Quality of Life in Urban and Rural Europe

Eurofound
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Abstract
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This policy brief explores differences in quality of life in urban and rural Europe drawing on Eurofound's third European Quality of Life Survey (EQLS). Previous research has found important differences in material deprivation and living standards between urban and rural areas especially in poorer Member States, while other aspects of quality of life also differ between urban and rural areas in richer countries (Eurofound, 2006). This document builds on these findings, adding analysis of recent data and paying attention to the impacts of the crisis.

Keywords
Europe, quality of life, rural areas, urban areas, social policy

Comments
Suggested Citation
Foundation Findings

Quality of life in urban and rural Europe

3rd EQLS policy brief

European Foundation for the Improvement of Living and Working Conditions
This policy brief highlights findings on a specific topic from Eurofound's European Quality of Life Survey (EQLS) that is of particular interest from a policy perspective. It brings results of the analysis of these data together with evidence from other Eurofound projects to formulate a number of policy pointers. This policy brief focuses on differences in the quality of life between urban and rural Europe. It has been prepared by Hans Dubois and Anna Ludwinek. For further information, contact Hans Dubois: hdu@eurofound.europa.eu

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**European Union regional policy**

The EU’s regional policy, the Cohesion Policy, aims to improve and maintain the economic performance of the regions of all Member States, as well as to reduce the economic, social and territorial disparities between them. The Cohesion Policy framework is renewed every seven years. Within the 2007–2013 financing cycle, about one third of the total EU budget was spent on regional policies, channelled through the EU’s Structural Funds. Over 80% of the funding went to regions with a gross domestic product (GDP) per capita below 75% of the EU average, thus contributing to regional convergence. Regions that are predominantly rural tend to be poorer than urban regions, and thus benefit more from
After many years of discussions about the urban dimensions of cohesion policy … I notice with great satisfaction that we are talking more and more about a European urban policy. … Its elements are already present in many EU policies but today … we are aware of the process of creating it. The programming period 2014–2020 will be the first test for this new approach.

(Jan Olbrycht, MEP and President of the URBAN Intergroup, April Newsletter 2014, p. 5)

can be more likely to benefit.

The EU Cohesion Policy 2014–2020 seeks to link its funding objectives with those of Europe 2020, in particular those of raising employment rates and tackling poverty. The European Commission’s (2013a) Social Investment Package suggests that funding under the European Social Fund can be complemented by further financing from the European Regional Development Fund, notably by investing in the regeneration of deprived urban and rural communities. In doing so, the EU stresses the importance of the stronger monitoring and evaluation systems necessary in a more results-driven environment.

The urban dimension has recently become more visible in EU policy. In 2011, the European Parliament issued a resolution calling for the ‘strengthening of the urban dimension of EU policies and intergovernmental cooperation on urban development policies’ (European Parliament, 2011). The next step was the explicit inclusion of urban policies in the responsibilities of the European Commission’s Directorate-General for Regional and Urban Policy in 2012. In particular with regard to rural areas, the EU’s Common Agricultural Policy should be mentioned. It comprises 38% of the EU budget within the newly adopted 2014–2020 framework, totalling around €408 billion. The new framework intends to be more equitable and greener, including an enhanced safety net in times of crisis and strengthened rural development (European Commission, 2013d).

Policy challenges and issues

It is overly simplistic to rank countries on average scores in dimensions of quality of life. There are large differences within countries among different population groups (Eurofound, 2012). Inequalities within countries also follow geographic demarcation such as those between regions, or those between urban and rural areas.

Demographics

In general, the EU follows a global trend among developed countries with high levels of urbanisation, with the speed of urbanisation slowing down (United Nations, 2012). Currently about 360 million people, 72% of the total EU population, live in cities, towns and suburbs. Europe is exceptional in that about two-thirds of its urban dwellers live in urban centres with fewer than half a million inhabitants. Less than one-tenth (7%) live in cities with five million inhabitants or more, compared with for example 25% in the United States.

Emerging trends

As the process of urbanisation slows down in Europe, behind it is a complex set of ongoing trends.

Europe is experiencing an increase in the number of telecommuters, home-based
businesses and satellite offices. There is a growing ‘creative class’, such as architects, engineers and artists, who are keen to move to rural areas for a better quality of life, particularly in countries with good transport links (OECD, 2006). This development has its challenges; for example, social tensions relating to crowding out in the housing market (European Commission, 2013b).

Another trend is ‘urban sprawl’ and the challenges relating to the mismatch of services and resources concerned with urban development of areas that may still be classified as rural (European Environment Agency, 2006). This would include incremental urban development adjacent to cities anywhere in Europe, but also for example expanding rural settlements on the Mediterranean coast.

A third trend relates to Europe’s ageing societies with younger people in particular moving to more urban areas for education and work, and older people staying in rural areas. With low fertility rates failing to replace those who have left rural areas, this trend has led to depopulated villages.

Opportunities and challenges
People living in urban or rural areas face different and also similar opportunities and challenges.

Urban areas are characterised by a high density of people, consumers, workers and businesses. About two-thirds (67%) of Europe’s GDP is generated in metropolitan regions, defined as larger urban zones with more than 250,000 inhabitants (European Commission, 2013b); their population represents 59% of the total EU population.

