

# Assessment of the Quality of Life in Riga City



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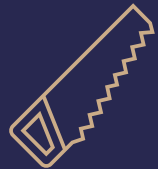
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# Economic growth and the quality of life

## Old paradigm: focus on the size of the economy



Country = giant factory, which main aim is to maximize production (GDP)



Individuals are screws (production factors) depreciating over time



Similarly as maximizing production is more important than taking care of machine tools, people could be «written down» at the age of 65 or even faster



When the share of 65+ people rises, it might decelerate GDP growth rate

## New paradigm: focus on the quality of life



Economic production (GDP) serves for people, not vice versa



Industrial output (and export competitiveness) are not goals in themselves, but rather tools to improve the quality of life



Longer and healthier life has value in its own (↑ self-realization opportunities), even if does not bring increase in GDP



When (healthy) life expectancy grows, the rise of 65+ population share is inevitable. Opportunity for us to live longer and healthier life

# Why urban quality of life matters



Majority of the EU population live in cities



No “happiness convergence” – unhappy cities rarely become happy



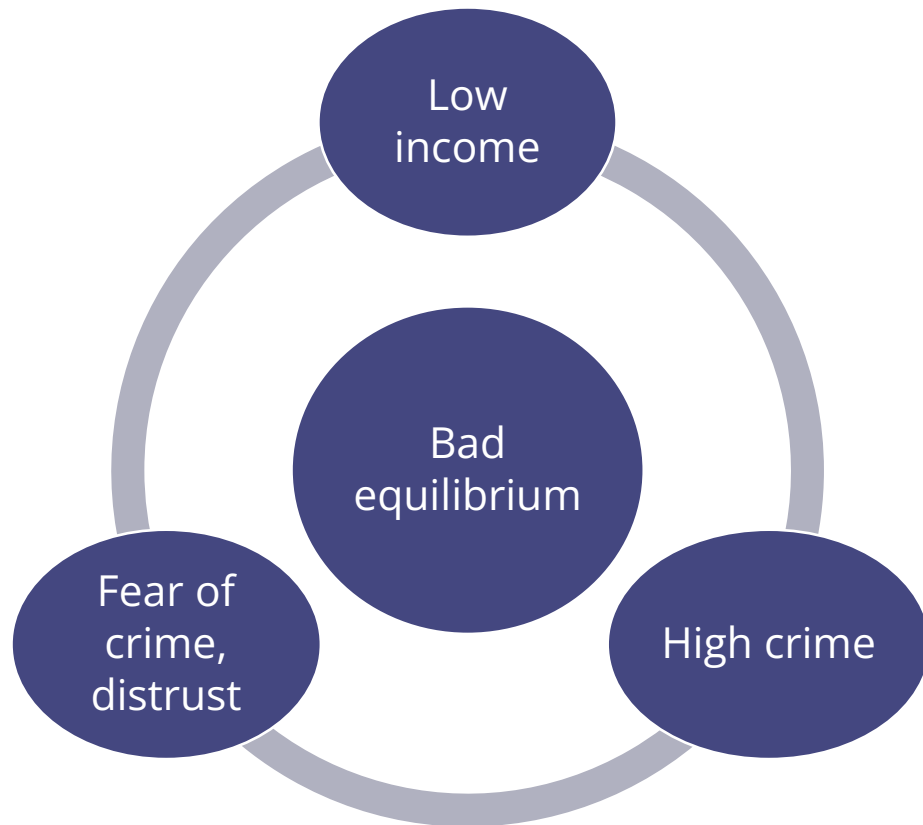
Urban quality of life is closely tied to the economic prosperity and demographic developments of a city



Best examples are not far. Scandinavia, Germany, Netherlands: the most wealthy and happy people in the world. What should we do to enhance the quality of life in our cities?

# Safety and trust are our basic needs

## A theoretical model of safety, trust, and urban economic development



## Perceived safety and trust (balance of replies; 0 – 100 points scale)

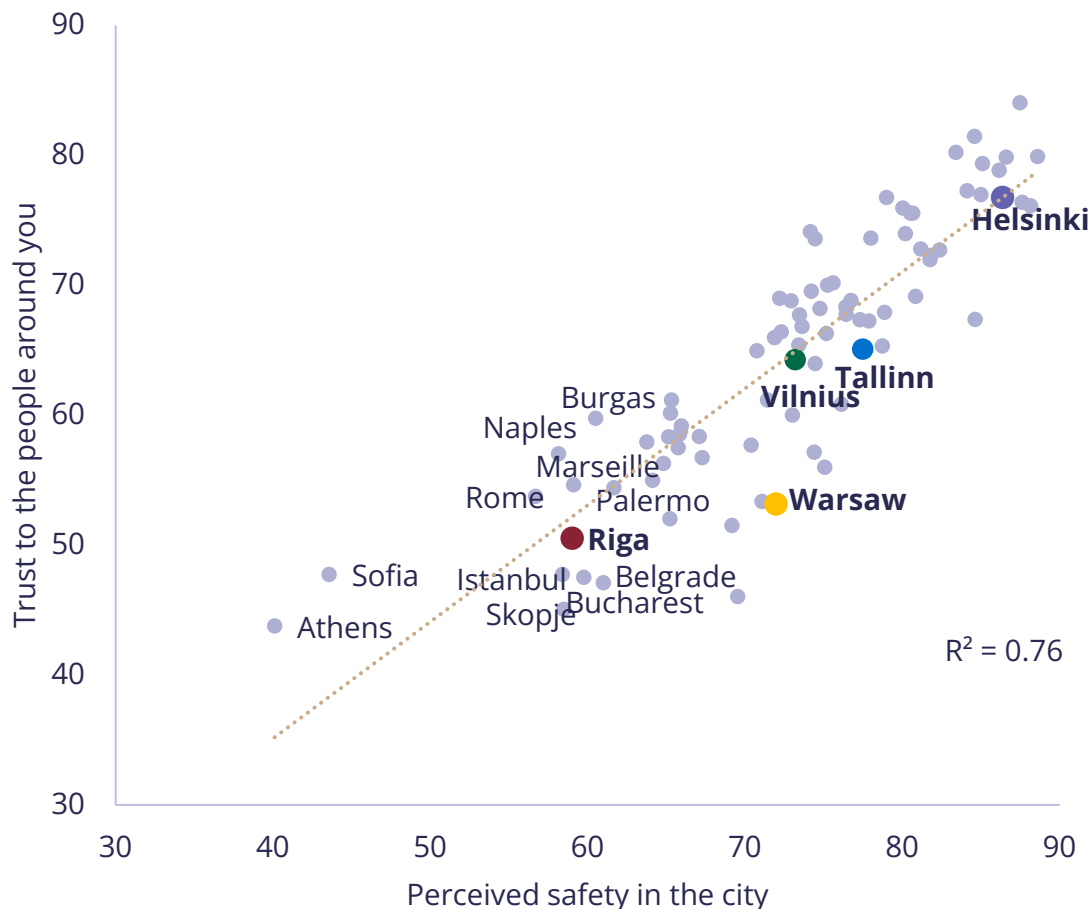
	Riga	Tallinn	Vlnius
<b>European Commission survey (in 2019):</b>			
Feel safe walking alone at night in my city	61.2	71.2	65.5
Feel safe walking alone at night in my neighbourhood	65.5	76.3	68.6
Confidence in the local police force	50.3	85.0	85.5
Stolen money or property during the last year	78.5	90.2	86.1
Assaulted or mugged during the last year	86.0	96.8	87.5
Public transport is safe	73.6	77.9	77.5
Most people in my city can be trusted	47.2	58.0	63.1
Most people in my neighbourhood can be trusted	53.8	72.2	65.5
Could receive material help from people you know	66.9	77.6	79.4
Could receive non-material help from people you know	89.4	91.3	88.4
<b>Numbeo survey (at the beginning of 2022):</b>			
Level of crime	62.1	79.4	74.1
Crime increasing in the past 3 years	53.2	64.4	68.5
Worries home broken and things stolen	64.6	81.4	76.8
Worries being mugged or robbed	67.4	81.3	74.4
Worries car stolen	69.1	83.7	81.0
Worries things from car stolen	53.6	68.9	68.3
Worries attacked	62.1	78.5	70.7
Worries being insulted	66.6	79.3	78.7
Worries physical attack due to skin color, ethnicity etc.	77.1	80.3	80.4
Problem people using or dealing drugs	59.0	64.7	70.7
Problem property crimes such as vandalism and theft	53.3	70.2	62.6
Problem violent crimes - assault and armed robbery	74.9	85.4	78.5
Problem corruption and bribery	32.6	70.9	48.0
Safety walking alone during daylight	82.3	90.7	90.6
Safety walking alone during night	55.4	69.5	64.2

