

Territorial Cohesion in Europe

Aspects and Significance of Rural Poverty in Hungary

Kovács, Katalin - Koós, Bálint

Institute for Regional Studies, CERSHAS

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Content

- Methodology
- Overall outcome
- Zoomings: some details by
 - classes (quintiles) of settlements
 - rate of the Roma population
- Conclusion

I. Methodology

Measuring wealth/deprivation (poverty)

- The model is based on the adaptation of the English Indices of Deprivation (2010) that is: measuring deprivation (poverty) by dimensions recognised and measured separately.
- The dimensions of deprivation covered are
 - Education
 - Income
 - Housing
 - Employment (economic activity, unemployment)
- Not covered (as compared with the English Indices of Deprivation): Health, Crime, Living environment
- Added: Age structure
- Methodology:
 - indicators were normalized and then summarized (equal weighted), then z score of multidimensional index of deprivation /poverty were created
$$Z = \sum \frac{X - \mu}{\sigma}$$
 - Classification: ranking the scores and subsume them into deciles and quintiles

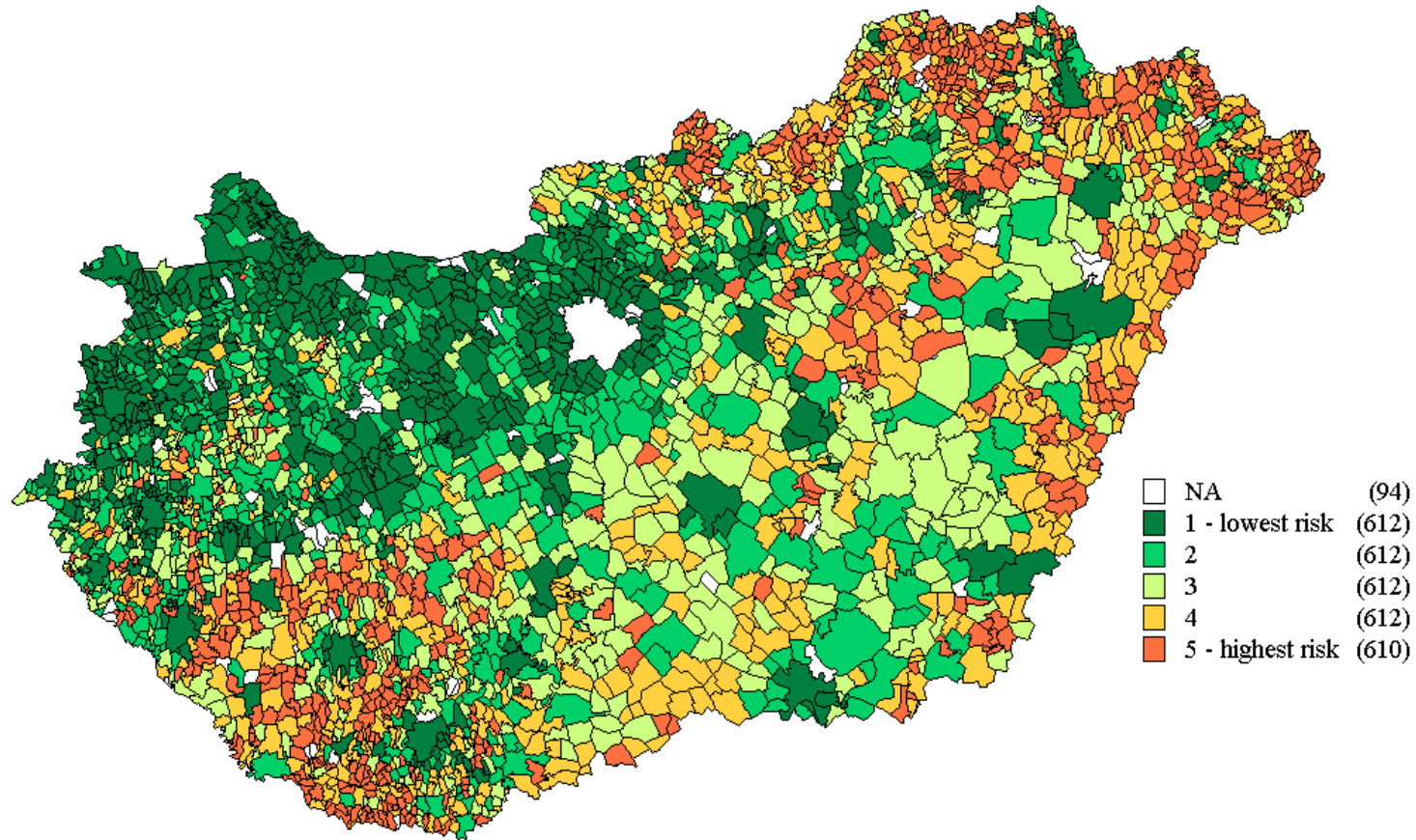
II. Overall outcomes

Indicators and average figures 1990, 2001, 2011

(analysed data set: all settlements without Budapest)