However, the high population density in cities can lead to exaggeration of social and employment challenges related to migration, pollution and transport, as well as tensions between diverse urban populations. According to the Second state of European cities report, an ‘urban paradox’ persists: although jobs are concentrated in cities, many city residents fall outside the labour market (RWI, 2010). Many urban areas face challenges related to segregation and polarisation, and also disadvantaged neighbourhoods. Furthermore, there are notable differences between capital and non-capital cities, with capital cities having higher economic prosperity and birth rates, and smaller cities generally lagging behind.

Rural areas are experiencing a major structural change. Globalisation, the emergence of new sectors and a decline of the traditional agricultural dominance are linked to new opportunities and challenges. Furthermore, social services may have been initially designed for an urban context and may not have been adapted to a rural setting.

As with the changing trends in urban–rural settings, there is great diversity in people’s preferences that may change during their lives. With an ageing population, ‘age-friendly’ environments are a priority in many parts of the EU, leading to challenges for example in relation to sustainable public services in these areas.

The changing environment also means that urban and rural areas are more interconnected and interdependent, and these linkages offer opportunities for both. Effective policies must take into account complex urban–rural dynamics.
Key findings

► Self-reported information on urbanisation complements population density-based and administrative statistics by giving people’s perceptions of their direct surroundings.

► About half (51%) of Europeans report that they live in a medium to large town (25%) or in a city or city suburb (26%), while 49% live in the open countryside, a village or small town. Since 2007, there has been a decrease in the number of people living in the open countryside and an increase in those living in medium to large towns.

► About one in three (34%) people in the EU28 who live in a city or city suburb live in a one-person household compared with one in four (23%) in the open countryside. In rural areas, 50% of single households are retired people compared with 37% in urban areas. In rural areas, more single households (37%) are women aged 60+ than in urban areas (27%).

► In urban areas, a larger proportion of people have low trust in local government and are more dissatisfied with their accommodation than in rural areas. People in urban areas have higher incomes, but this does not mean less deprivation and less difficulty making ends meet, probably due to the higher cost of living and greater inequality in cities.
Relatively, many indicators of quality of life are worse for rural than for urban areas in one group of countries (Croatia, Cyprus, Denmark, Finland, Hungary, Romania, Slovakia), while they are worse for urban areas in another group of countries (Austria, Czech Republic, France, Germany, Ireland, Luxembourg, Netherlands, Sweden, UK).

Differences in deprivation and social exclusion across Member States can mostly be explained by groups with particularly bad scores for these dimensions of quality of life, while the 50% of the population with the highest scores report similar levels across countries.

The 50% of people with the highest trust in local government in countries with low average trust overall (Bulgaria, Romania) have higher trust than those in some countries with high average trust (Finland, Sweden). The large inequality in countries with low overall trust, especially in rural areas, suggests that there are groups whose interests are particularly badly represented and groups whose interests are well represented.

There are complex patterns in terms of differences within rural and within urban areas, with inequalities pointing in different directions for the various quality of life indicators. For example, Latvia and Slovakia’s urban areas have some of the most deprived citizens in Europe, but they also have some of the least socially excluded.

People living in low- and middle-income households in cities in particular more often reported difficulties making ends meet during the crisis, closing the gap that existed compared with households with similar incomes in rural areas. Neighbourhood problems are more common in urban areas. People in the top income quartile in villages or towns report fewer neighbourhood problems than those in the three bottom quartiles.

Access to public transport can improve access to services for which physical presence is often required, such as healthcare services, but also cultural and social services. While this is true for both urban and rural areas, better access to transport is more often needed in rural areas.
Exploring the issue

Classifying urban and rural populations

Definitions based on population density
The level of urbanisation of the area where someone lives is related to aspects of their quality of life (European Commission, 2011). But how can one distinguish between a ‘rural’ and an ‘urban’ area? This is a more complex and subjective exercise than may be thought initially. It involves not only the exercise of assigning the label ‘rural’ or ‘urban’ to a broader geographical area, but also the challenge of judging whether a specific household lives in a rural or urban setting.

The Organisation for Economic Co-operation and Development (OECD) classified areas with a population density below 150 inhabitants per square kilometre as rural. This implies that small villages with a sufficiently high density are classified as urban. For example, Aldea de Trujillo in Spain is classified as urban despite having a population of 439 inhabitants while Uppsala in Sweden is classified as rural despite having a population of over 150,000.

The EU has built on the OECD’s typology and developed a definition that defines an area of one square kilometre as urban if it has a population density of at least 300 inhabitants per square kilometre and a minimum population of 5,000 inhabitants in contiguous ‘cells’ above the density threshold. It then classifies a region in three scales of urbanisation, based on the proportion of urban areas of one square kilometre, as well as on whether there is a large city in the area (Eurostat, 2014).

Such top–down definitions based on population density serve for administrative purposes and give a useful impression. However, they may say little about the direct environment where a specific household resides within these boundaries. If someone lives in a sparsely populated region, their direct living environment may still be densely populated.

Self-reported measures and survey data
To assess the quality of life of an individual household, it may be equally relevant whether the area of residence feels rural or urban to that specific household. Self-reported
information about the level of urbanisation is also more sensitive to local specificities.

As well as measuring the level of urbanisation, there is also the issue of measuring where a specific household lives. This location can be derived from official registers. Relying on registers has the advantage of objectivity but may also cause biases. For example, people may keep their formal residence in a rural area when they move to the city, or vice versa. Survey data, particularly if collected via face-to-face interviews, are less likely to meet this problem.