Colour of the cell reflects the place of a particular city among Baltic capital cities:

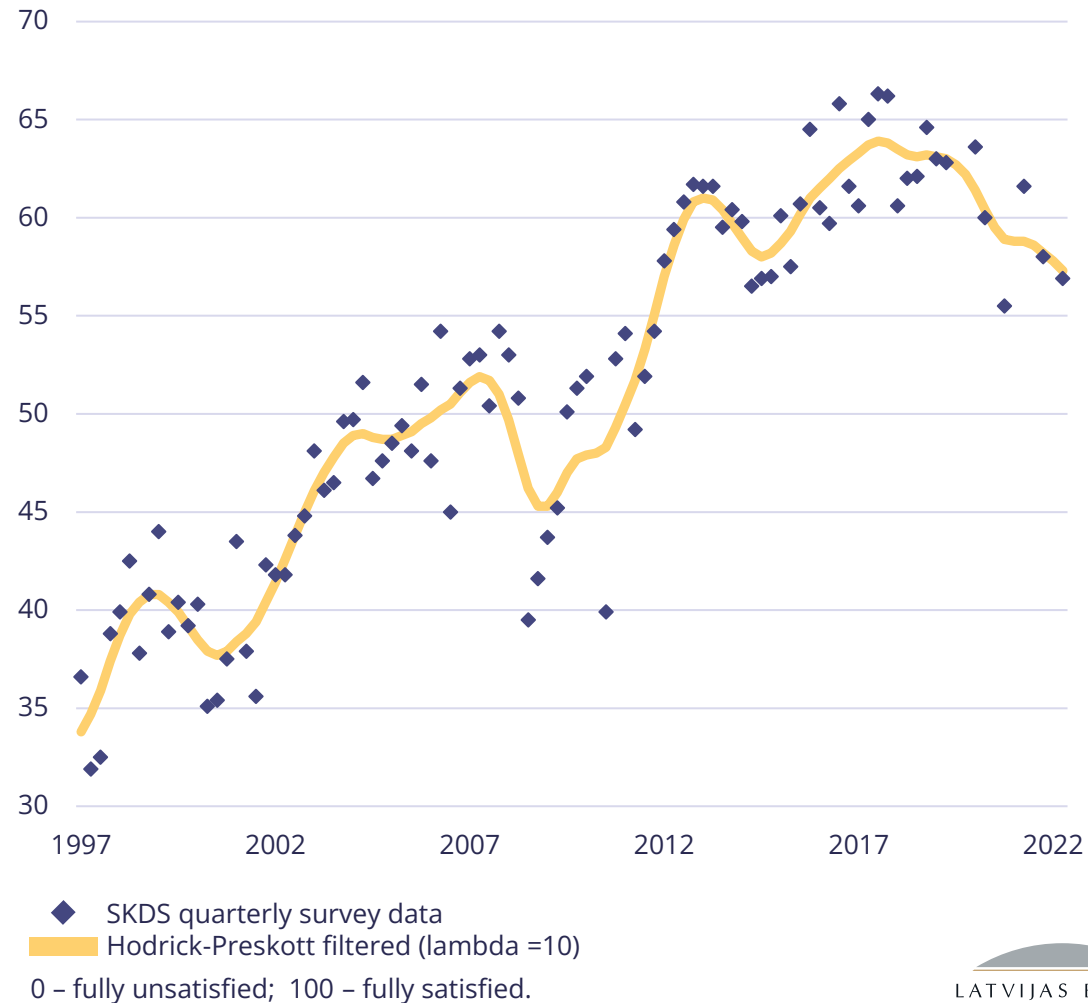
■ 1st place (best)   
 ■ 2nd place   
 ■ 3rd place (worst)

