I Summary

This document is the summary of all the research that has taken place under the wide umbrella of the research project “Actions Transversales: la Belgique dans une société mondialisée, Action III: Villes Viables”, financed by the Belgian Science Policy. Two papers and an internal research document have been written under this framework. The first paper is a descriptive study investigating the urban dynamics and residential concentration patterns of Belgians and Belgian households, the second paper deals with migration and aims at explaining internal migration motives on the Belgian territory. The research document summarizes ongoing research on two themes highly interconnected with migration and residential population clusters, namely taxation and mobility. In what follows, the research and main results of all these documents will be concisely described.

A. Geographical agglomeration of population in Belgium

This study covers the locational patterns of Belgian households in 2001, as well as the country’s population dynamics. The study has been carried out on a national scale, the unit of analysis being the municipality. It is a descriptive analysis and as such it aims at providing information for the subsequent econometrical model that will pinpoint the main determinants driving the residential location of households.

People tend to live in clusters, with a city being one possible form of habitation. During the last four decades, this ‘city’ has been prone to many substantial changes. The pedestrian city has transformed into a vast ‘city region’ where Belgian inhabitants live both in high-density central cities and in the low-density urban fringe. The phenomenon where the distribution of the population of cities has spread spatially and the city borders have become indistinct is referred to as urban sprawl and has led to a new definition, the ‘city region’. This city region can be subdivided into zones with a decreasing degree of ‘urbanity’: the central city, the agglomeration, the banlieue and the commuting zone (Van der Haegen et al, 1996).

Urban sprawl and migrations go hand in hand. Every year, approximately 10% of the Belgian population moves. Migrations seem to be highly subject to the position in the lifecycle of the household. Children and adolescents have a residential preference for the banlieue. In their twenties and mid-thirties, on the other hand, they choose to dwell in central cities where education and job opportunities are proportionally more available. When the number of household members increases, migration to the periphery takes place. After the age of 65, the more spacious family dwelling is traded in for an easy to maintain apartment located in the central city. Independently of age, singles live in central cities, whereas large families prefer the rural periphery.

Income also has a part to play. Lower incomes tend to cluster in the central cities, whereas the more affluent reside in the vast banlieue and commuting zone and shuttle to and from work. Of all Belgian municipalities, approximately 20% can be classified as ‘working municipalities’, whereas the other 80% predominantly have a residential function. Another important conclusion is that a person’s occupation largely determines that person’s residential location. The course of education pursued and the diploma that is obtained determine the residential choice as well. Higher education students experience the greatest agglomeration forces, tending to cluster around college or university campuses. After graduation, the agglomeration forces tend to be stronger the higher the degree obtained.

The place of residence is also largely determined by the nationality of the head of the family. Foreigners have a highly clustered locational pattern. Three types of foreigners can be distinguished, each with their own residential preferences: first, the ‘high income highly educated’ foreigners, who are mainly to be found in the Brussels metropolitan region; second, the ‘low income poorly educated’ foreigners, most often non-EU migrants, who tend to populate (particular districts of) central cities; finally, citizens from adjacent countries who reside in municipalities adjoining the border.

These general findings are subsequently applied to the five Belgian “metropolises”, being Brussels, Antwerp, Ghent, Liège and Charleroi. Each of these cities possesses its own residential map, with particular demographic, income, foreigner-related and employment characteristics.

This paper is called “Stedelijke woondynamiek van de Belgische bevolking en haar gezinnen” and was published as a Working Paper in the series of the Federal Planning Bureau in November 2002.

B. Internal migration in Belgium: who, why and where?

This paper studies internal migration motives from and to Belgian municipalities in general and to cities in particular. The past four decades, Belgian migrations were characterized by a movement away from the city centre towards the periphery. This is called peri-urbanisation. This peri-urbanisation rules over Europe, the United States and large parts of Asia, Belgium then is no exception. In this paper, the following research questions are tackled: could peri-urbanisation be stopped in the period 1998-2000? Which determinants play a role in internal migration movements? Which options do cities have in order to obtain a positive internal net migration rate?

Internal migration data on municipal level was used in this research. The period under investigation is 1998-2000.