Indicators	1990	2001	2011
<u>Age structure</u> : the number of population aged 15-falling to 100 60+ persons (headcount)	96,7	87,6	71,3
<u>Education</u> : Population completed secondary education or more in the proportion of population aged 25+ (%)	34,1	52,1	63,8
<u>Income</u> : Average taxed income per capita, current prices (HUF)	4 847,2	19 030,1	40 265,6
<u>Employment-1</u> : Rate of jobles households (%)	36,2	48,9	44,1
<u>Employment-2</u> : Job seekers in the percentage of economically active population (%)	3,2	15,7	16,4
<u>Housing</u> : The rate of housing units without any comfort (%)	39,6	24,6	14,5
<u>Participation</u> : The rate of personal income tax payers in the percentage of population aged 18-64 (%)	57,5	58,9	65,7

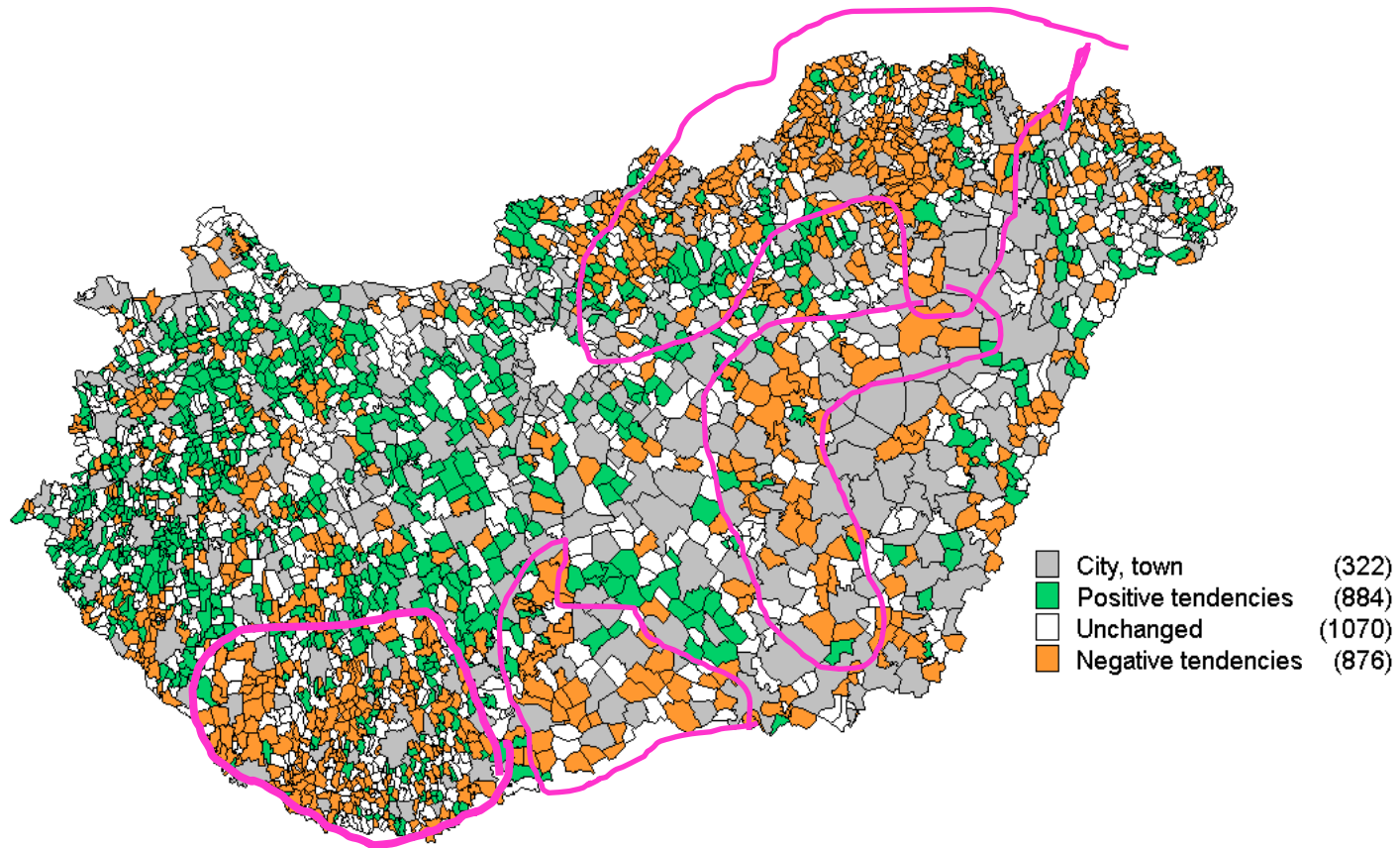
Spatial inequality: wealthy and poor places, 2011 – no surprise: north east and south west bias of poor places



