

# The economics of 'Place'

## An Ageing-in-Place Perspective

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**What's next...**



# Economists and place

Adam Smith – Observed Trade Explained the prosperous city

Marshall – inherit natural advantages, people, resources

Hayek – “times and place” a distinct information set.

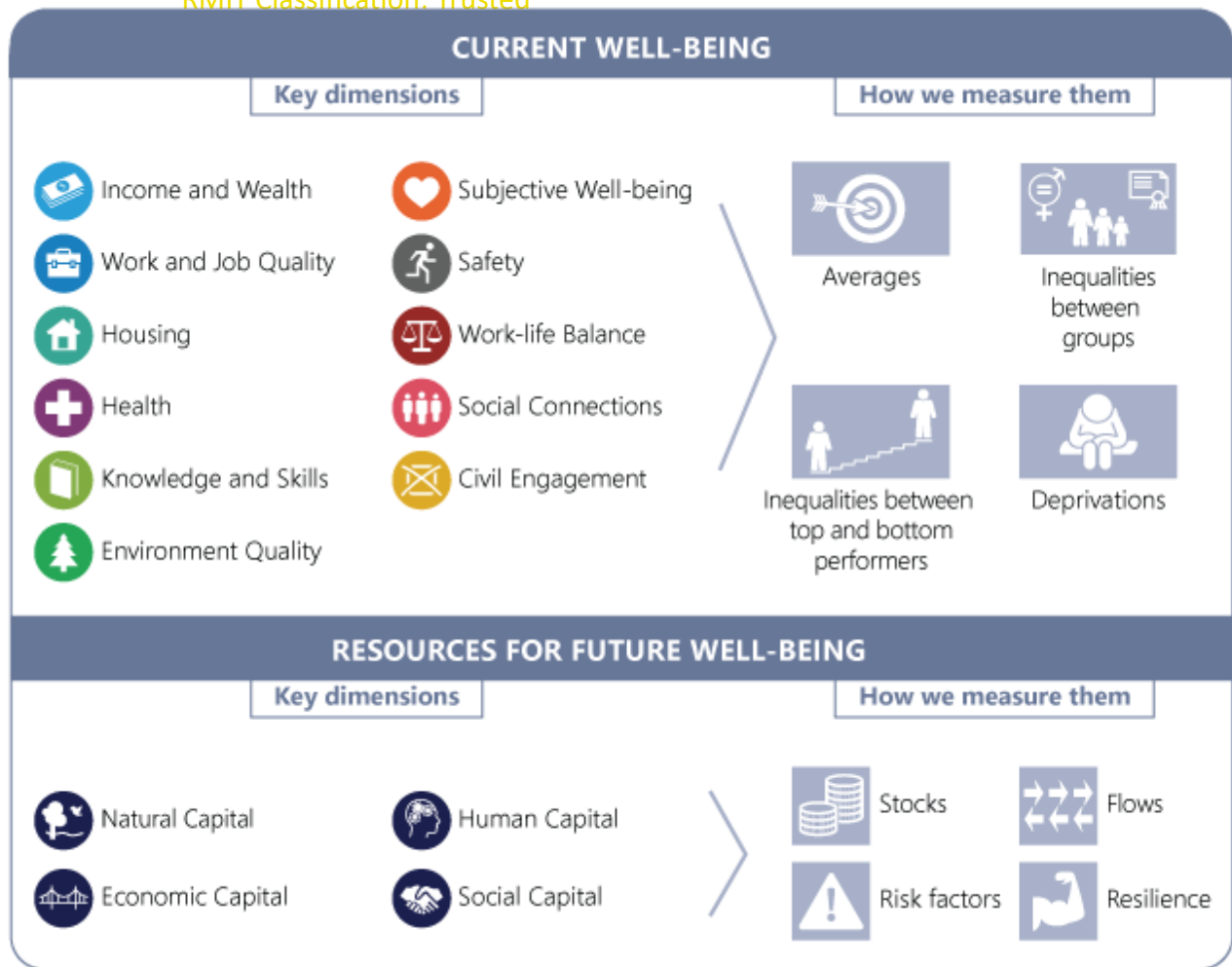
Jacobs (Agglomeration) - the impact of knowledge spillovers