# Riga: a room to further improve safety and trust

**Safety perceptions and trust across 83 European cities**  
(0-100 point scale; in 2019)



**Satisfaction of Riga residents with public order and safety in the city**  
(0-100 point scale)



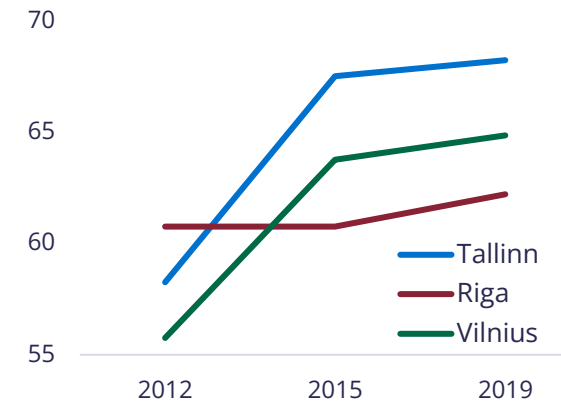
# Quality of the environment

## A theoretical model of urban environment, population health and economic growth

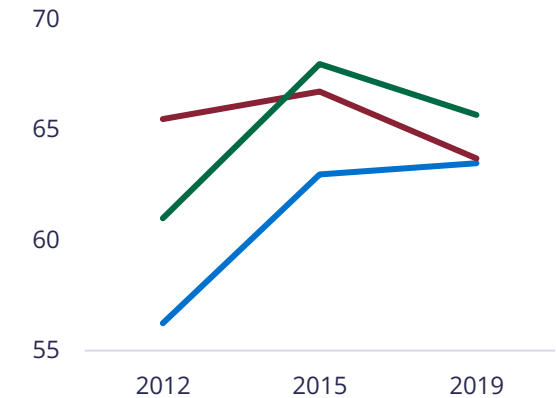


## Satisfaction (0-100 point scale) with:

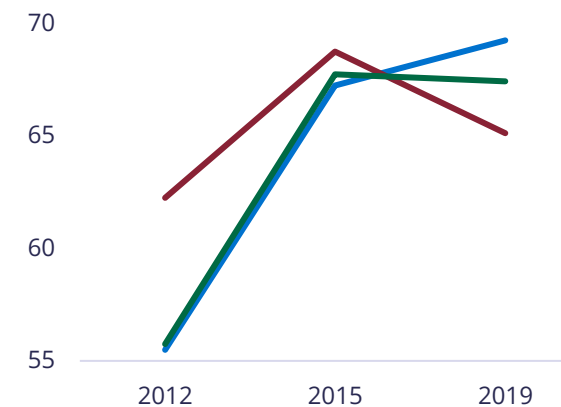
### Air quality



### Noise level



### Cleanliness



### Green spaces

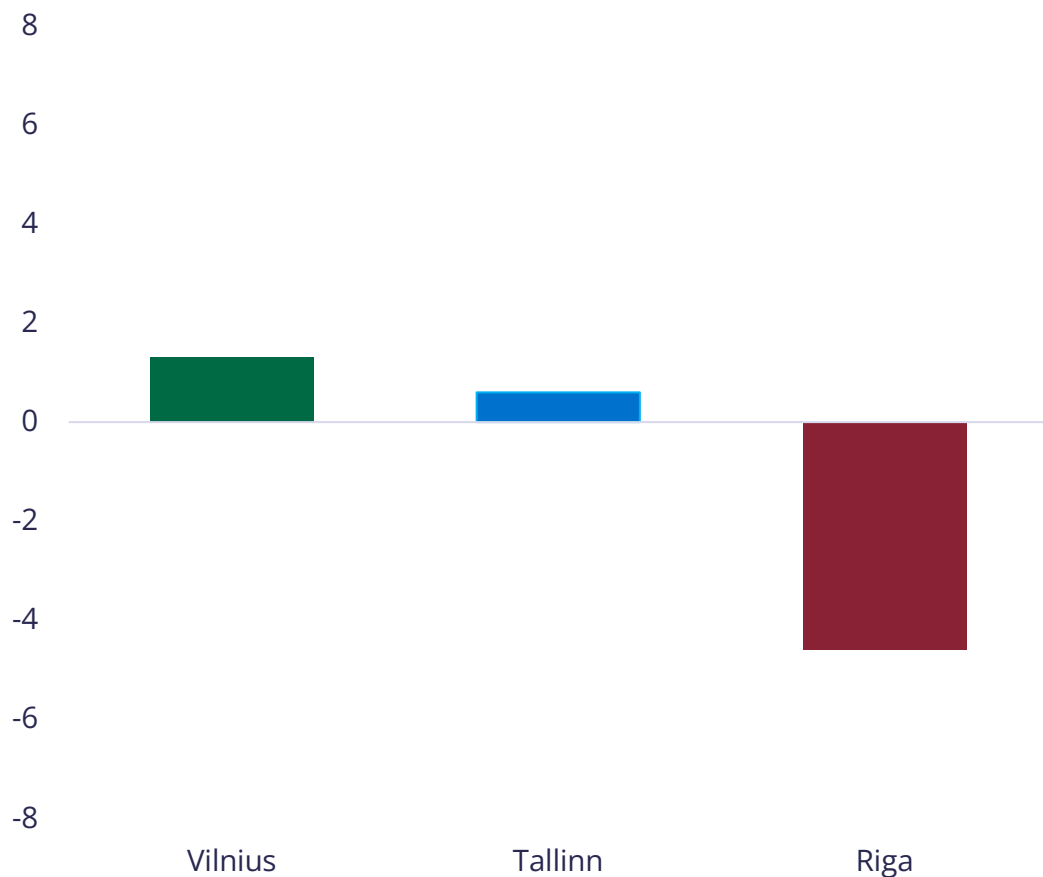


Note: 0 – very unsatisfied, 100 – very satisfied.

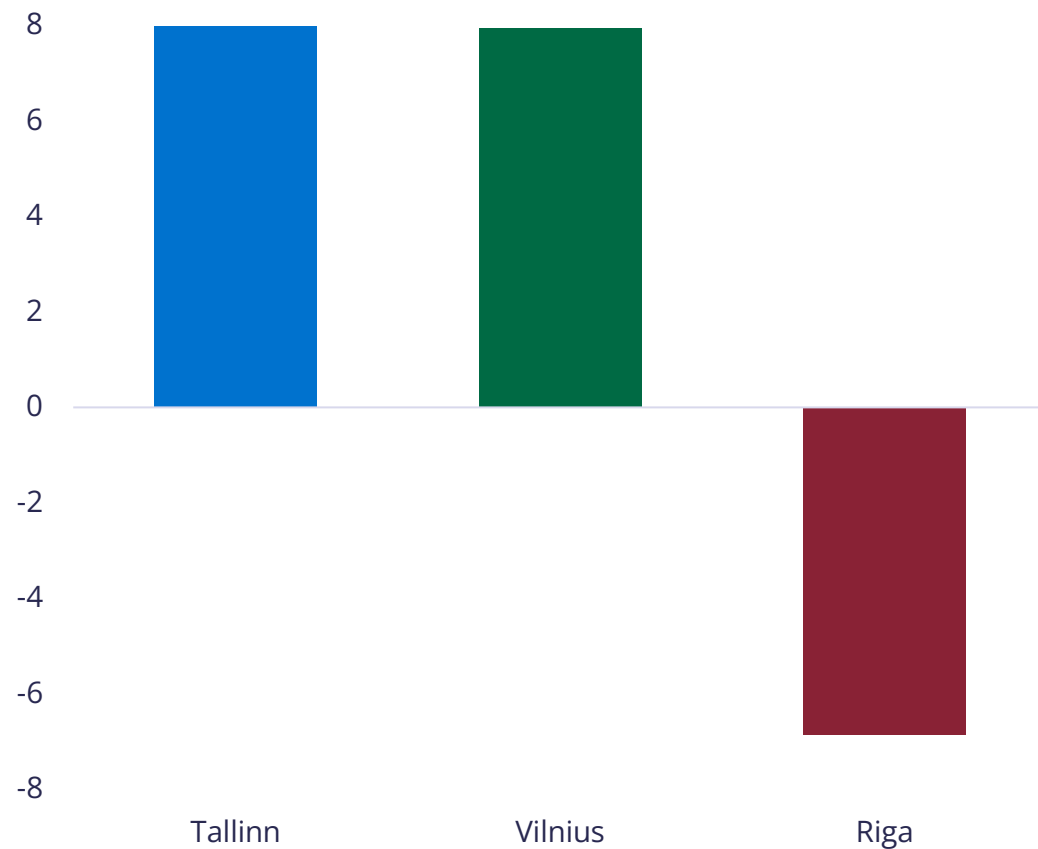
Source: Eurostat data, author's calculation.