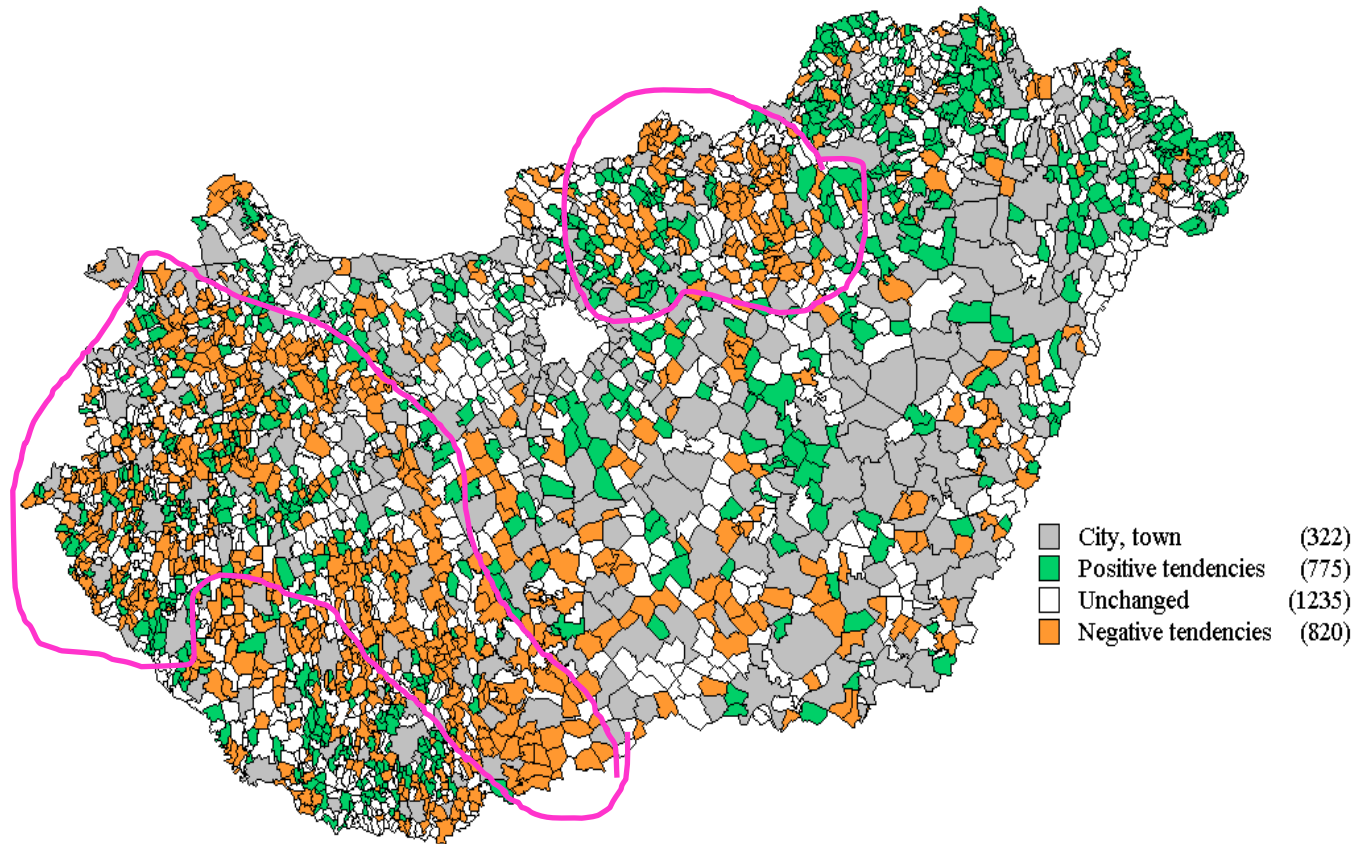
Wealthy and poor villages 1990,2011 by NUTS-2 regions



Villages – impoverishing places (population) (1990-2001): impacts of transition (?)



Villages – impoverishing places (population) (2001-2011): impacts of concentrated flow of capital (?)