Krugman, New economic geography – neo-classical models of trade

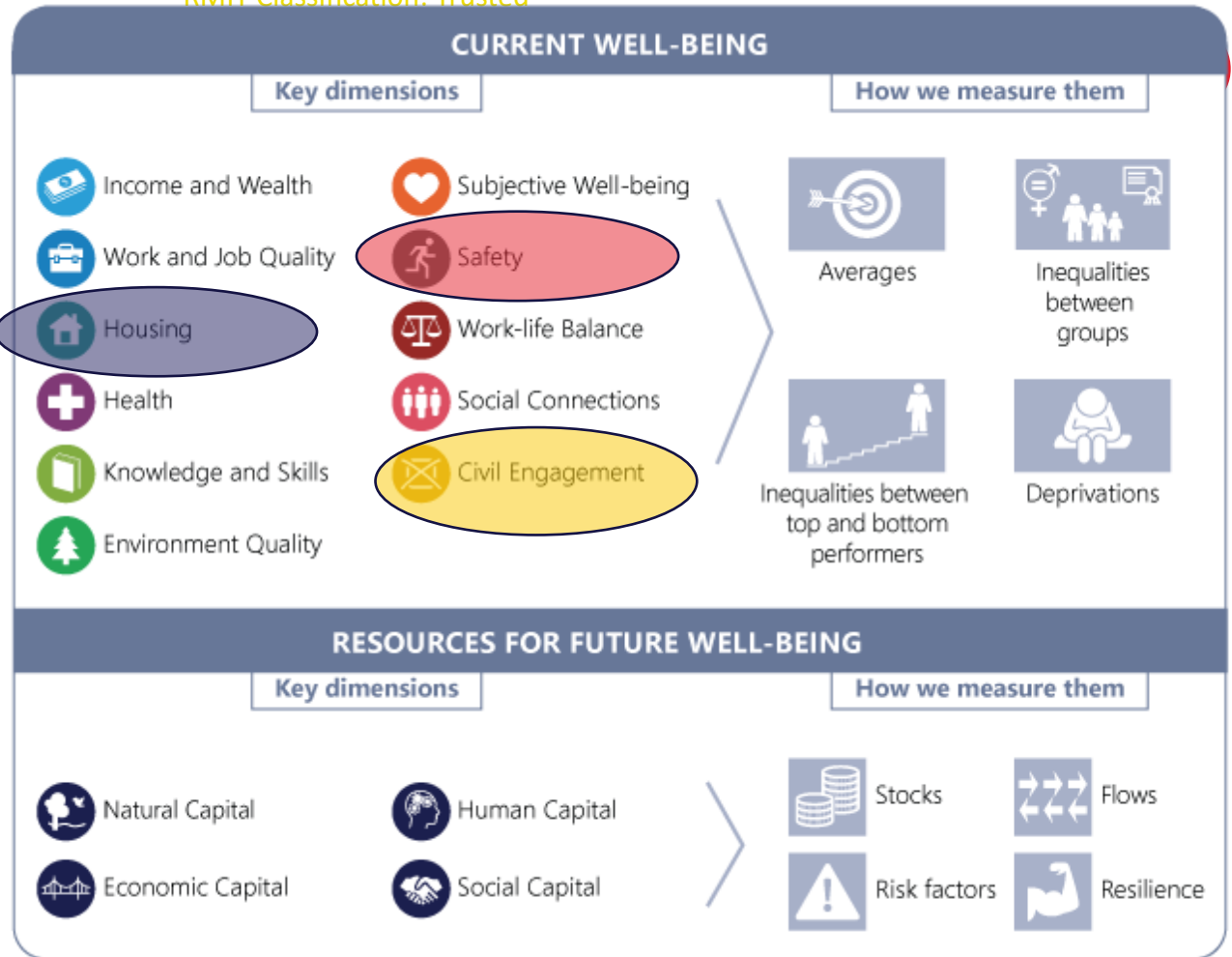
Evolutionary economics (path dependence) – explained uneven place development

Diversity – resilience to shocks (Glaeser)