# From a shrinking city to an urban regrowth

**Number of births – number of deaths**  
(per thousand people; 2018 – 2020 average)

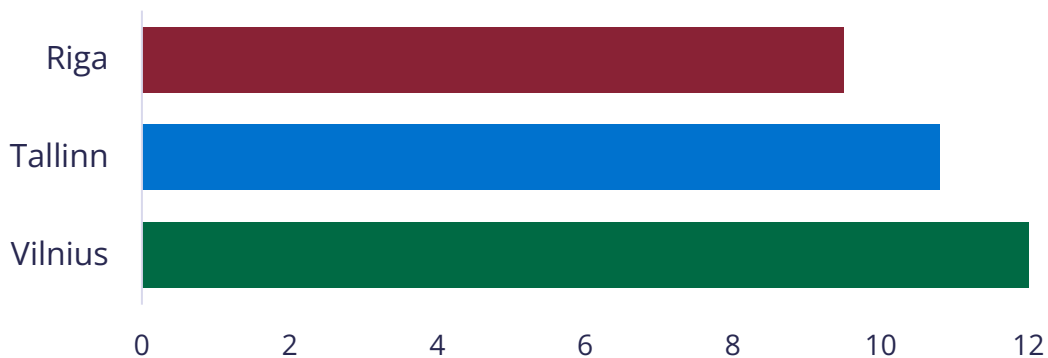


**Net migration**  
(per thousand people; 2017 – 2019 average)

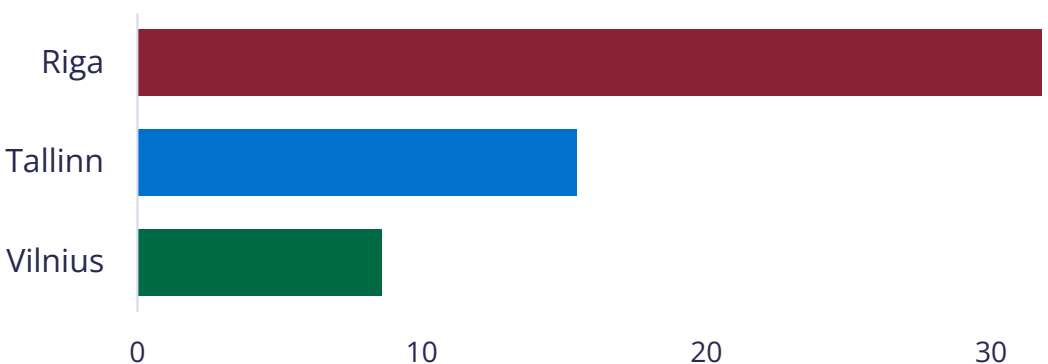


# Low birth rate (in Riga) reflects departure of young people (to Pieriga)

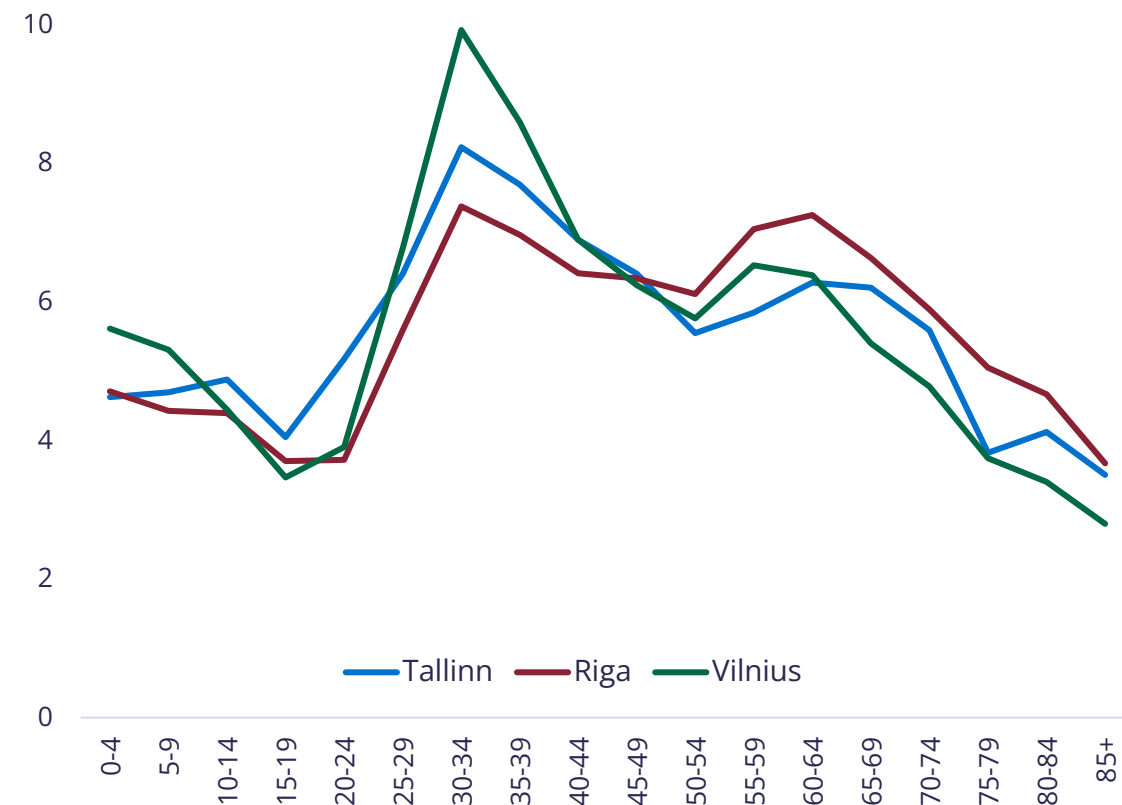
**Number of births** (per thousand people; 2018 – 2020 average)



**City is not a good place to live for young families with children** (share of respondents; %; in 2019)



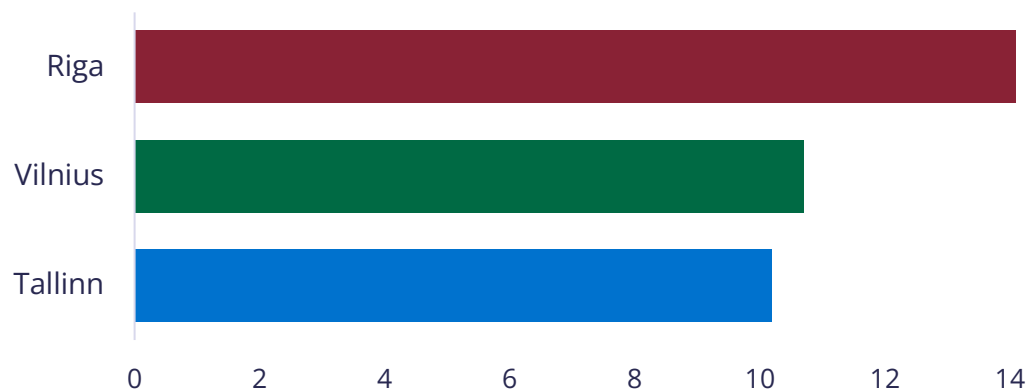
**Women age structure** (%; in 2020)



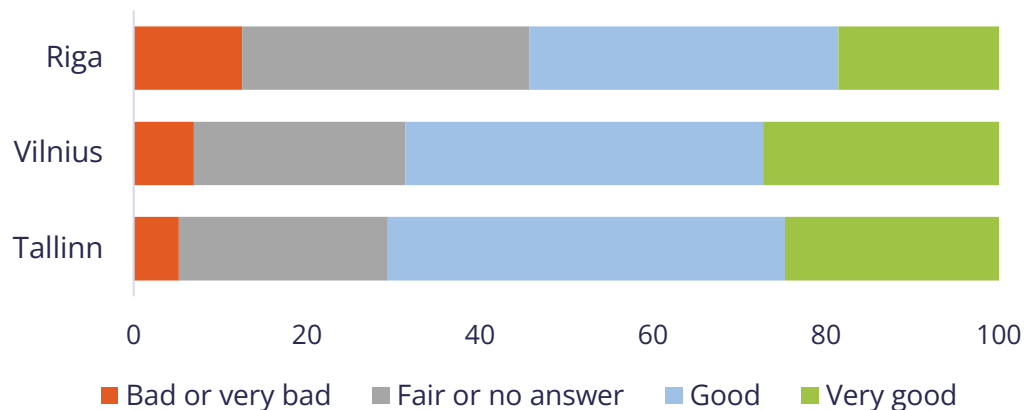


# High death rate (in Riga) reflects worse health condition and healthcare services

**Number of deaths** (per thousand people; 2018 – 2020 average)



**Self-perceived health condition** (in 2019)



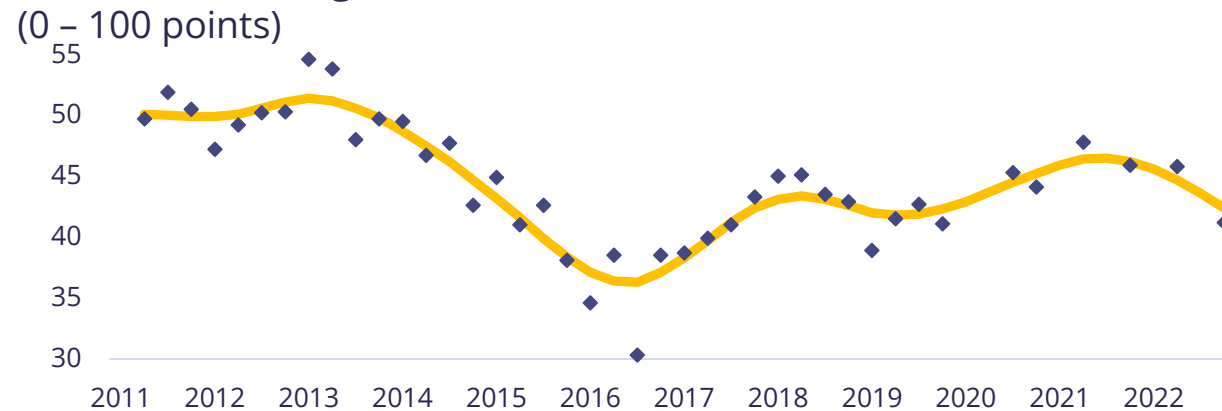
**Healthcare service quality perceptions** (0 – 100 points scale)

