



SPATIAL DISPARITIES IN RURAL SOCIO-ECONOMIC PERFORMANCE IN PORTUGAL, 1991-2011

Melo, Patricia C.¹; Rego, Conceição²; Muñoz-Rojas, Jose³

¹ ISEG – School of Economics and Management, Universidade de Lisboa and REM/UECE – Research Unit on Complexity and Economics, Lisbon, Portugal. pmelo@iseg.ulisboa.pt

² Department of Economics and CEFAGE-U.É., Universidade de Évora, Portugal. mcpr@uevora.pt

³ DYNAMO Research Team, Instituto de Ciências Agrárias e Ambientais Mediterrânicas, Universidade de Évora, Portugal. jmrojas@uevora.pt

ABSTRACT:

This study provides evidence on spatio-temporal patterns of socio-economic performance across rural small areas (freguesias) in Portugal between 1991 and 2011, and investigates the factors underlying the differences in relative performance occurred during that period.

The first part of the study provides a spatial analysis of change in key indicators of rural socio-economic outcomes, and shows there is considerable heterogeneity in performance, particularly between accessible and remote rural areas. Accessible rural areas tend to have better performance compared to more remote areas. A number of factors help explain these disparities, including differences in economic structure, demographic composition and human capital, availability of services of general interest and other consumption amenities, and accessibility to the urban hierarchy.

The second part of the study test the relative influence of these potential explanatory factors by developing econometric regression models for rural population and employment growth. In addition, the regression analysis investigates the nature of the spillover effects between urban and rural regions in Portugal. We measure the effect of proximity to main urban centres as a driver of rural population and employment growth, or decline, after controlling for the other explanatory factors. Our empirical approach follows that of Veneri and Ruiz (2013) for a cross section of small regions from 14 OECD countries, and accounts for economic structure and socio-economic factors, besides proximity to urban centres, on rural growth.

The results generally suggest that proximity to urban areas has a positive impact on the growth of nearby rural areas, while the effect for more remote rural areas tends to be mixed. The importance of the spillover effect also differs according to the size of urban areas.

The study also makes a contribution by creating a new socio-economic dataset using small-scale geographies (freguesias), while the majority of previous studies focusing on Portugal use large aggregate spatial units at the level of NUTS2 or NUTS3, and to smaller extent LAU1 (i.e. municipalities).

KEYWORDS: social and economic cohesion; small-area analysis; rural-urban linkages

REFERENCES

Veneri, P. and V. Ruiz (2013), “Urban-to-Rural Population Growth Linkages: Evidence from OECD TL3 Regions”, OECD Regional Development Working Papers, 2013/03, OECD Publishing