Zooming -1

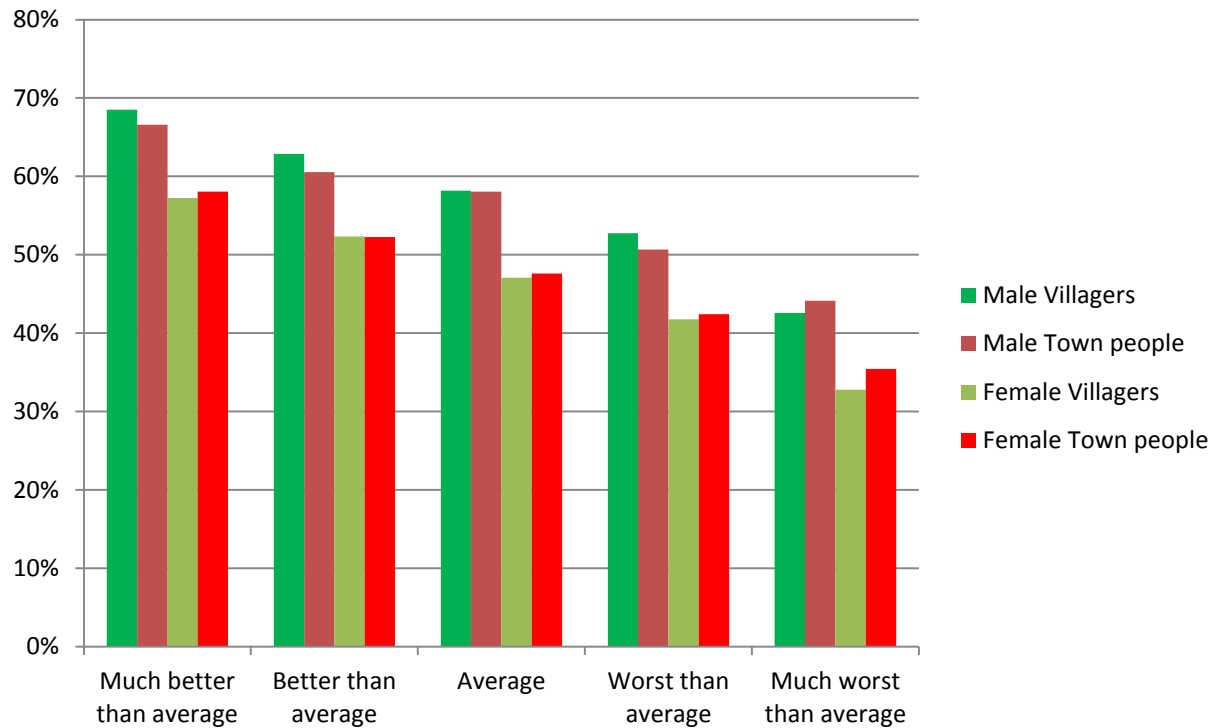
Some details by settlement classes

Looked at settlement categories:

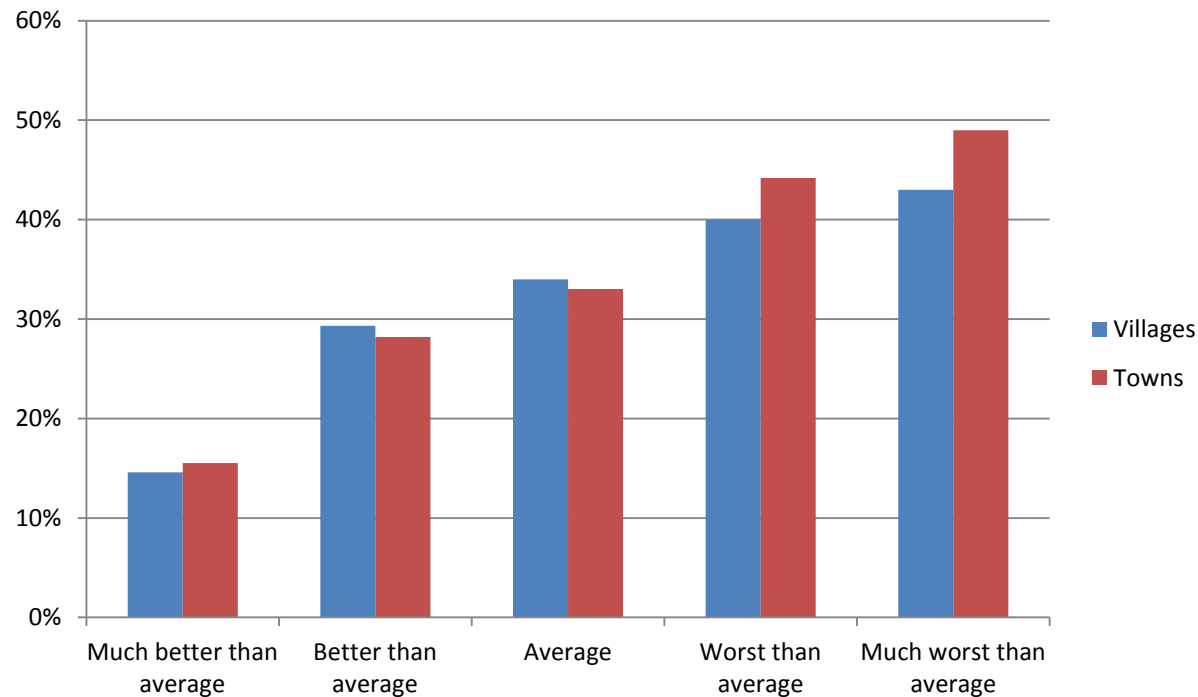
Villages

Rural towns

Female and male employment rate in villages and rural towns 2011 – lower than expected differences