	Riga	Tallinn	Vilnius
<b>European Commission survey (2019):</b>			
Satisfaction with health care services, doctors and hospitals	45.7	55.5	56.9
<b>Numbeo survey (2022):</b>			
Skill and competency of medical staff	66.8	72.6	72.8
Speed in completing examination and reports	59.8	67.3	73.1
Equipment for modern diagnosis and treatment	70.6	85.5	83.2
Accuracy and completeness in filling out reports	62.9	75.7	72.6
Friendliness and courtesy of the staff	60.3	63.5	66.0
Satisfaction with waiting in medical institutions	42.5	45.7	55.4
Satisfaction with cost	55.0	79.1	76.3
Convenience of location	78.5	79.8	80.4

Colour of the cell reflects the place of a particular city among Baltic capital cities:

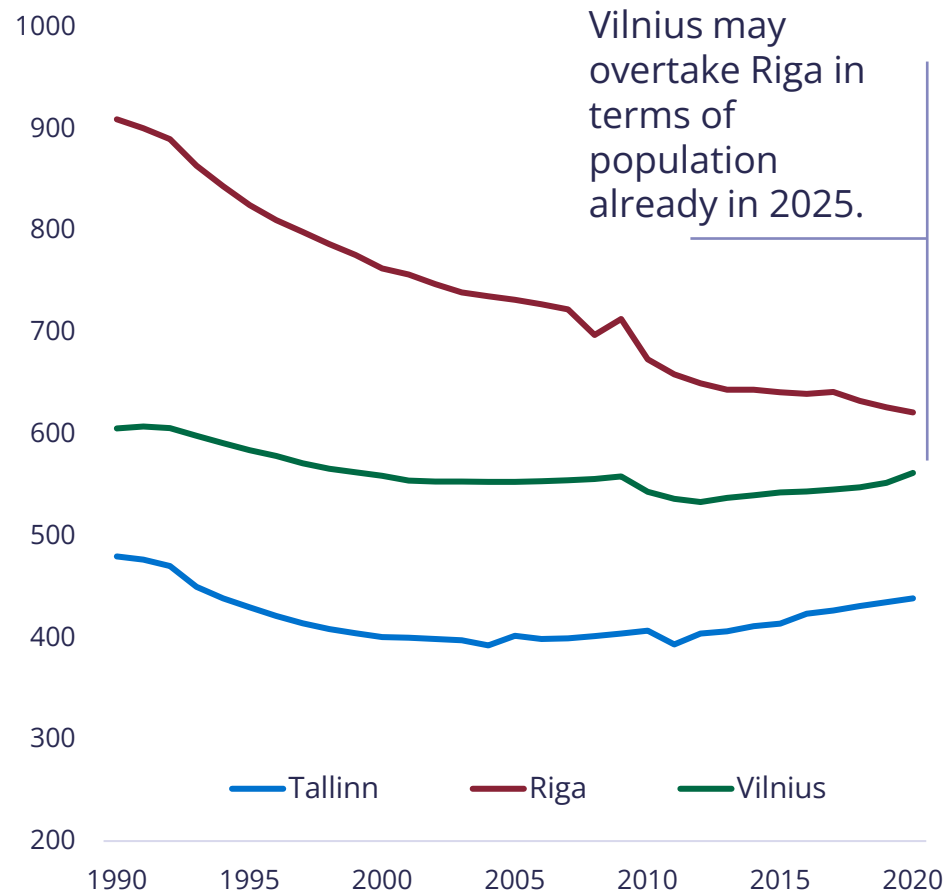
■ 1st place (best)    ■ 2nd place    ■ 3rd place (worst)

