



OECD-Bol-GSSI Special Session Proposal

Competitiveness and sustainable growth across regional typologies

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Abstract

Background

The growing regional disparities have become the focus of significant public attention recently. The widening gaps call for place-based policies, which help regions to use their full economic potential in reducing regional inequalities. The need for place-based policies is reinforced by the fact that mobility in all countries has decreased, thus limiting the scope for regional convergence.

Place-based policies can effectively leverage the diversity of economic, social, demographic, institutional and geographic conditions across regions. They target specific territories and provide the tools that traditional structural policies often lack in order to address the region-specific factors, which cause economic and social stagnation. They also ensure that a wide range of sectoral policies, from transport and education to innovation and health, are co-ordinated with each other and meet the specific needs of different places across a country – from remote rural areas to the largest cities, from mountainous regions to island economies to the heartland.

The global megatrends related to technological, demographic and environmental changes affect regions differently and contribute to the regional divergence in economic fortunes. This trend will only increase the importance of place-based policies in the future. While the megatrends open new opportunities for some places and pose formidable challenges for others, with the right policies, all places should be able to turn the megatrends to own advantage in reviving productivity growth, reducing inequalities, improving quality of life and increasing sustainability.

Why regional typologies

Place-based policies must rely on solid understanding of the economic and social dynamics in different types of places. That is why studying regions by their type is a long and well-established tradition in both purely academic and policy-oriented research. Grouping places by a set of relevant features in empirical analysis allows for gaining broader insights often generalizable to the comparable regions.

Overall, some types of regions have received more research and policy attention than others. Perhaps the most common delineation is along the urban-rural lines. These two categories, however, conceal tremendous heterogeneity along manifold dimensions, which may render our generalized knowledge less applicable in specific contexts.

The session

The joint OECD-Bol-GSSI sessions “Competitiveness and sustainable growth across regional typologies” seeks to advance our understanding of the mechanisms of (but also barriers to) sustainable regional growth and competitiveness in the types of regions that fall outside of the “pure” urban-rural typology. The examples of such regions are mountainous areas (landscape-based groupings), island economies (connectivity/geography-based groupings), Italy’s inner areas (grouping based on rurality and access to service centres) or macroregions within countries that are distinct in terms of culture, industrial structure and other parameters that make their economic performance drastically different from the rest of the country.

By bringing research within such distinct lens together, the session will contribute to building a broader understanding of the challenges faced by different types of regions but also opportunities that they share (the accepted papers will be grouped by the type of region as opposed to the specific explained or explanatory variables). It is hoped that the sessions will shed light on the differences and similarities across groups of places that can be leveraged in informed and tailored policy design and will promote the mutually enriching dialogue across various subfields of the regional science and the policy-making community.

A non-exhaustive list of topics to be covered in the sessions include:

- Productivity dynamics and innovation systems of mountainous areas
- Labor market policies in island economies
- Human capital and migration in remote and lagging communities
- Quality of local governments across regional typologies