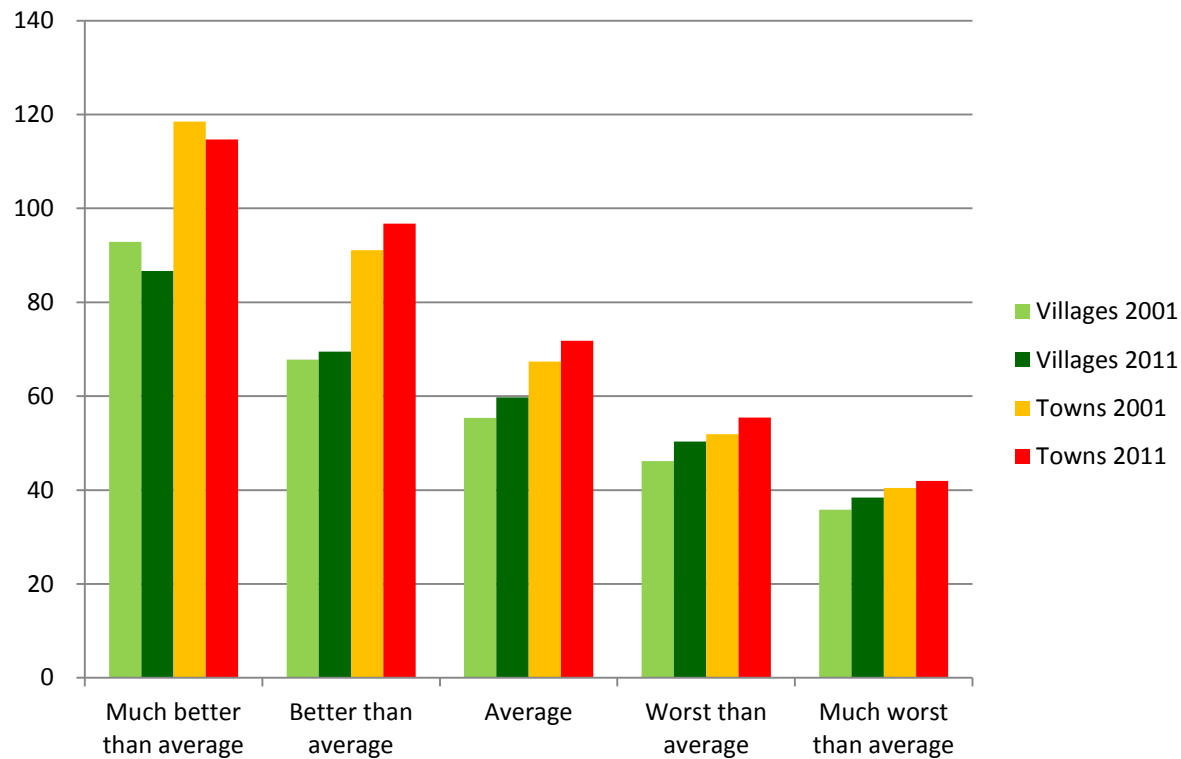


Transitional impacts: the drop of jobs in the 1990s: major and fixed determinant of wealth