**Satisfaction of Riga residents with access to health care facilities**

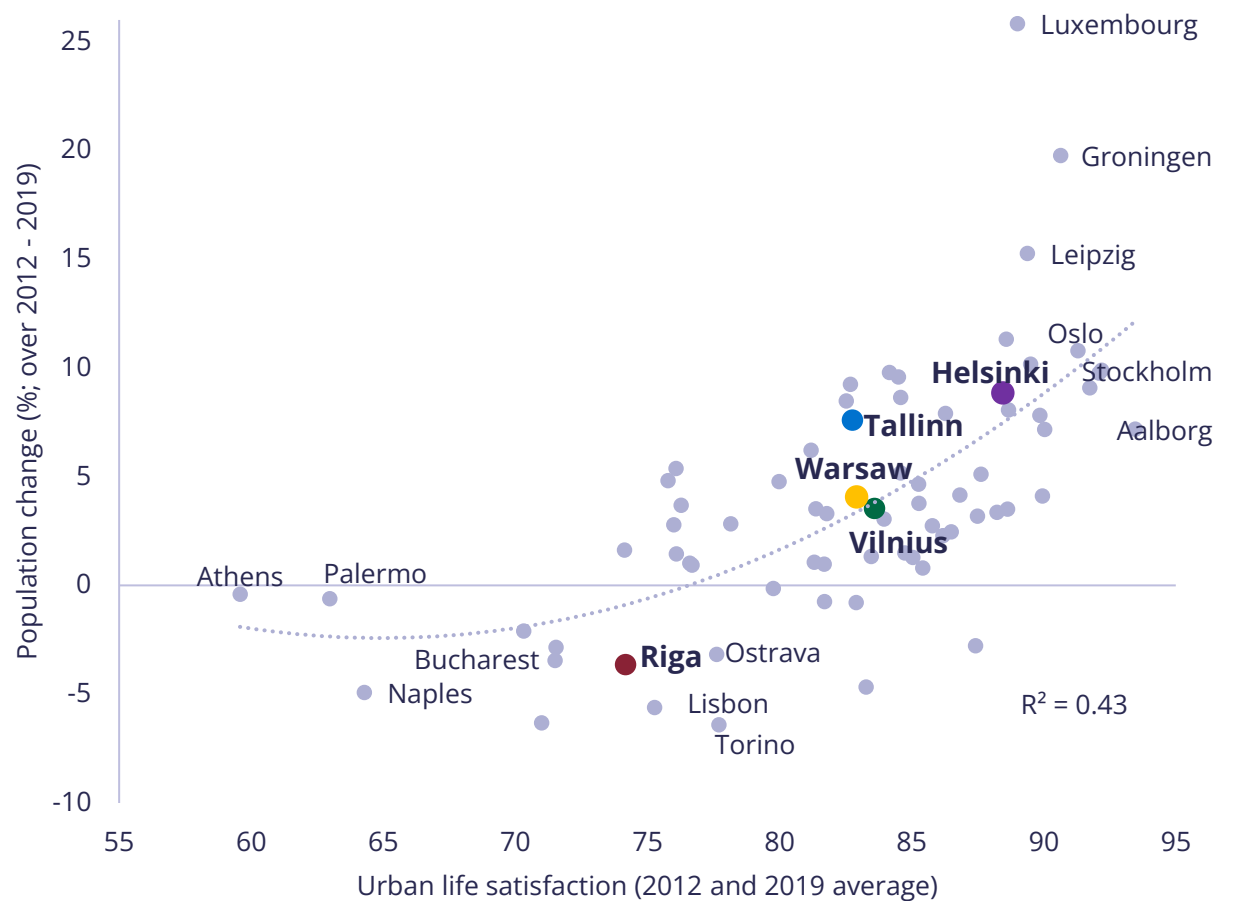


# Improving the quality of life in a key to urban regrowth (i.e., stop depopulation trend)

## Urban population (thousand)

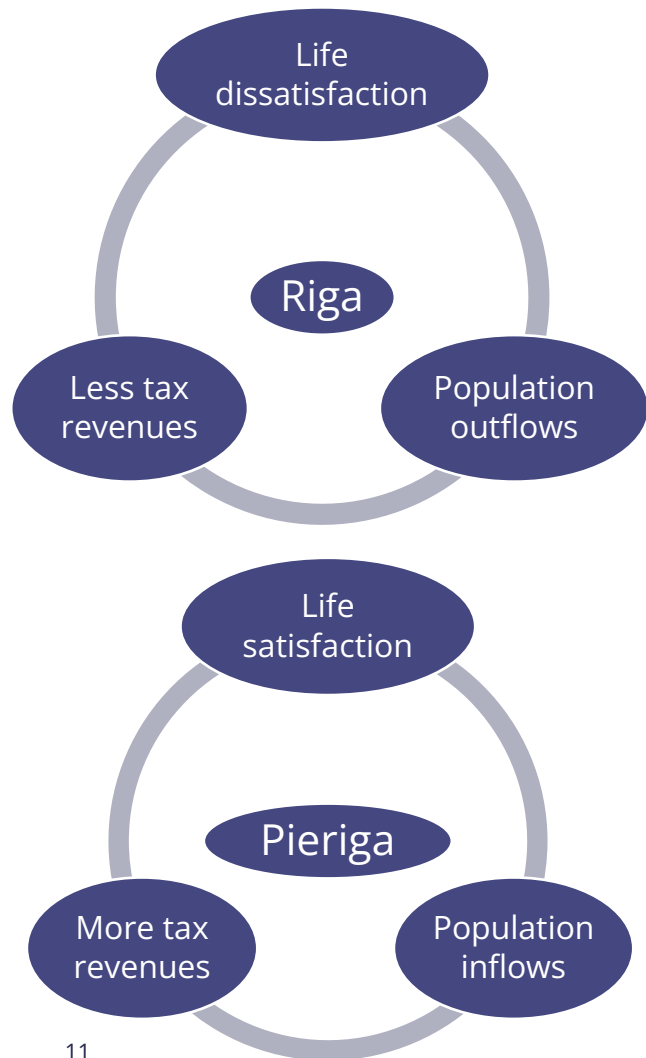


## Urban life satisfaction and population growth in the European cities

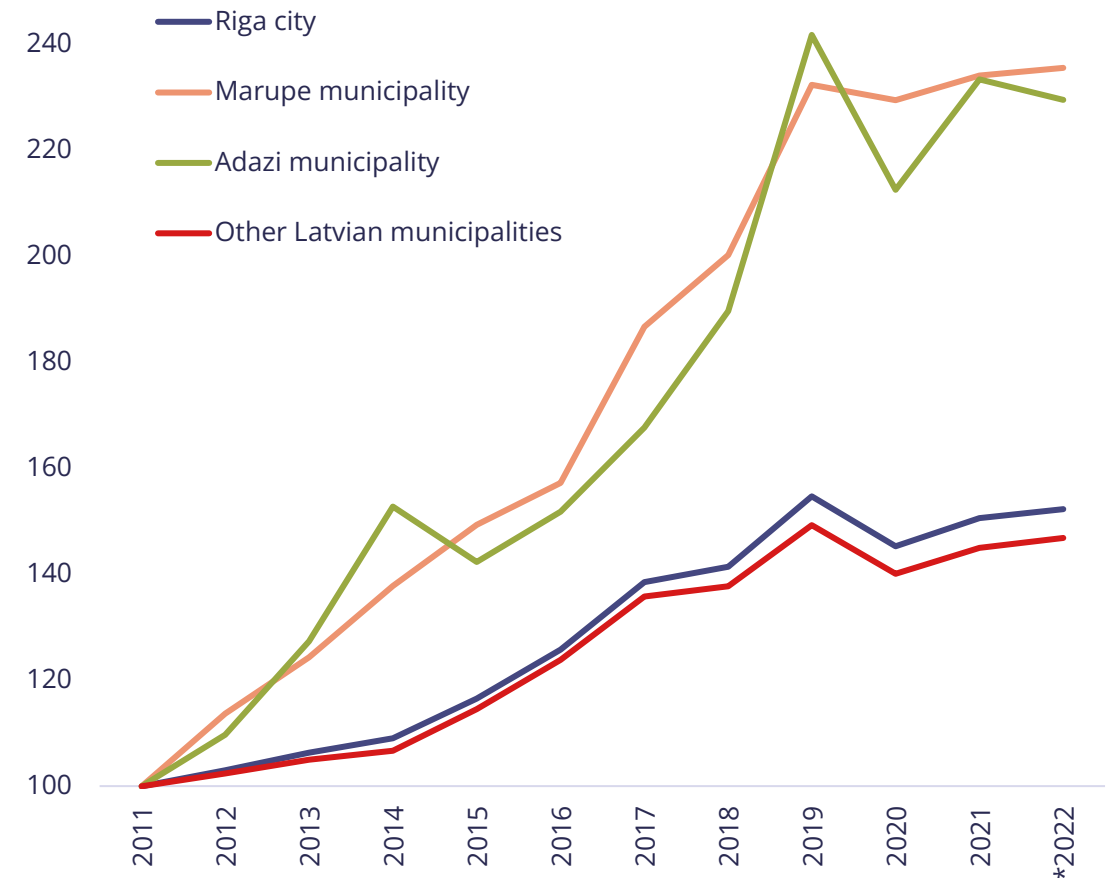


# A vicious circle of Riga depopulation?

## A vicious circle of Riga depopulation



## Local budget revenues in Riga city and surrounding municipalities (index; year 2011 = 100)

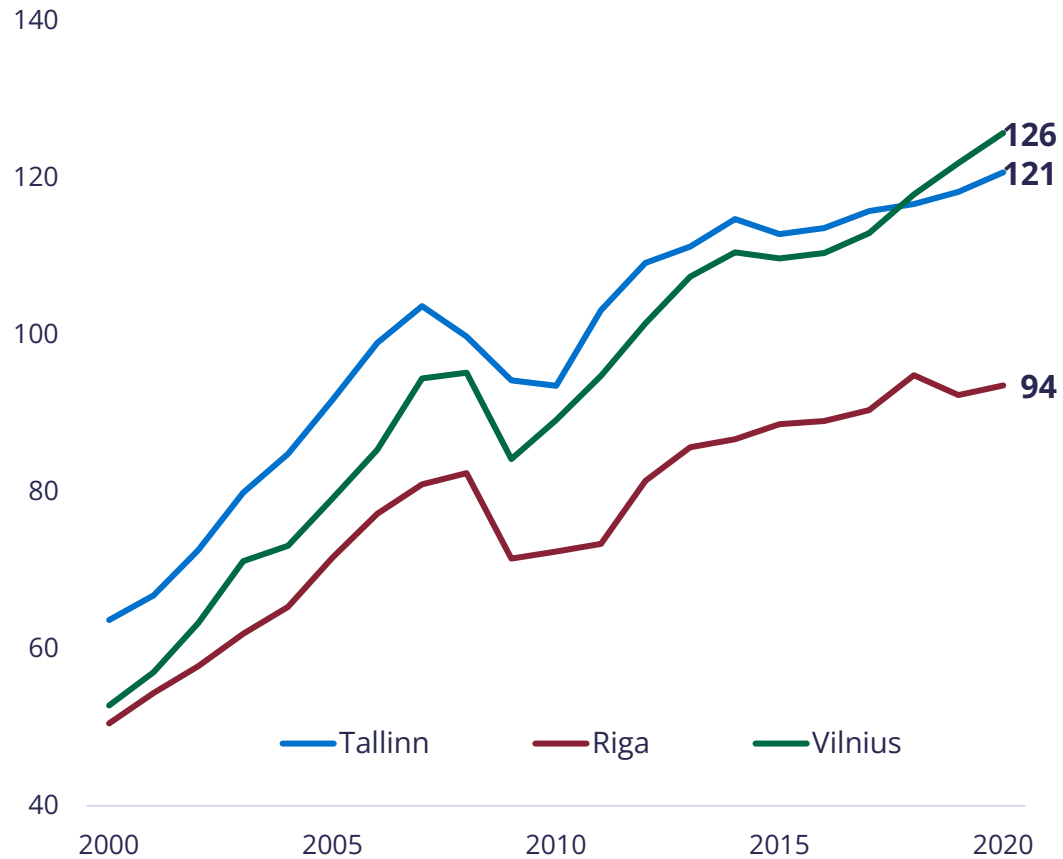


\* Budget projections for 2022.

