



ISYMUN

## THE QUESTION OF SOCIO-ECONOMIC INEQUALITIES IN CITIES

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*“The test of our progress is not whether we add more to the abundance of those who have much but whether we provide enough for those who have little.” –  
Roosevelt*

High levels of inequality are also found within cities, where virtually all of the world’s population growth will take place over the next 30 years. Cities can be incubators for innovation and boost prosperity. The concentration of people and human activity leads to increased productivity, facilitates the provision of public infrastructure and services, and stimulates the development and diffusion of new ideas. The generation of new opportunities, in turn, boosts

social mobility. Yet in most cities, high levels of wealth and modern infrastructure coexist with areas characterized by deprivation and a dearth of services. Underinvestment in infrastructure and public transportation prevents some urban residents from accessing good jobs, education and services. Furthermore, the concentration of poverty in certain underserved neighbourhoods reinforces the mechanisms that perpetuate disadvantage. In a world with high and growing levels of urbanization, the future of inequality depends largely on what happens in cities. The urban advantage in terms of innovation and opportunities for social mobility may not be sustained if development and urban planning policies neglect equity concerns. This research report aims to provide information on socio-economic inequalities in urban environments, exploring their causes, consequences, and potential strategies.

## I. Definitions of key terms

**SOCIAL** : how people interact, communicate, and relate to one another within a community or society? It involves the shared norms, customs, values, and relationships that shape human behaviour and influence social structures.

**ECONOMIC** : production, distribution, and consumption of goods and services within a society. It relates to the management of resources, such as money, labour, and materials, to meet people's needs and wants. Economic activities involve trade, markets, financial systems, and the study of how societies allocate scarce resources.

**SOCIO-ECONOMIC** : social and economic conditions or factors that influence and shape various aspects of individuals, communities, or societies.

**INEQUALITIES** : disparities or differences in opportunities, resources, or outcomes between individuals or groups within a society. These disparities can be related to various factors such as income, wealth, education, employment, healthcare, and social status. Inequalities can result in unfair advantages or disadvantages and can impact individuals' well-being and access to opportunities.

## II. General overview

“Socio-economic inequalities in cities” refers to the economic and social disparities that exist between the inhabitants of an urban area. These inequalities can take many forms, including:

- Income : Some urban areas have richer neighbourhoods and others poorer, creating significant income gaps.
- Education: Access to quality education can vary greatly depending on the urban area, which can influence residents' future opportunities.
- Employment: Employment opportunities may be limited in some parts of the city, which may result in unemployment or precarious employment for some residents.
- Housing: Housing costs can be very high in some cities, which may exclude certain groups from the possibility of living in desirable neighbourhoods.
- Access to health services: Access to quality health care can be unevenly distributed, which can affect the health of residents.
- Mobility: Public transport infrastructure may be insufficient in some parts of the city, limiting the mobility of residents.

These inequalities are often the result of complex factors such as history, government policies, discrimination, and other socio-economic forces. Mitigating these inequalities can be a challenge, but to combat these inequalities in cities, many policies and initiatives can be put in place, such as education and professional training programs, affordable housing policies, anti-discrimination measures, and investments in urban infrastructure to improve access to services. It is important to recognize that solutions vary depending on the specific context of each city and often require a holistic approach and the collaboration of diverse actors, including governments, businesses and civil society.