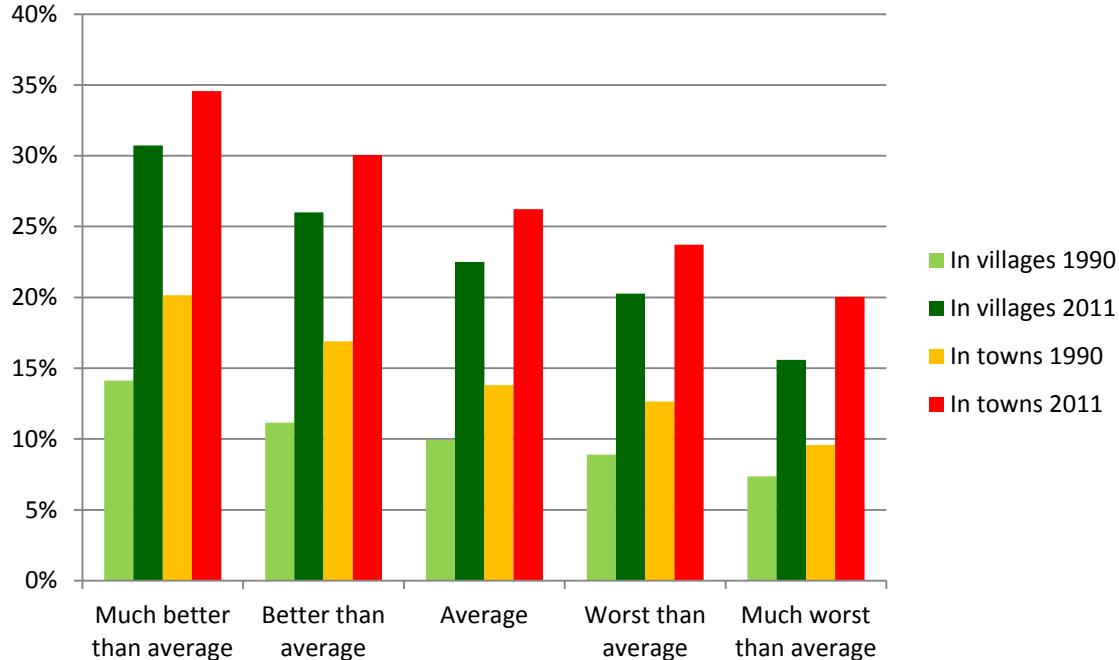
Density of economic actors

Little progress from 2001 to 2011, weak towns in the worst than average settlement classes



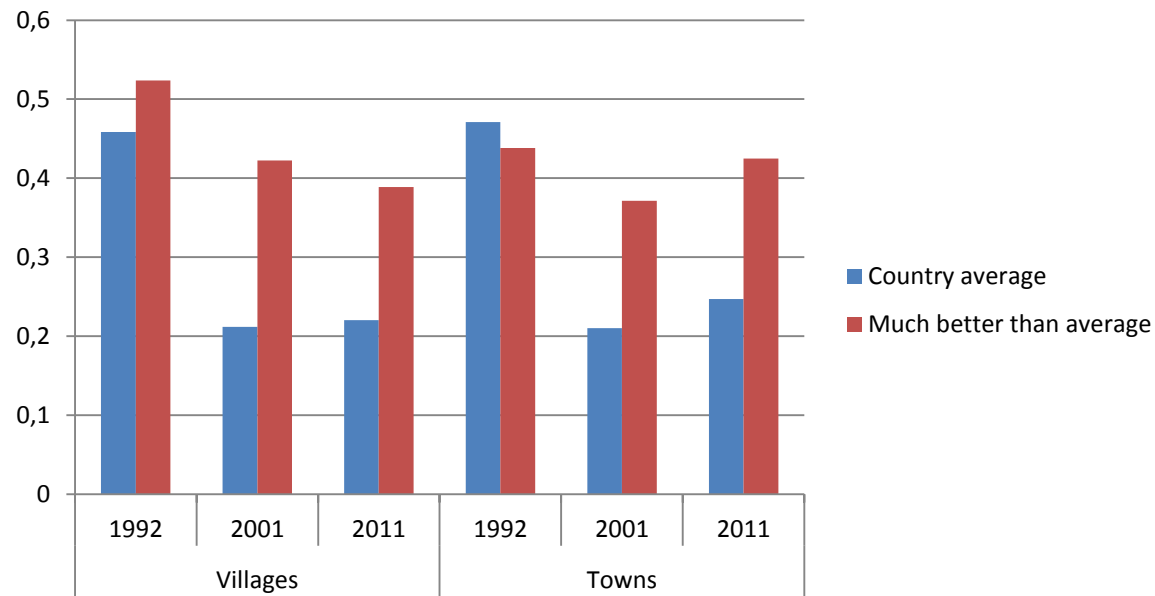
Completed secondary education or more in the % of population aged 25+

Worst/best villages 1990: 192%, 2011: 197% = widening gap
towns: 1990: 2011%, 2011: 172% - narrowing gap



The proportion of average income of the worst positioned class in the % of the country average and the average of the best positioned class

1. Sharply increasing gap between the income of the country average and the worst classes,
2. Less ingroup (rural) differences,
3. the closeness of the positions of villages and towns



