universities to social networks, people connect, exchange data and things, share economic, technical and cultural resources, discuss and offer solutions that become innovations and fuel development.

A handover is underway: will the digital environment replace the physical one as the hatching **ground for progress**?

In the digital season, space and time are increasingly relative and the center-periphery or north-south antitheses also fade. Even **the geography will be redesigned** no longer based on history, distances or orography but with respect to the download speed, the delivery time of a package or the cost of energy.



Covid has been a detonator that has activated many processes irreversibly. It starts agile work and cycle paths; it give importance to health, school and research; it has relaunched public works and has restored centrality to the general interest. It has triggered many changes that ordinarily would have taken years to see the light.

Covid has shown that you can change, that things can be done and now they are available options. A kind of **serendipity**: looking for the solution to the epidemic, a different way of life was discovered.

To prevent history from repeating itself, bureaucracy must be simplified, controls must be improved using data and technology, work together to plan actions in the territories, make investments with a broad perspective, consider the cost of operation and not only that of carrying out the work, improve local administrations, build public goods.

Resources should be used to move to **a new social system**, not to restore the last backup!

You will have to learn to manage your free and worked time, to rethink the places of work and life, to delimit the spaces, to review the value sets and social canons. It will change the home, the school, the sport, the buses, the shops, the work, the weekend, the guide, the money, the Public Administration...



By **breaking down the "work-presence" totem**, it has even created the conditions to make social security reforms credible; to achieve gender, generational, territorial and environmental equal opportunities, for demographic revival; to update health, school and welfare, to rethink the territory and reduce pollution.

Only 20 months ago, many tried to counter change by fueling doubts and fears, proposing conservative solutions to protect position rents, opposing the **updating of our social system**. There was a lot of improvisation. The burnout was strong. Extraordinary resilience.

During the days of heated debates on the PNRR to rebuild the post-Covid country, we perceived that joyful frenzy from "Saturday of the village" that takes us Italians before the party.

Many initiatives are based on the construction of structures and infrastructures that have remained pending, but substantially derive from dated development plans, even of 20 or 30 years. The risk of equipping the country with a system of twentieth-century infrastructures, designed for an analog world, no longer suitable is high. These activities must generate social and economic progress, necessary for them to be sustainable in the long term ... The risk of **"cathedrals in the desert"** is high.



It was 2015 when the Economist titled *workers on tap*. There was a fear of a **new work organization** at the global level, totally de-structured and permeated by technology.

Digital platforms make an increasing proportion of contingent, casual, and discontinuous work. A work environment characterized by high informality and perfect substitutability, in which the modulation of the workforce is high (scalability), and performance often ends in the realization of a single work (micro-task).

This mass of ‘work activities’ fluctuates in the digital world, **insensitive to economic geography, legal systems, trade agreements, fiscal agencies, business walls**. The resounding digital avoidance-evasion-omission contributes to the financial crisis of individual states because it erodes a lot of tax revenue (added value, tax on work, royalties...).

In addition, web-based platforms fuel **demand for seamless activity** over time and space, making ‘employed and employment’ invisible to official statistics. It is still a marginal phenomenon but with a disruptive dynamic. A fissure has opened in the system of socio-economic indicators which will progressively make them less consistent and adequate as parameters for the functioning of the system. Definitions and measurement techniques specific to digital will be needed.



In the United States, 10 million people are looking for a job. And companies fail to close 8 million open positions. An answer was given by Nobel laureate **Paul Krugman** (2021) who wrote an editorial in the New York Times entitled "Workers are no longer willing to do the work they were before under the same conditions as before."

The liquid society of Bauman is the prequel of digital world: data flows, images, information, ideas, georeferencing create an environment where conventional references no longer exist. Where traditional categories fail, where it is not easy to orient themselves because of the third dimension. Digital shuffle cards. Individuals with undefined connotations, now workers, then users, first consumers, then producers: **economic gender fluid.**



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THANK YOU FOR ATTENTION!

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