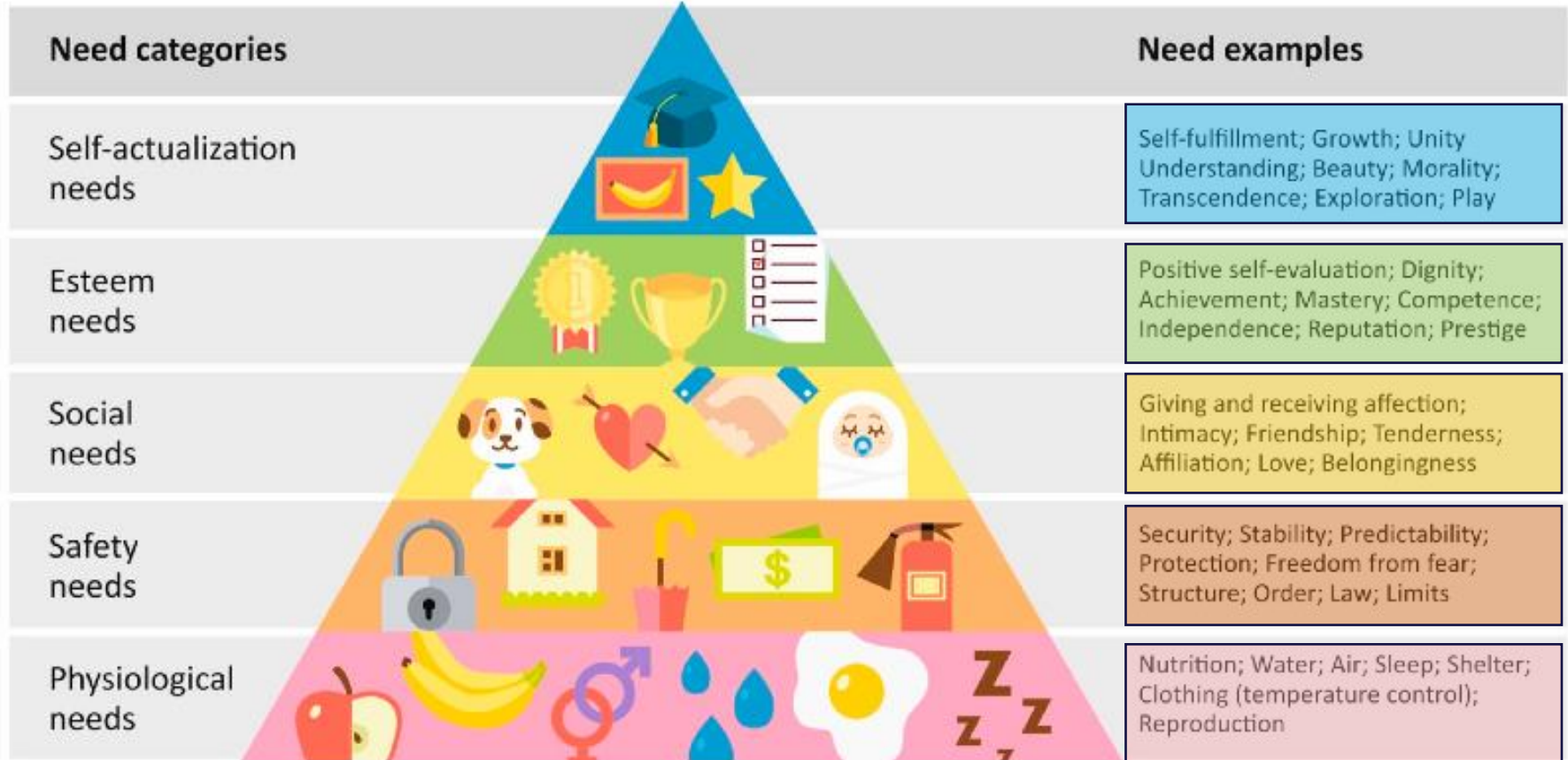
# OECD's wellbeing framework



# OECD's wellbeing framework



# Maslow – Hierarchy of need





# Place – how it can be defined.

Typically:

- SA levels
- Regions: Metropolitan, Regional and Remote
- Countries
- Groups of Countries

## Place

Place is best defined in collaboration with local people to identify a geographical area that is meaningful to them on an economic, social, governance or environmental level.