However, self-reported information also has downsides. People may not say what they truly think about the level of urbanisation of their area. They may also subjectively judge the city they live in to be small, giving a value judgement, for example, due to concerns of lack of services. Nevertheless, such biases seem less likely in a survey that is largely based on face-to-face interviews.

Depending on the objective of the research, it is important to combine these different types of data and categorisations, each with their strengths and weaknesses.

**European Quality of Life Survey**

Several important European surveys do not ask respondents if they live in a rural or urban area. The EQLS does and goes beyond the binary approach, distinguishing between more than just urban and rural areas. It gives respondents the option to indicate which of the following four categories best describes the area they live in:

- the open countryside;
- a village or small town;
- a medium to large town;
- a city or city suburb.

The EQLS is unique in that it allows the different levels of urbanisation of the area in which people live to connect with various dimensions of their quality of life.

The survey’s sample size differs among Member States and ranges from 1,000 (Bulgaria, Slovakia) to 3,055 (Germany). This sample size limits analysis especially within Member States and within regions. Furthermore, there are countries where some areas may be underrepresented, with 1% of people or less in Bulgaria, Cyprus, Greece, Lithuania and Slovakia reporting to live in the ‘open countryside’. Although this may affect univariate descriptive statistics, it should not impact relations with other variables. At the EU28 level, these potential biases appear to level out. When the categories of ‘the open countryside’ and ‘a village or small town’ are brought together, these ‘rural areas’ do not seem to be underrepresented, suggesting that people may perceive they live in a village or small town even if they live in what seems a very rural area. So, while the multinomial nature of the ‘urbanisation’ variable will be exploited, frequently the top two and bottom two levels of urbanisation will be combined into a binary variable, particularly when analysis is at the country level. This also addresses the issues of the limited sample size to some extent.

The analysis in this policy brief is based on the third EQLS data from 2011–2012, sometimes with comparisons to the second EQLS data from 2007. Where the analysis draws on other data sources, this is indicated.

**Urban and rural living patterns in Europe**

**Where do Europeans live?**

**Patterns at EU level**

The third EQLS shows that only a minority of Europeans live in the open countryside (9%), most people live in villages or small towns (40%), and a quarter live in both
medium to small towns (25%) and cities or city suburbs (26%) (Figure 1). Drawing on national definitions, according to the United Nations (2012), 73% of people in Europe lived in urban areas and 27% in rural areas in 2011. This corresponds broadly to the EQLS estimate if just under half of the 40% who live in villages or small towns fall under ‘rural’ in the national definitions.

Europe has many smaller towns and cities, with some highly populated capitals but only two (Paris and London) with more than five million inhabitants. According to Eurostat data, around three-quarters of people in the EU live in cities and towns of more than 5,000 inhabitants (Feldmann, 2008). Again, this corresponds to EQLS data, including the half who stated they lived in a city or city suburb or in a medium to large town and over half of the 40% who stated they lived in a village or small town.

The EQLS shows the proportion of people living in rural areas fell by four percentage points between 2007 and 2011, with a particularly large decrease of three percentage points in people reporting that they live in the open countryside. In contrast, the proportion of people living in urban areas increased by four percentage points, with a majority of people living in such areas in 2011 (51%, up from 47% in 2007) rather than

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**Figure 1: Proportion of people living in areas with different degrees of urbanisation, EU28 (%)**

<table>
<thead>
<tr>
<th>Area</th>
<th>EU28 (%)</th>
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<td>Open countryside</td>
<td>9</td>
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<tr>
<td>Village/small town</td>
<td>40</td>
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<tr>
<td>Medium to large town</td>
<td>25</td>
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<tr>
<td>City/city suburb</td>
<td>26</td>
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</tbody>
</table>

Note: Third EQLS Q49. Would you consider the area in which you live to be ...? (1) The open countryside, (2) A village/small town, (3) A medium to large town, (4) A city or city suburb?
Figure 2: Proportion of people living in urban and rural regions, 2013 (%)

Note: Data for Germany and Romania are from 2012. Classification is based on NUTS3 regions. In Luxembourg and Cyprus, all NUTS3 regions were classified as 'intermediate', and in Malta all were classified as 'predominantly urban'.
Source: Eurostat
in rural areas (49%). The increase came mainly from a rise of three percentage points in people living in medium to large towns.

**Patterns at the national level**

Eurostat data presented in Figure 2 show the distribution of the population in the different Member States in 2013 across rural, intermediate and urban regions. In some countries, population is concentrated in densely populated areas (Belgium, Netherlands, UK). In other countries, the largest proportion live in sparsely populated areas (Ireland, Croatia) and few in densely populated areas (Romania, Slovakia). In other countries, most people live in intermediate regions (Bulgaria, Denmark, Slovenia, Sweden). Then there are countries where both the proportions of people living in densely populated areas and living in sparsely populated areas are high, while few live in intermediate areas (Estonia, Greece, Latvia, Portugal).

National-level proportions hide the fact that in some countries urban areas are concentrated in a small geographical area. Examples include Finland and Sweden where the proportion of people living in urban areas is similar to other Member States, but they are concentrated in small areas around capital cities, with otherwise particularly large rural areas.