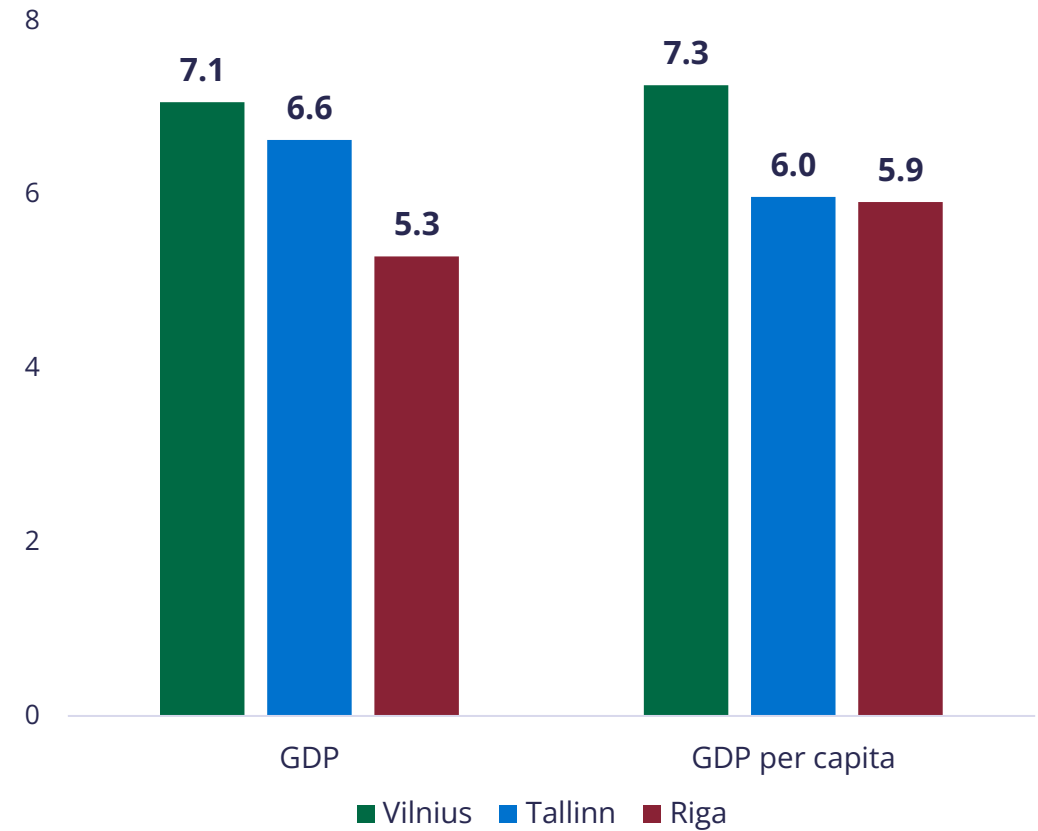
Source: State Treasury of Latvia data, author's calculation.

# With the current pace of development, Riga will never catch up with Vilnius and Tallinn

**Gross Domestic Product per capita**  
(index; EU27 average = 100; purchasing power parity adjusted)



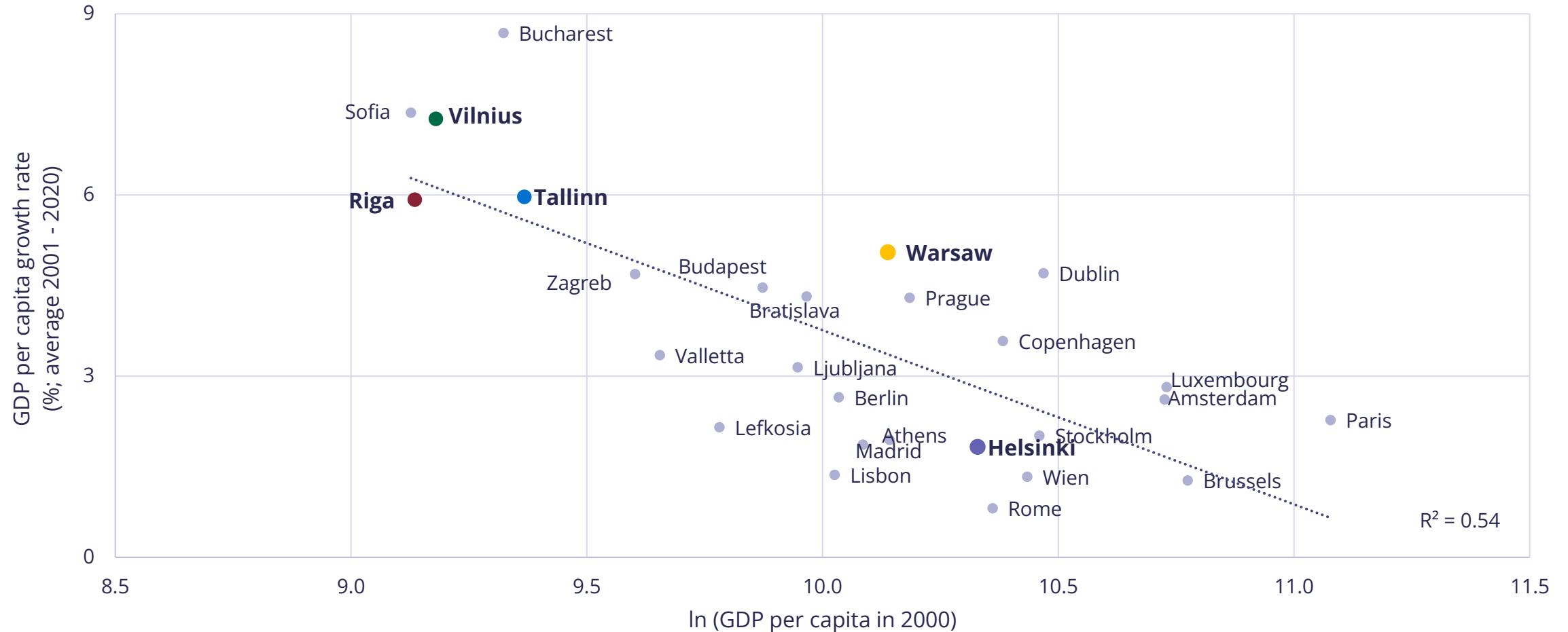
**Gross Domestic Product annual growth rate**  
(%; 2001 – 2020 average)



Riga reflects Riga region (Riga and Pieriga), Vilnius - Vilniaus apskritis; Tallinn - Põhja-Eesti region.