In regional development settings, a 'place' might be a region or a larger area where economic, social governance or environmental trends interact (for example, South East Queensland).<sup>1</sup>

At a localised level, a place might be a suburb or area that crosses defined administrative boundaries, but where locals feel connected to what happens there (such as border communities).<sup>2</sup>

Infrastructure Victoria (2021)



**The definition of *Place is fluid* determined by the interaction of numerous tangible and intangible factors**

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**What's next...**



# A Typology of Place

Place comprising three components

## 1. Resources in place

- Natural Resources and Capital

## 2. People in place

- Community Profiles (i.e., Cultural)

## 3. Life in place

- How individuals relate value to idiosyncratic features of their place. (probably most dynamic)



# Case Study: Ageing in place



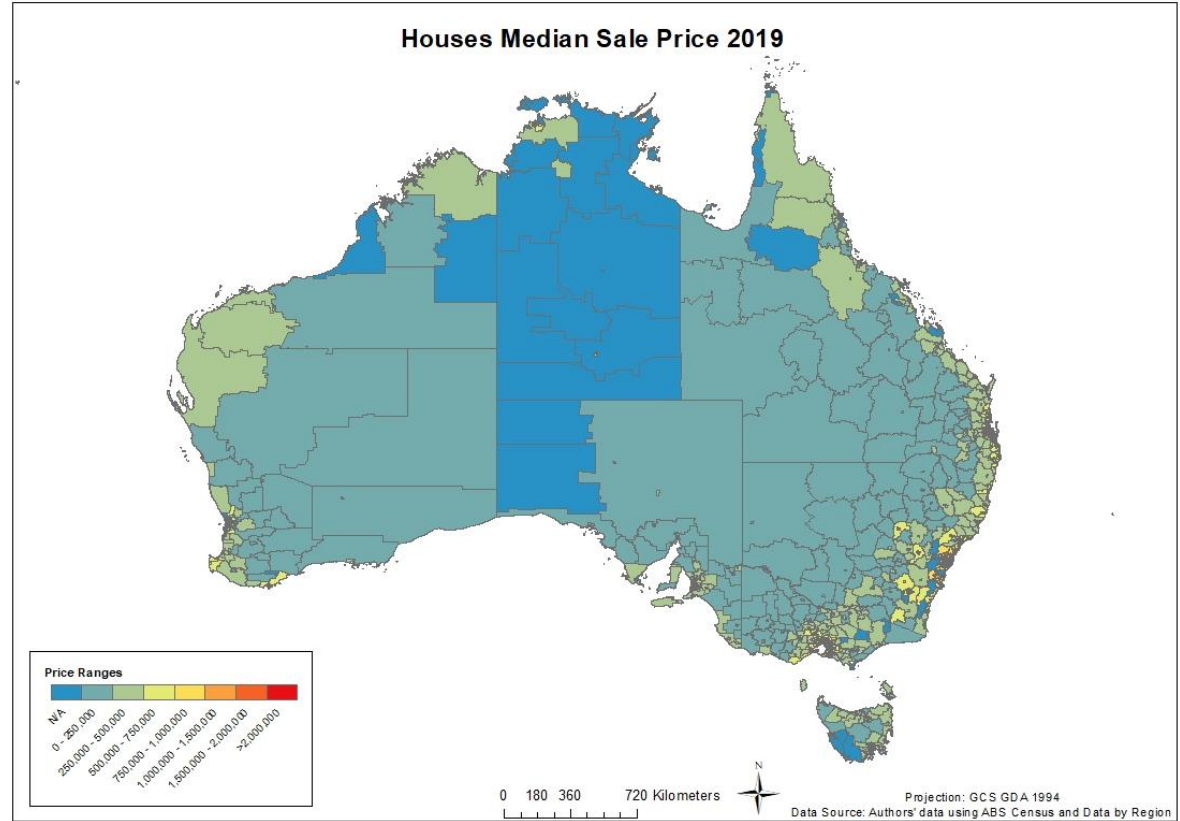
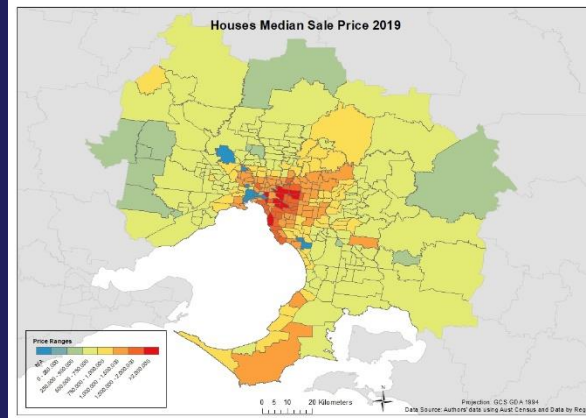
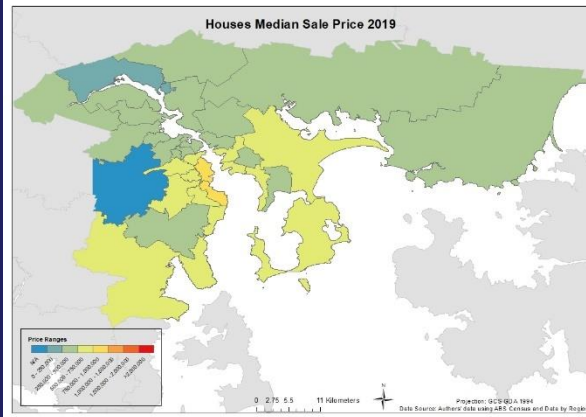
What is it?