Zooming -2

Some details by the proportion of
Roma

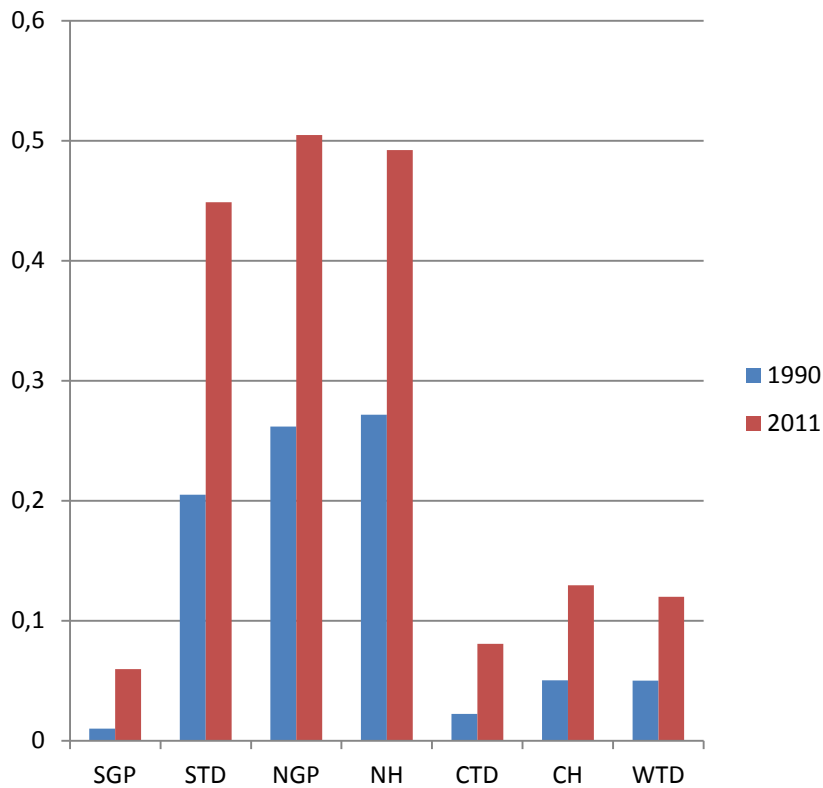
Looked at settlement categories:

Villages

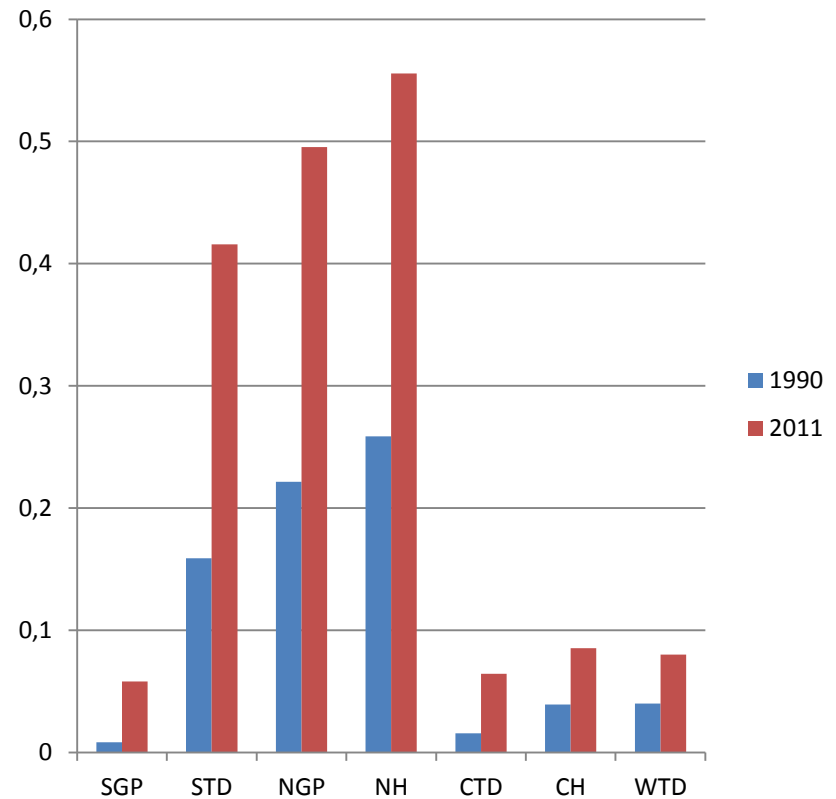
Rural towns

Ethnic rearrangements: the growing number of villages with more than 5% of self declared Roma population. *The growth is significant*