**Characteristics of urban and rural dwellers**

Analysis of earlier EQLS data showed that across Europe, rural populations were on average older, had a lower level of educational attainment, were more likely to be married or cohabiting and were more likely to be working in blue-collar jobs and in agriculture (Eurofound, 2006). Households in rural areas also tended to be larger, with more children, particularly in the Member States that have joined the EU since 2004 where urban households tend to be smaller.

The 2011–2012 data show a similar situation, though it is necessary to be cautious when generalising. The proportion of people with the highest level of education attained being primary is still higher in rural (15%) than in urban (8%) areas; this is also the case with secondary education being the highest level attained (68% rural, 64% urban). The proportion of people with tertiary education is higher in urban (27%) than in rural (17%) areas. Nevertheless, these data show that considerable proportions with a high level of educational attainment live in rural areas and with a low level of educational attainment live in urban areas.

It is still relatively common for people who live in rural areas to work in one of the two occupational categories that include farming activities: ‘elementary occupation’ such as cleaner, machine operator or farm labourer; and ‘skilled agricultural, forestry and fishery worker’. This is particularly the case in the open countryside, with 15% working in one of these two categories compared with 8% in cities and suburbs. However, most people who live in rural areas are not farmers; for example, 12% are professionals such as doctors, qualified nurses, lawyers, scientists or architects, against 21% in cities and suburbs.

Households in rural areas are still larger than in urban areas though the patterns are complex. The proportion of people living in a household with three persons is relatively similar across the four levels of urbanisation, ranging from 17% in cities or city suburbs to 20% in the open countryside. The same holds true for two-person households: 33% in the open countryside versus 29% in cities or city...
suburbs. Larger differences can be found in one-person households and households of four or more persons. In the open countryside, 25% live in a household with four or more persons, compared with 19% in cities or city suburbs. Around a third (34%) who live in a city or city suburb are in a one-person household compared with almost a quarter (23%) in the open countryside.

There are further important differences with the average age of one-person households being 62 in the open countryside and 51 in cities or city suburbs. In rural areas, 50% of single households are retired (37% in urban areas) and 37% of single households are women aged 60+ years (27% in urban areas). More single households are students in cities or city suburbs (7%) than in rural areas (2%).

**Factors affecting urban and rural quality of life**

The characteristics of the area where a person lives certainly has an influence on quality of life (Eurofound, 2012). Households that can choose where to live may adjust their living circumstances to their preferences, but still have to cope with the specific challenges of the area where they live. Furthermore, the fact that the demographics of households differ (see above) implies different needs.

This section first explores the differences in quality of life between urban and rural areas. It then identifies clusters of countries where urban and rural differences are similar. Two specific issues relevant to the level of urbanisation are highlighted: neighbourhood problems, often greater in urban areas, and access to services, generally more problematic in rural areas. Within Member States, there are rural areas that are very different from each other and neighbourhoods in one city can equally show large differences. Such heterogeneity is analysed. Finally, the impact of the recent economic and financial crisis is discussed.

**Is there an urban–rural divide in quality of life?**

How does quality of life differ, on average, between people living in urban and rural areas? This section discusses the following aspects of quality of life:

- social exclusion;
- health;
- mental health;
- living conditions (that is, satisfaction with accommodation);
- material deprivation;
- trust in local government;
- ability to make ends meet;
- life satisfaction.

The Social Exclusion Index (SEI) is used as an indicator for social exclusion. This measures on a scale of 1 to 5 how excluded people feel from society. Here someone with an SEI above 2.5 is considered ‘socially excluded’.

The proportion of people ‘at risk of poor mental health’ is used as an indicator of mental health and is defined as having a ‘WHO-5

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1 The SEI refers to the overall average score from responses to four statements in the third EQLS Q29: ‘I feel left out of society’, ‘Life has become so complicated today that I almost can’t find my way’, ‘I don’t feel that the value of what I do is recognised by others’, and ‘Some people look down on me because of my job situation or income’. Responses are scored on a 1–5 scale, where 1 = ‘strongly disagree’ and 5 = ‘strongly agree’.
index’ of 48 or below. Someone is considered to be materially deprived if his/her household is unable to afford at least two of the six items included in the EQLS deprivation index: ‘keeping the home adequately warm’; ‘a week’s annual holiday away from home’; ‘replacing any worn-out furniture’; ‘a meal with meat, chicken, fish every second day’; ‘new clothes’; and ‘having friends or family for a drink or meal at least once a month’.

With regard to life satisfaction, satisfaction with one’s accommodation and trust in local government, this section looks at the proportion of people who gave these aspects of quality of life a score of 5 out of 10 or below. Trust in local government was chosen as an indicator rather than trust in the national government or parliament because policies relevant for the immediate environment are often defined at local level. The analysis below further looks at the proportion of people who report difficulties (or great difficulties) making ends meet, and who report bad (or very bad) health.