It seems that the net migration rate is most influenced by employment and amenities. Municipalities with low unemployment and high job growth will have higher internal migration rates. Amenities are also important explicative factors. Besides natural amenities like gardens and parks, also medical, societal and social care, sports, recreation, hotels, restaurants and pubs, public transport, services with window functions, governmental services, culture, education and retail functions attract citizens, not only to the municipality itself, but also to adjacent communities. Influences from the past, measured by settlement patterns and demographic variables, also have an impact on internal migration.

Subsequently, the general population sample was divided into four age categories, all belonging to the active age group 18-64. Significant differences in residential migration motives for these groups could be detected. This leads us to conclude that the four groups (18-24, 25-34, 35-49 and 50-64 year) attach a different importance to the determinants, which results in differing residential patterns.

On a regional level, we found that the language barrier not only forms an obstacle to interregional migration, but also dictates other values of migration determinants.

Finally, this paper proofs that the city as a residential harbor is not an image from the past: cities still have significantly more inhabitants. Nevertheless, we found that peri-urbanisation could not be stopped. Peripheral municipalities still have (higher) positive migration rates, leading to an ongoing pressure on the ‘rurban’ and rural communes whilst the city exodus could not be reversed (although it seems to have slowed down).

As this peri-urbanisation trend has a high societal cost in terms of congestion, spatial segregation of population subgroups, duplication of municipal infrastructure, air pollution, urban noise and transformation of scarce recreation and rural land into spatially inefficient residential zones, we are pleading for a reconcentration of the private dwelling function within the urban region. In our view, only a highly interwoven interaction between the residential and economic functions can accomplish this. From this perspective, a number of policy recommendations are put forward. The supply of appropriate and affordable housing, green spaces, child-friendly neighbourhoods, awareness campaigns for specific target groups, coordinated and effective actions, a well thought-out urban mobility plan and a revision of the fiscal system are a few of the proposed initiatives.

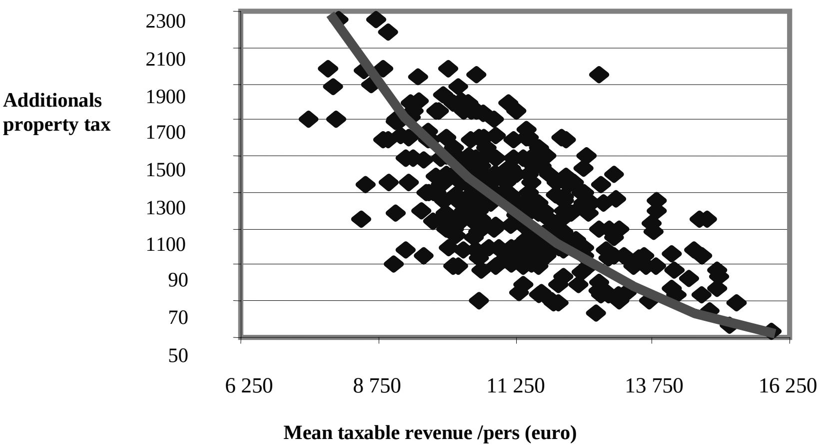
This paper is called “Interne migraties in België: wie, waarom en naar welke gemeenten? En waarom niet naar steden?” and was published as a Working Paper in the series of the Federal Planning Bureau in February 2004.

C. Research document on mobility and taxation

In the final part, the last two recommendations (on mobility and taxation) are discussed more in detail. Other policy recommendations can be thought of and are, without question, indispensable in order to place the city back on the migration menu. Only a joint effort on different policy levels can achieve this: town and country planning, social welfare and general dwelling provision are just a few domains that have to be considered in such a process. In this part, a selection of “mobile and fiscal” measures is highlighted, on the one hand, because of their urgent and topical characteristics, on the other hand, because we are convinced that these two themes can give strong incentives to a (renewed) urban residential dwelling pattern.

Part 1 already pinpointed that revenues (hence, the fiscal base) within the city typically are lower than outside the city. Nevertheless, urban costs are higher than municipal costs from adjoining communities. This has to do with the fact that urban sprawl mainly concerns the changing of residential homes, whereas jobs not necessarily have to change too. The city, in other words, has to provide appropriate infrastructure, a well-supported traffic system, police, municipal cleaning services, … whilst the city hall often lacks the appropriate means because of its shrunken, less affluent, population. A number of fiscal repercussions follow from this observation. Cities are then obliged to raise income taxes because, on the one hand, they are facing a considerable loss in population (and, hence, fiscal base), on the other hand, they have to cover the new infrastructure costs. Most often city councils choose to raise the percentage of the complementary income tax. When the product of 1% additional income tax diminishes, the urge rises to elevate the property tax, what eventually leads to a considerable urban dwelling tax. Paradoxically, this leads to a situation in which the lowest incomes have to face the highest property taxes. The figure below depicts this situation for Flanders.