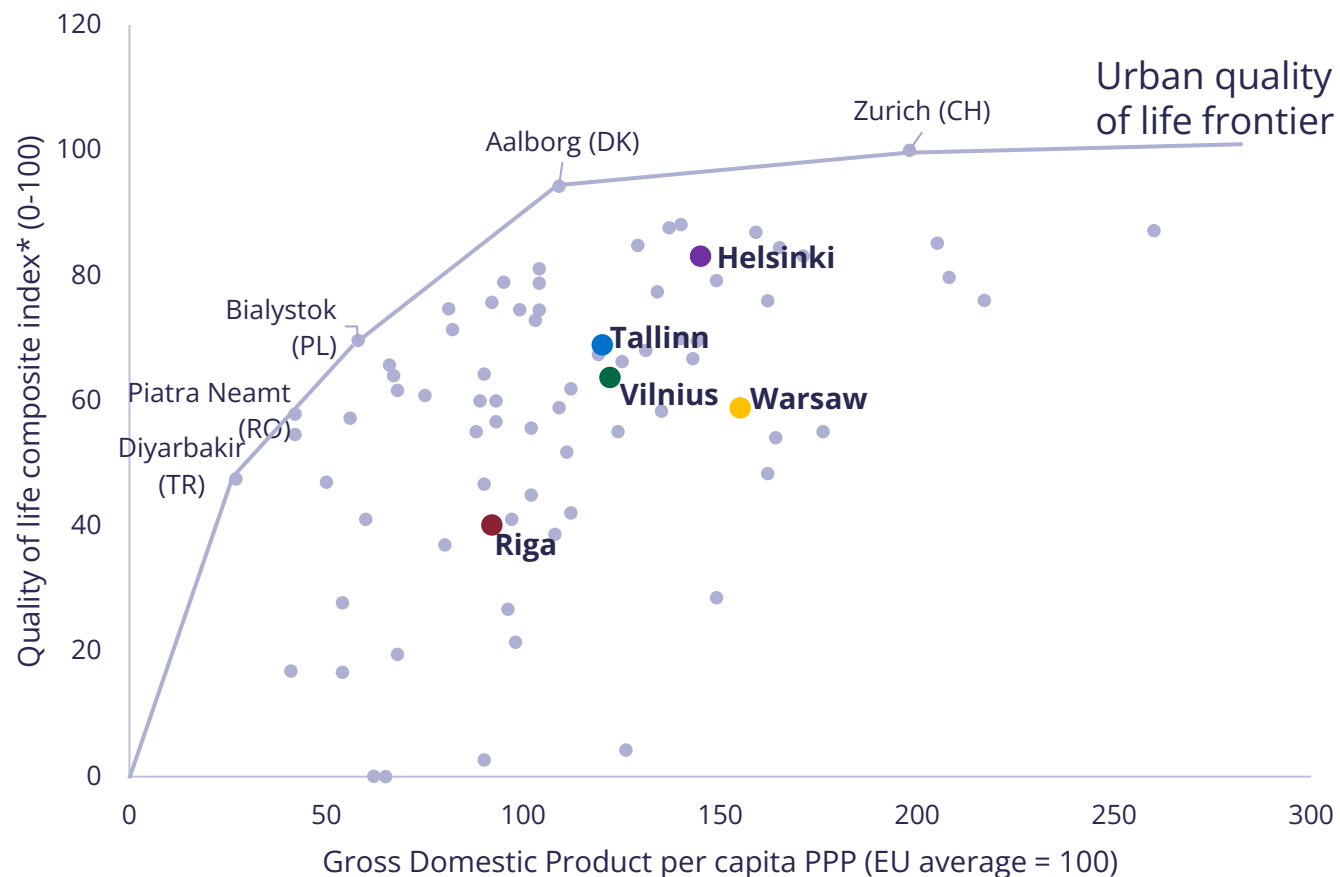
# Fast economic development of Riga city reflects beta-convergence effect (i.e., low initial income level)

## Income level and economic growth rate in the EU capital cities (%)



# There is a large room to raise the quality of life in Riga even with the current income level ...

## Income level and quality of life in the European cities (in 2019)



\* European Commission 2019 survey: weighted average of 36 questions in the following quality of life areas: safety, trust, governance, infrastructure and public transport, good place to live, environment (first component of Principal Component Analysis).

Source: European Commission and Eurostat data; author's calculation.

## Quality of life in the European cities

high average low



... and the current population. Riga will never become New York, and it doesn't need to; it is enough to become the best version of yourself

## Advantages of small cities to attract highly skilled and creative people from metropolitan centers



**Clean, authentic and unique environment**



**Better organization of urban space**

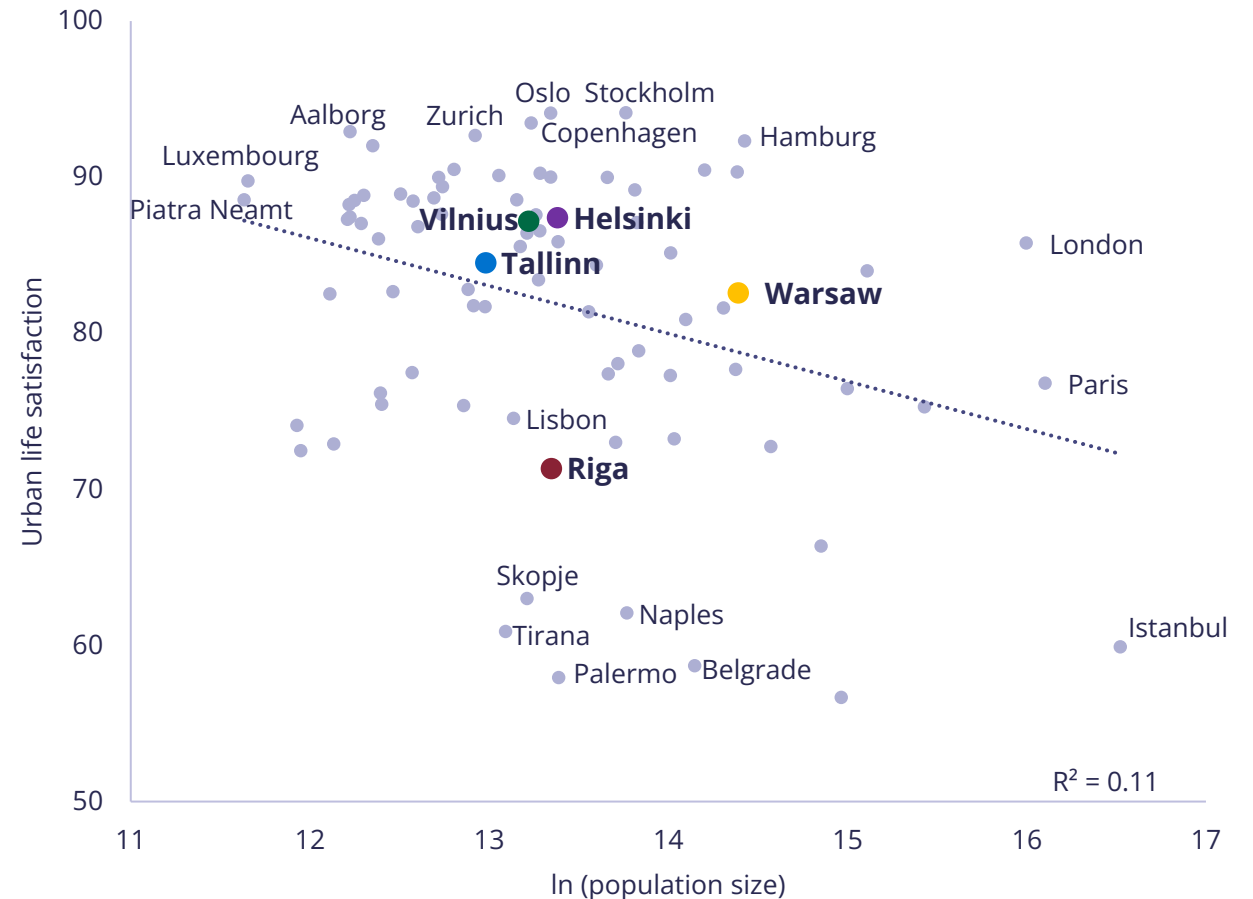


**More convenient life rhythm of the people, greater opportunities to stick to a healthier lifestyle.**



**Social proximity, greater opportunities to engage in community life.**

**Population size and urban life satisfaction in the European cities (in 2019)**



Source: European Commission and Eurostat data; author's calculation.



# Takeaways



Urban quality of life is a key to stop depopulation trend and enhance economic growth in the European cities (and not only a backproduct of economic growth).



It is not mandatory to be a VERY RICH city to improve the quality of life: Aalborg (DK), Bialystok (PL), Piatra Neamt (RO).



It is not mandatory to be a BIG city to improve the quality of life. In Europe, residents of smaller cities enjoy higher life satisfaction.



Best examples are not far. Scandinavia, Germany, Netherlands: the most wealthy and happy people in the world. What should we do to enhance the quality of life in our cities?