Figure 3 shows that, at the EU28 level, there is not much difference overall between urban

![Figure 3: Negative aspects of quality of life, urban versus rural areas, EU28 (%)](image)

Source: Third EQLS

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2 The WHO-5 index is calculated from the overall average score from responses to five statements in the third EQLS Q45: ‘I have felt cheerful and in good spirits’, ‘I have felt calm and relaxed’, ‘I have felt active and vigorous’, ‘I woke up feeling fresh and rested’, and ‘My daily life has been filled with things that interest me’. Responses are scored on a 0–5 scale, where 0 = ‘at no time’ and 5 = ‘all of the time’.
and rural areas in six of these eight indicators. There are two exceptions. In urban areas, a larger proportion of people have low trust in local government and are dissatisfied with their accommodation than in rural areas. Still, there may be different types of problems underlying these similar average proportions. For instance, the proportion of people being deprived of at least two of the items included in the deprivation index (see previous page) is similar in urban and rural areas, but does the nature of the items people are deprived of differ? Overall, the proportion of people reporting their households cannot afford the various items is similar for urban and rural areas. There is one exception: people in rural areas more often (39%) report they could not afford a week’s annual holiday away from home (not staying with relatives) than people in urban areas (36%). This may be the most expensive of the six items, particularly for people living in rural areas with worse connections to infrastructure.

In urban areas, 29% of people live in households in the highest income quartile in their country (31% in cities or city suburbs) compared with 24% in rural areas (22% in the open countryside). It is less common for people in urban areas to live in households with incomes in any of the three lower quartiles. Nevertheless, the monetary wealth of urban households does not necessarily mean lower material deprivation or fewer difficulties making ends meet (Figure 3). This may be explained by the higher cost of living and more expensive needs and habits associated with urban areas. Greater inequality and diversity of the urban population also play a role, as 24% of people in urban areas are in the bottom income quartile, not far below the proportion (26%) in rural areas. Social exclusion is an issue in both urban and rural areas. Therefore, one has to be cautious of stereotypes of feeling excluded from society, as those arguing that this is mainly an issue in rural areas because of sparse population, or in urban areas only because of anonymity, do not apply generally. Sparsely populated areas may mean close communities are formed and the anonymity of cities may provide many with opportunities for social integration. A fairly constant average SEI hides the ways in which social involvement is changing. The growing role of social media as a channel of communication and staying connected should not be underestimated. While there is an ongoing debate about whether social media do indeed contribute or not to social interaction, the more visible presence of the internet is changing the way people connect with each other.

Country patterns in urban–rural differences

Patterns at the EU level in terms of quality of life mask differences across Member States. Table 1 shows how urban and rural areas compare in the various Member States using the same indicators as in the previous section. A complex pattern emerges, with rural areas in some countries performing worse than urban areas for most indicators (Croatia, Cyprus, Romania, Slovakia), and others where urban areas do worse on most indicators (Austria, Czech Republic, France, Germany, Ireland, Luxembourg, Netherlands, Sweden, UK). There is also a group where rural areas generally do somewhat worse than urban areas for many indicators, but the difference is not that clear on most accounts (Bulgaria, Denmark, Finland, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Spain). There is a fourth group of countries where rural areas do worse on some indicators and urban areas on others, with a mixed pattern overall (Belgium, Estonia, Greece, Italy, Slovenia).
Table 1: Difference in proportion of people experiencing low quality of life between urban and rural areas

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<th>Difficulties making ends meet</th>
<th>Materially deprived</th>
<th>Dissatisfied with accommodation</th>
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Notes: Percentage-point difference, urban–rural. Table is sorted by sum of differences. A lot of green suggests rural areas are doing worse than urban ones for many aspects and a lot of orange suggests urban areas are doing worse: dark green = -8 percentage points or lower; light green = -7 to -3 percentage points; white = -2 to 2 percentage points; light orange = 3 to 7 percentage points; dark orange = 8 percentage points or larger. Source: Third EQLS
In Cyprus, Romania and Slovakia, people in rural areas more often have difficulties making ends meet or are more often materially deprived than in urban areas (this is indicated by the dark green colour in Table 1). The difference is somewhat smaller, but also considerable in Greece, Poland and Spain. The situation is reversed in France, Germany, Ireland, Luxembourg, Malta and the Netherlands where more people in urban areas have difficulties making ends meet (and are more often materially deprived) than in rural areas. Satisfaction with accommodation is lower in urban than in rural areas particularly in Austria and France. While dissatisfaction with accommodation is generally more of an urban problem, in some of the countries with high deprivation in rural areas, these areas do worse in terms of accommodation than urban areas (Croatia, Lithuania, Romania, Slovakia).

Social exclusion is more of a rural than an urban problem especially in Croatia, Lithuania and Romania. In contrast, it is more of an urban issue especially in Greece and the UK.

A higher proportion of people have lower life satisfaction in rural areas than in urban areas in Croatia and Slovakia in particular, but in more countries, urban areas score worse, with the largest difference in Ireland.

Overall, the urban–rural divide is generally more in favour of urban areas in most of the Member States that have joined the EU since 2004 apart from the Czech Republic, Estonia and Slovenia. In Member States that had joined before 2004, the balance in contrast is more in favour of rural areas except in Belgium, Denmark, Finland, Greece, Italy, Portugal and Spain. Given the many exceptions, the results largely confirm an earlier observation that this division between Member States that joined the EU since 2004

Figure 4: Deprivation index in urban and rural areas: 50% most and least deprived (%)
and those that joined before is becoming inappropriate for many aspects of quality of life (Eurofound, 2012).

**Differences within urban and rural areas**

Within Member States, there are large differences, not only between urban and rural areas but also within them. For example, even in countries where urban areas seem worse places to live, there are ‘high-quality’ neighbourhoods. These can be particularly wealthy neighbourhoods, but they can also be lower-income neighbourhoods with a positive and active local community.

This section compares inequalities within urban areas and within rural areas in terms of three aspects of quality of life:

- material deprivation;
- perceived social exclusion;
- trust in local government.