Poverty share over proportion of total population by city size

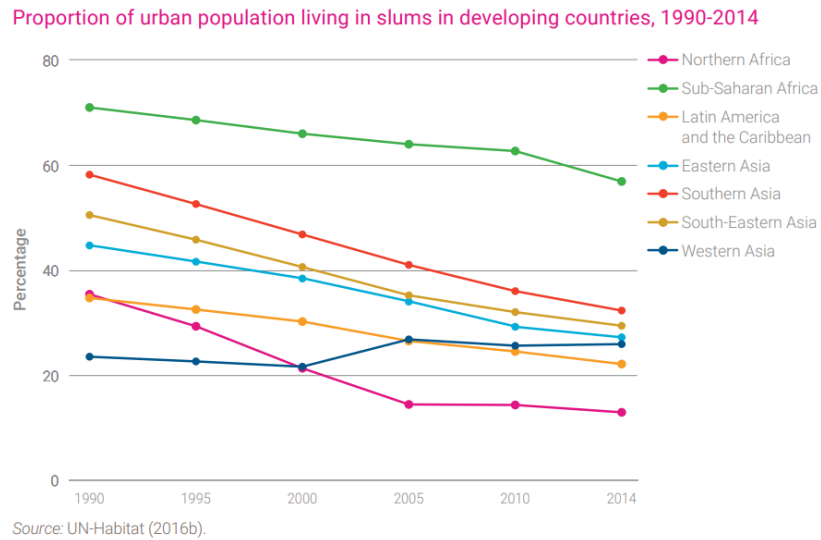
Country	Urban	XL cities	L cities	M cities	S cities	XS cities
Albania	0.74	–	–	0.73	0.69	0.79
Brazil	0.87	0.41	0.86	0.71	1.00	1.39
Kazakhstan	0.75	0.13	–	0.72	1.00	1.00
Kenya	0.89	0.86	1.00	1.00	7.00	1.00
Mexico	0.65	0.59	0.46	0.64	0.75	1.17
Morocco	0.67	0.25	0.78	0.74	1.00	1.00
Sri Lanka	0.42	–	0.33	0.33	0.50	0.50
Thailand	0.55	0.08	–	0.33	0.50	0.93

Source: Calculations based on Ferré, Ferreira and Lanjouw (2012).

Notes:

1. Ferré, Ferreira and Lanjouw (2012) define city sizes as follows: XL for cities of more than 1 million inhabitants, L for cities between 500,000 and 1 million, M for cities between 100,000 and 500,000, S for cities between 50,000 and 100,000, and XS for cities of fewer than 50,000 people.

2. The eight countries shown were selected on the basis of their interest and the availability of data to construct detailed poverty maps (ibid.).



### III. Major actors

#### 1. Continental-scale statistics

In absolute numbers, Asia has the largest share of the world's slum population. In 2014, the region was home to almost two thirds of all slum dwellers, or 560 million people. Slums are most prevalent in Southern Asia, with India accounting for half of all slum dwellers in the region and Bangladesh having the highest prevalence, at 55 per cent. South-Eastern Asia has the second highest rate of slum prevalence in the region, estimated at 28.4 per cent in 2014. Around 75 per cent of Eastern Asia's slum population live in China, where the prevalence of slums was 25 per cent in 2014. Western Asia has not been successful in preventing slum formation, mostly due to ongoing conflicts in Afghanistan and Yemen. In contrast, Turkey saw the proportion of slums decline from 18 per cent in 2000 to 12 per cent in 2014.

Latin America and the Caribbean saw a significant decrease in the proportion of slum dwellers – from 34 per cent in 1990 to 21 per cent in 2014, but levels and trends vary substantially across countries. Whereas 75 per cent of city residents lived in slums in Haiti in 2014, the proportion was 5 per cent in Costa Rica. The most progress was recorded in Argentina, which managed to halve its share of slum dwellers from 2000 to 2014. The level of

deprivation in slums is generally low in this region, with most households suffering one deprivation. Local neighbourhood improvement programmes have promoted access to running water, sewerage, schools and primary health services. Despite these improvements, most slums are still underserved and face higher levels of crime and corruption than better-off neighbourhoods.

## 2. Brazil

Socioeconomic inequalities in Brazilian cities are characterized by income segregation, which is further aggravated by high regional inequalities in Brazil. This involves the spatialization of inequality and poverty, which affects the collective health of individuals and households that find themselves in a situation of socioeconomic vulnerability.

Segregation remains evident in large urban centres, and policies aimed at education, permanent income gains for the lower classes, and employment opportunities must continue to facilitate forms of integration and social connections.

The lack of equity in income distribution presents a challenge in the fight against poverty through public policies, considering the difficulties encountered by the Brazilian government in sustaining a minimum income policy capable of breaking the cycle of social reproduction of poverty.