Affected villages

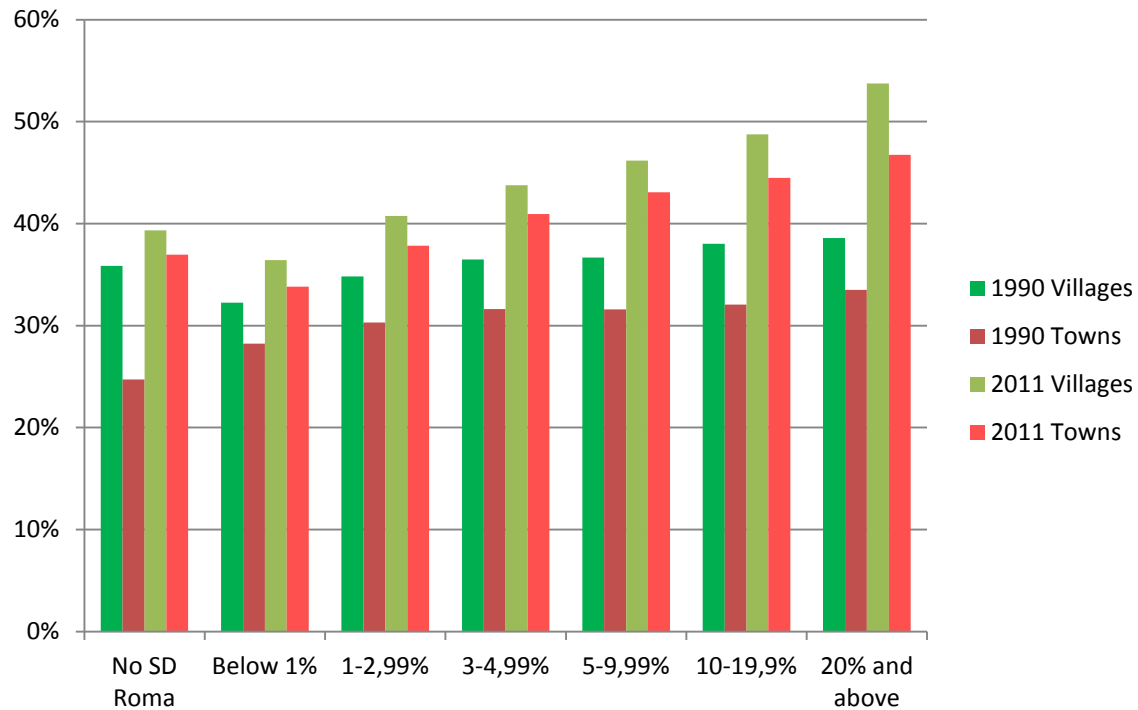


Affected population



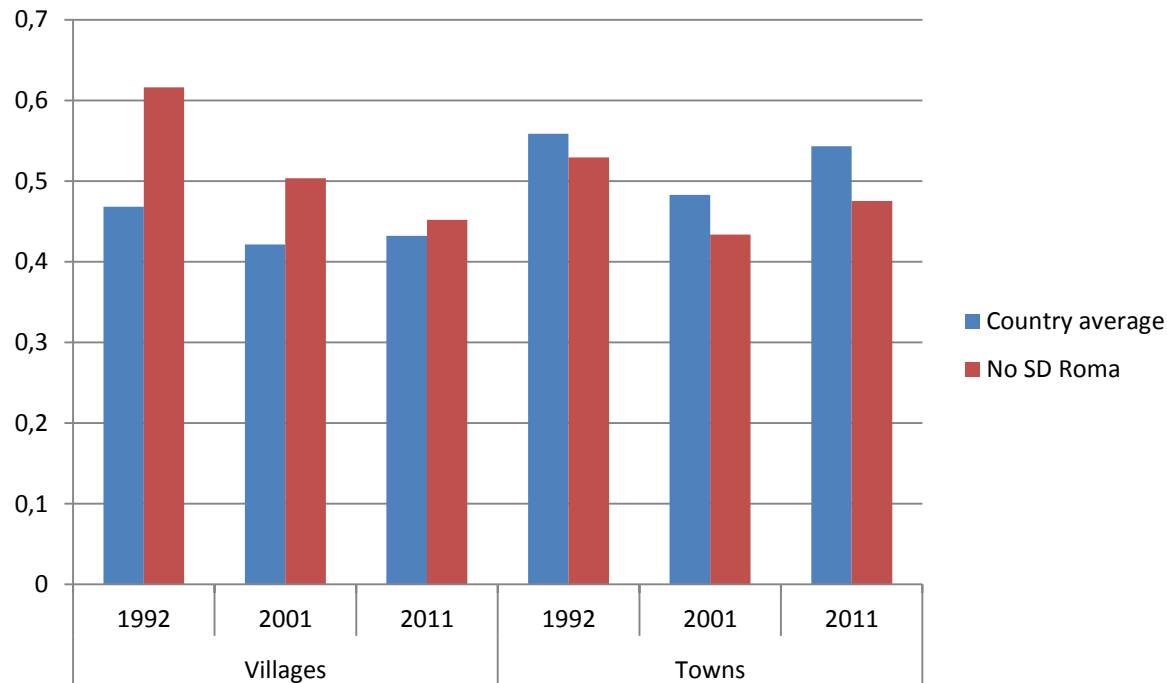
Jobless households 1990, 2011

Growing gap in access to jobs along ethnic composition of both villages and towns



The proportion of average income of the most ghettoised villages and towns in the % of the country average and the average of the settlements where no self declared occur

1. Increasing gap between the income of the country average and the ghettoised villages, U-turn in case of towns 2. the closeness of the positions of villages and towns



Concluding remarks

- The spatial distribution of wealth did not change
- Income disparities between the country average and the worst positioned settlements (and those of ghettoised ones) have increased
- The gap is usually less than expected between villages and rural towns in terms of wealth
- There is a significant and growing bias along the ethnic dimension due to a growing pace of ghettoisation

Thank you for your kind attention!

kovacs@rkk.hu

koosb@rkk.hu