These indicators were chosen because they provide a broad spectrum of quality of life issues and because they were measured on a scale allowing for the type of analysis presented below.

Inequality is measured here by comparing the average of the bottom half scores with that of the top half on the respective dimensions of quality of life.

**Material deprivation**

For the 50% of people reporting the lowest number of items that they are deprived of, the range varies from 0.1 (out of six items) in both urban and rural areas in Austria, Denmark, Finland, Luxembourg, the Netherlands and Sweden, to 0.5 in rural areas in Lithuania (Figure 4). There is more variation for the bottom half. In rural areas, the bottom half is deprived of 2.6 items on average in Denmark and Luxembourg, up to 4.0 items in Bulgaria.

![Figure 5: Social exclusion index in urban and rural areas: 50% most and least socially excluded](image)

Note: Countries are ranked according to the extent of inequality. Numbers are rounded and so reported differences in the text may deviate from those that can be derived from the figure.

Source: Third EQLS
and Hungary. In urban areas, the range is even wider from 2.5 in Luxembourg to 4.1 in Bulgaria.

In some countries, inequality in urban areas is particularly high (Bulgaria, Hungary, Romania, Estonia, Poland), as evidenced by the large size of the urban (orange) bars in Figure 4. This can be explained mainly by high deprivation among the 50% with the highest deprivation in urban areas, while the 50% with the lowest deprivation has similar deprivation scores in urban and rural areas. Compared to rural areas in other countries, inequality is relatively high in rural areas in Bulgaria, Hungary and Poland. Again, this can be explained mainly by the bottom 50% having particularly high deprivation in rural areas.

The difference in inequality in material deprivation between urban and rural areas is largest in Austria, Estonia, Slovakia and Slovenia where deprivation is relatively high in urban areas, and in Croatia, Greece, Hungary and the Netherlands where it is relatively high in rural areas.

**Social exclusion**

Social exclusion also varies within rural and within urban areas in each of the Member States (Figure 5). Among the 50% most socially excluded in rural areas, people are least socially excluded in Finland, the Netherlands and Slovenia (2.7), and most in Cyprus (3.2) and Bulgaria (3.1). Among the 50% least socially excluded in rural areas, the SEI scores vary from 1.4 in Germany to 1.8 in Ireland and Malta, and for the top 50% in urban areas, from 1.3 in Denmark to 1.8 in Belgium, Cyprus, Estonia and Malta.

The 50% with the highest SEI scores varies most in urban areas, from 2.6 in the Netherlands, and 2.7 in Ireland and Sweden, to 3.1 in Austria and Bulgaria, and 3.4 in

**Figure 6: Trust in local government in urban and rural areas: 50% with highest and lowest trust**

Source: Third EQLS

Note: Countries are ranked according to the extent of inequality. Numbers are rounded and so reported differences in the text may deviate from those that can be derived from the figure.

Source: Third EQLS
Cyprus. The difference between the mean SEI of the bottom 50% in rural areas compared with that of the top half is particularly high in Cyprus, Denmark, France and Germany. In urban areas, such inequality is highest again in Cyprus, Denmark, France and Germany, but also in Bulgaria and especially Austria. Rural areas have larger inequality in Sweden (+0.2) and Greece (+0.3) in particular. Urban areas have larger inequality in social exclusion than rural areas in Austria, with a 0.4-point higher level between the score among the bottom 50% and the top 50% in urban areas than in rural areas.

**Trust in local government**

In the EU28, a larger proportion of people living in urban areas have low trust in local government than in rural areas. Nevertheless, there are large differences within both urban and rural areas. The range of trust in local government across countries is particularly large when comparing the 50% with the lowest trust living in rural areas, with scores varying from 2.4 in Croatia and Bulgaria, to 4.0 in Austria and 4.1 in the Netherlands (Figure 6). Nevertheless, ranges are also considerable in the three other categories. Among the 50% with the highest trust in rural areas, trust varies from 6.8 in Italy and 7.0 in the Netherlands to 8.1 in Romania and 8.2 in Cyprus. In urban areas, among the bottom 50%, scores vary from 2.6 in Greece to 4.1 in Austria, and among the top 50% from 6.7 in Italy and 6.8 in the Netherlands to 7.9 in Luxembourg and 8.0 in Cyprus. It is remarkable that the 50% of people with the highest trust in local governments, both in urban and rural areas, give higher scores in countries with low average trust overall (Bulgaria, Romania) than those in some countries with high average trust (Finland, Sweden).

Within countries, there is more diversity in trust in local governments among rural areas within most Member States than among urban areas. Countries where the differences between the average level of trust among the 50% with the highest trust and the 50% with the lowest trust in rural areas are largest (indicated by the large green bars in Figure 6) are Cyprus (5.5), Romania (5.4), Bulgaria (5.3) and Croatia (5.1). In urban areas, the largest differences between the top and bottom 50% can be found also in Cyprus, Bulgaria and Romania, and in Hungary (all 4.8). Trust in local government is more equally distributed in urban areas than in rural areas particularly in Cyprus (0.7), Romania, Bulgaria, Croatia (all 0.6) and Latvia (0.4). In Hungary and Portugal, rural areas show larger inequality in satisfaction ratings of local government than urban areas do.