## 3. France

The factors that can explain the diversity of levels of spatial segregation in cities are as follows: the history of urban development specific to each city and the public policies that may have contributed to it, the specifics of local real estate markets, transportation services, the availability of schools, the location of jobs and facilities, as well as interactions with neighbouring cities.

Housing policy directly impacts neighbourhood diversity, particularly through the number and location of social housing units and the allocation criteria. In fact, in 2019, the proportion of social housing in the total number of primary residences is higher in less homogeneous cities. This could be partly explained by the concentration of social housing in large developments built in the 1960s, thereby grouping residents with low incomes in neighbourhoods that are not very representative of the city's population as a whole.

#### 4. India

There are several factors contributing to socioeconomic inequalities in India. One of the main factors is the uneven distribution of private investment, which tends to flow to regions with better infrastructure and conditions for achieving a high return on investment. This leaves states with poor infrastructure largely bypassed by private investors. Other factors include disparities in income and education, as well as a wide gap in gender literacy rates.

Policy makers in India have adopted several measures to address socioeconomic inequalities, but the disparities have remained. Some states in India have very high literacy rates and high per capita with low gaps in gender literacy, which suggests that education can be a key factor in reducing inequality.

#### 5. Russia

Statistics suggest that wealth and income are less equally shared in Russia than in most developed countries, with the exception of the United States. Nearly half of pre-tax national income goes to Russia's top 10 %, compared to around one-third in France; Russia has more billionaires relative to the size of its economy than any other large country.

The Russian government faces several challenges and crossroads in terms of developing socioeconomic policies aimed at reducing inequalities in Russia. One of the challenges is addressing the heterogeneity of various social groups' specific problems while taking into consideration the perception of the system of social support in the country. To fight the issue of socioeconomic inequalities, the state has taken several steps. For example, it implemented measures against high wealth concentration, such as imposing taxes on excess profits, wealth, inheritance, and rent ; changing institutional conditions and diversifying the economy to reduce the role of rents in the natural resources sector.

#### 6. USA

The global American cities appear to have a greater and more intense focus on competitive economic development by virtue of their greater connectivity with, centrality to, and dependence on globalization. In the context of dichotomy, socioeconomic equity is the likely loser. Additionally, the incidence per hundred thousand inhabitants of COVID-19 cases is greater in global cities, which may exacerbate existing inequalities. The American government

put in place several programs to take a step against the issue of socioeconomic inequalities in cities, such as rental or home buying assistances.

#### IV. Questions to reflect on

- What is the extent and nature of socio-economic inequalities in cities ? What are the causes of socio-economic inequalities in cities ?
- How do factors such as income, education, employment, housing, healthcare, and access to resources contribute to these inequalities ?
- What are the consequences of socio-economic inequalities for individuals, communities ? How do these disparities affect social cohesion and opportunities for upward mobility ?
- What policies have already been implemented to improve this issue ?

#### V. Bibliography and other useful websites

Inequality in a Rapidly Changing World (World report, UN)

[World-Social-Report2020-FullReport.pdf \(un.org\)](#)

“Global cities and socioeconomic inequality” – Herman Boschken

[\(PDF\) GLOBAL CITIES AND SOCIOECONOMIC INEQUALITY \(researchgate.net\)](#)

Socioeconomic inequalities in India

[\(1\) SOCIO-ECONOMIC INEQUALITIES IN INDIA | JRIM JOURNAL - Academia.edu](#)

Socio-economic inequalities in modern Russia and their perception by the population – Svetlana Mareeva

[Socio-economic inequalities in modern Russia and their perception by the population \(nih.gov\)](#)

Institut National de la Statistique et des Etudes Economiques

[En 15 ans, les disparités entre quartiers, mesurées selon le revenu, se sont accentuées dans la plupart des grandes villes - Insee Analyses - 79](#)

Socioeconomic inequalities in Russia – European Parliament

[Socioeconomic inequality in Russia \(europa.eu\)](#)

Inequality and income segregation in Brazilian cities: a nationwide analysis

[Inequality and income segregation in Brazilian cities: a nationwide analysis | SN Social Sciences \(springer.com\)](#)

World Inequality Database

[World Inequality Report 2022 - WID - World Inequality Database](#)