FIGURE 1 - Revenues in Flanders and municipal taxes, 2000



Source: C. Kesteloot, De eeuw van de stad, 2003

Cities are then bounded to charge their (less affluent) residents for the costs of its employment function, resulting in an excessively high tax burden on city population. These tortured urban inhabitants, when they have the chance, opt to trade in the expensive city for its outskirts. However, this city exodus trend, in a perverse kind of way, leads to an aggravation of the situation, as the heavy tax burden then has to be carried by even fewer people. In order to break this vicious circle, two solutions are worth considering: on the one hand, convincing the high and middle income classes to come back and live in the central city, resulting in a spatial mix of the urban income classes, on the other hand, the disappearance of the fiscal discrepancies that tend to work against cities. The first solution can be obtained by accommodating and adapting the housing supply to a more affluent population subgroup: single family dwellings with garden, residential apartments, nice neighborhoods, quiet surroundings can be the trigger for middle and high(er) incomes to return towards a central city environment. Fiscal incentives can play an important role in this process. The second solution consists of balancing the current fiscal imbalances city-periphery, leading to a more appropriate financing of the city's costly center function. In what follows, a selection of some fiscal measures intending to resolve the above will be concisely described.

A general perequation is a first fiscal measure that can influence residential urban living. Present cadastral revenues date from back in 1975 and are totally unfit to represent to-date living and dwelling situations. Cities in particular suffer the consequences. A general perequation, combined with a stop in the indexation of cadastral incomes situated in poor urban quarters does seem the (urgent) way to proceed. Other measures and fiscal stimuli to promote city life are a lowered fare for registration rights, lowered VAT for new-built houses in (pre-specified) urban zones and a redistribution of fiscal means and competences. Moesen (2003) gives some options: municipal mergers, tariff discrimination, cooperation, burden sharing and compensation.

Municipal mergers are a means to charge the users of the municipal infrastructure; through the instrument of mergers, the beneficial area and (all of) its users are more accurately harmonized. The UK and Germany tend to choose for this option. Dantzig and Spaaty recognize that a more functional redefinition of the administrative units can (partially) answer the fiscal disequilibrium problem.

"*Essentially, the problem becomes one of political jurisdiction, for the technical and financial means to revitalize city life exist in the combined city and its surrounding sprawl, i.e., in the megalopolis as a whole*" (Dantzig and Spaaty, 1973, p.14)

A second option is to use tariff discrimination: non-residents are charged (more) for certain municipal services. This alternative does not seem to be very popular and is often difficult to implement. Applying this rule to collective goods, for example, seems to be rather complex. Cooperation between central and peripheral communities can also bring fiscal relief. A fourth solution is burden sharing, an approach the Swiss often prefer. In this approach, the total amount of municipal taxes is divided into two parts, in which one part is being allocated to the residential municipality, the second part to the town in which the (main) employment takes place. The logic behind this is that the employee commutes to the town where the 'job' is provided thus causing a number of costs. These costs are (partially) regained by the implementation of this burden sharing. In Belgium, on the other hand, compensation is often preferred. Central municipalities are compensated through a donation from the Municipal Fund.

Next to taxation, initiatives in the domain of mobility can be envisaged in order to promote urban attraction. Mobility can play a major role because it has a large influence on the perception of the city as a dwelling environment. Perceived city crowdedness, congested routes from, to and even within the central city, noise, pollution, … are degrading city attractiveness. Car sharing, modal shift, parking policy and parking management can help in making the city livable again.

Mobility can also act in a regulating way to punish some (peripheral) dwelling behavior and reward other. Mobile initiatives, which can lure residents into choosing a residence in or close to the central city, are foreseeable. Congestion charging is one of these options. Well-funded research on these initiatives and benchmarking with neighboring countries (Netherlands, Sweden and Denmark) are highly recommended.