**Highlighting problems specific to urban and rural areas**

Earlier analysis of EQLS data showed that access to several public services tends to be often difficult for people living in rural areas, while neighbourhood problems are more common in urban areas (Eurofound, 2012). Because of its limited scope, this section focuses on access to one specific public service – healthcare – with a focus on distance-related problems, the role of public transport and the impacts of the crisis. In discussing neighbourhood problems, the focus is on country-comparisons and the role of income.

**Access to healthcare**

Distance from the doctor’s office, hospital or medical centre made it either a ‘little’ or ‘very’ difficult to access a doctor or medical specialist for 27% of people living in a village or in the countryside, compared with 21% in more urban areas. Such access difficulties are common among people who reported having ‘great’ or ‘some’ difficulty accessing public transport (but who do use it), regardless of whether they
live in a rural (41%) or an urban (40%) area. People who reported no access problems with regard to public transport were least likely to experience difficulties in accessing healthcare services because of distance, especially if they lived in urban areas (15%), but also if they lived in rural areas (20%).

This suggests public transport can facilitate access to healthcare. Problems are not confined to rural areas, but are also found in urban areas with little access to public transport. People who reported that they did not use public transport were also more likely to report distance-related access problems, especially in rural areas (24%) but also in urban areas (21%). Thus part of the difference between urban and rural settings can be explained by people reporting limited access to public transport more often in rural (26%) than in urban areas (11%), as well as by the high proportion of people not using public transport in rural (17%) compared with urban (10%) areas.

**Impacts of the crisis on access to healthcare**

The crisis has had an impact on access to healthcare, although this has not been fully captured in the 2011–2012 EQLS data. There are indications that closure of healthcare services in certain rural areas has clearly affected access (Eurofound, 2014). Sometimes, however, access has been maintained by establishing ‘replacement services’ after a hospital closure such as scaling up general practitioner services or establishing an emergency unit, or implementing or strengthening e-healthcare allowing for digital diagnosis and triage, or setting up healthcare information lines and websites. Examples can be found in Bulgaria, Hungary, Romania and Sweden (Eurofound, 2014). The crisis has also made distance-related access problems to healthcare more of an issue, because of increased public transport costs for users (reduced public funding), reduced incomes and closure of healthcare services. Comparison of 2007 and 2011–2012 findings already shows that rural areas have seen increased difficulties in access due to distance overall, especially in Estonia, Germany, Greece, Malta, Slovakia and Slovenia.

**Neighbourhood issues**

The EQLS includes information about six different problems that people may experience in their immediate neighbourhood: ‘litter or rubbish on the street’; ‘noise’; ‘traffic congestion’; ‘air quality’; ‘quality of drinking water’; and ‘crime, violence or vandalism’. Earlier analysis finds that differences between urban and rural areas within a country can be larger than differences between countries (Eurofound, 2012). For example, Greece, Lithuania and Poland are among the countries with the largest number of reported neighbourhood problems on average. Nevertheless, in rural areas in these countries, the average number of neighbourhood problems was less than the country average even for the best-scoring country (Finland) and well below the EU28 average for rural areas. Only for quality of drinking water did differences between countries tend to be larger than between urban and rural areas.

One group of Member States had relatively few problems overall but with considerable problems in urban areas (Austria, Portugal, Slovenia). A second group had a high mean number of neighbourhood problems, especially stemming from problems in urban areas (Bulgaria, Czech Republic, Greece).
Role of income
High income is a proxy for living in a more prosperous urban neighbourhood or rural area. It may also include rich people living in poor areas who are unlikely to experience the same quality of life issues as their poorer neighbours.

In the EU28, a similar proportion of people in the highest income quartile in their country experienced at least four of the six neighbourhood problems (29%) as among people in the bottom income quartile (30%). This can partly be explained by the fact that people with high incomes are concentrated in urban areas where neighbourhood problems are more common. Among people who live in medium or large towns, those in the top income quartile reported more than three problems (28%) less often than those in the three bottom income quartiles, where proportions ranged from 33% for the bottom income quartile to 32% for the second highest income quartile. Among people who lived in small towns or villages, those in the top income quartile also reported many problems (18%) less often than those in the other three quartiles, where proportions ranged from 23% in the bottom quartile to 21% in the second highest quartile.

Income differences are less apparent in cities or city suburbs ranging from 39% in the second highest to 41% in the second lowest quartile. The similar proportion among top income earners (40%) may relate to high-income earners being concentrated in city centres. The same holds true for the open countryside where proportions of households reporting four or more problems range from 9% in the second lowest quartile to 13% in the top quartile. The low proportion among people in the lower quartiles may be explained by these people living in particularly remote areas.

Impacts of the crisis on ability to make ends meet
The economic and financial crisis has worsened various aspects of quality of life with higher unemployment levels, higher proportions of households having difficulties making ends meet and reduced trust in institutions (Eurofound, 2012). In this section, the focus is on the ability to make ends meet, where a shift with regard to the urban–rural dimension can be observed.

Overall, the proportion of people in the EU28 reporting difficulties making ends meet increased between 2007 and 2011, especially among people in the bottom income quartile (Figure 7). This applies to both rural and urban areas. In 2007, people living in households in the bottom income quartile in rural areas more often reported difficulties making ends meet (36%) than people in the same income group in urban areas (30%). While both proportions increased during the crisis, the difference between them has fallen, given the increase of eight percentage points in urban areas and four percentage points in rural areas. This finding is likely to be related to cost of living increases.

Furthermore, while in rural areas the increase in proportions reporting difficulties has been restricted to households with the lowest income, in urban areas there has also been an increase of four percentage points among households in the second lowest income quartile reporting difficulties, making this income group similarly likely to report difficulties making ends meet whether they live in a rural or an urban area.
Figure 7: Proportion of people having difficulties making ends meet, 2007 and 2011, EU28 (%)

Source: Second and third EQLS
The research reveals major diversity between urban and rural areas, and also within urban and rural areas in EU Member States. It is important to look beyond the rural versus urban dimension, and to be cautious in generalising about quality of life issues for both areas.

It is also essential to avoid stereotypes about people who live in urban and rural areas. For example, ‘rural’ should not be equated with ‘agriculture’ and hence the focus of development should not only be on farming (Eurofound, 2007). The data presented show that, even among people who live in the open countryside, most do not work in agriculture. A similar argument can be made for level of educational attainment and age. It is more appropriate to think in terms of diverse groups, sometimes clustered geographically, within urban and rural areas.

Another generalisation dismissed here is that of comparing those countries that joined the EU before 2004 and those that joined since 2004. Different clusters of countries were identified depending on certain aspects of quality of life.

There are complex patterns in the differences in various dimensions of quality of life in the EU. For some dimensions, urban–rural differences are pronounced even when looking at the EU28 average (neighbourhood problems, trust in local government), while in others they are not (life satisfaction, health). For certain dimensions, the crisis has increased the similarities between urban and rural areas. For example, there was a strong increase between 2007 and 2011–2012 in the bottom half of the income distribution of people in urban areas reporting difficulties making ends meet, bringing the proportion on a par with rural areas.

Problems accessing healthcare due to distance are more often found in rural than in urban areas. Access to the internet and public transport can improve access to healthcare services, as well as cultural and social services. Effective e-tools may address several issues in rural areas, including access problems due to distance and stigma. Nevertheless, over-reliance on e-tools risks making the situation of those excluded from the internet even more
vulnerable, and for certain services it may not be a suitable option.

Neighbourhood problems are more common in urban than in rural areas. Some of the common problems such as noise and litter should be kept in mind when designing services and urban spaces. There is also major diversity even within urban areas within Member States, and there are groups of people in rural areas experiencing many neighbourhood problems. Well-disseminated options for citizen input may solve particular problems which, if addressed, can improve quality of life and enhance trust in local government.

Complex patterns emerge in terms of differences within urban and rural areas, with inequalities in these areas varying for different quality of life indicators. For Denmark, the third EQLS found the largest diversity in urban and rural areas was for social exclusion but not for deprivation. And Latvia and Slovakia have among the highest scores in the deprivation index in urban areas, but among the lowest scores in the social exclusion index. In Greece, in rural areas deprivation is more common than in urban areas, while social exclusion is more common in urban areas. In Slovakia, a larger proportion of people have low trust in local governments in urban areas, while dissatisfaction with life is more common in rural areas.

Differences in deprivation across Member States can mostly be explained by groups with high deprivation. There are few differences among the 50% of the population ‘least’ deprived in both urban and rural areas across countries. In some countries, however, deprivation is greater in rural areas and in others it is greater in urban areas. This conclusion, and the ones presented above, may not necessarily require policies specific to rural or urban areas. Well-implemented generic policies may be sufficient. For example, policies aimed at efficient use of energy by households can benefit people struggling to pay utility bills in both urban and rural areas. While they can be generic policies, with equal access for those living in urban and rural areas, energy efficiency of housing is more often a problem in rural areas (European Commission, 2011) which means that people living in rural areas may just make more use of these generic policies.

Social exclusion is an issue for both urban and rural areas. There is more variation within urban and rural areas than between them. So, again action is needed in both areas. Nevertheless, a specific urban or rural dimension may still be needed in policies addressing social exclusion. Social exclusion in some rural areas might be caused by their particular remoteness. This could be addressed with enhanced accessibility of high-speed transport or with greater social integration through information and communications technologies. In cities, social exclusion may more often stem from other barriers which exclude people from community life and which require different solutions.

The large difference in trust in local government between the half of the population giving the lowest scores and the half giving the highest scores, especially in rural areas, suggests that there are a number of local governments with a particularly bad reputation or that there are large groups whose interests are not well represented. A redesign of the institutions in these areas may be needed.

Overall, the map of urban–rural differences between and within countries, as well as that of inequalities within urban and rural areas, is complex in terms of different aspects of quality of life. This emphasises the idea behind the ‘Beyond GDP’ agenda (European Commission, 2009). A narrow focus on economic performance may leave many aspects unaddressed which Europeans consider important for their quality of life. Furthermore, regional policies may be effective in improving regional cohesion, but risk leaving unaddressed disparities within regions, for example between urban and rural areas.
Further reading

All Eurofound publications are available at www.eurofound.europa.eu


‘Regional policy is a strategic investment policy targeting all EU regions and cities in order to boost their economic growth and improve people’s quality of life. It is also an expression of solidarity, focusing support on the less developed regions.’

Johannes Hahn, European Commissioner for Regional Policy, The European Union explained: Regional policy, 2014

Foundation Findings provide pertinent background information and policy pointers for all actors and interested parties engaged in the current European debate on the future of social policy. The contents are based on Eurofound research and reflect its autonomous and tripartite structure.