- Remaining in situ in retirement years
  - note it does not necessarily mean remaining in the same dwelling

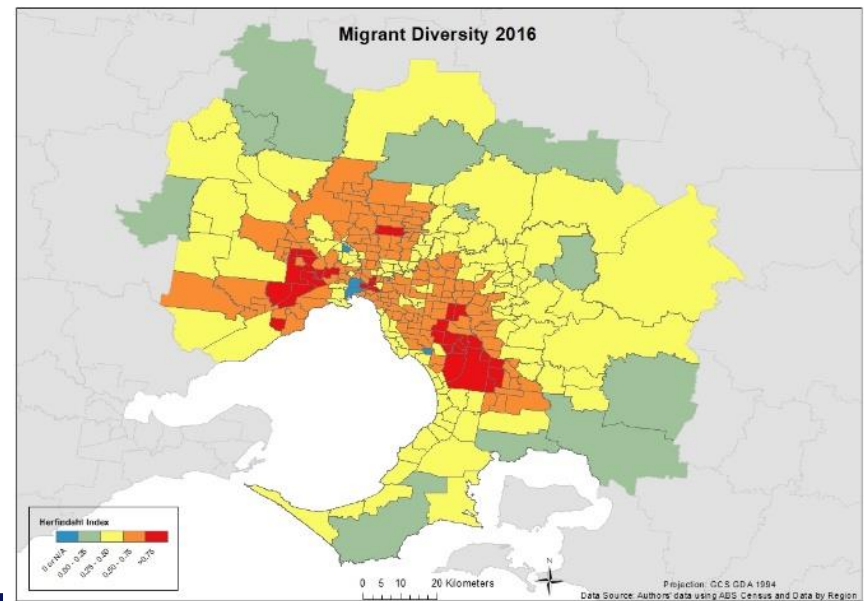
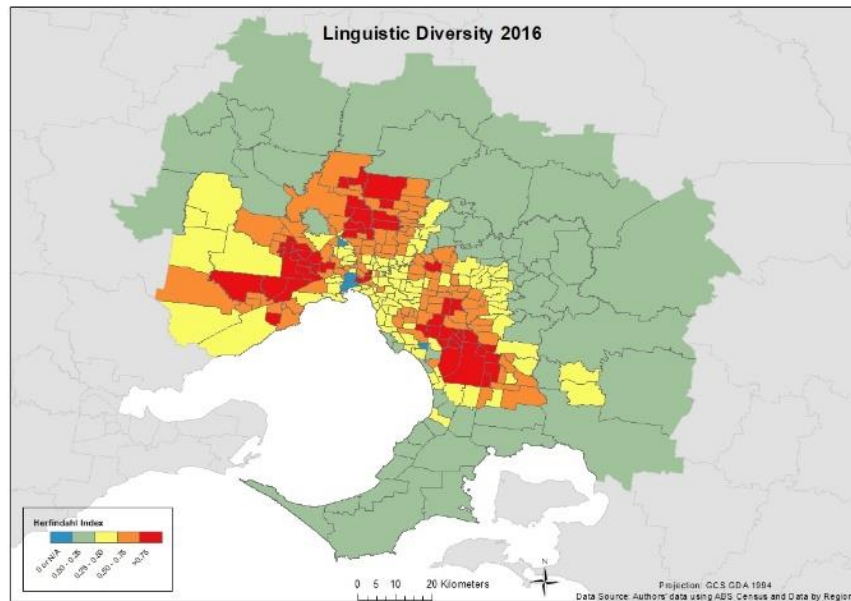
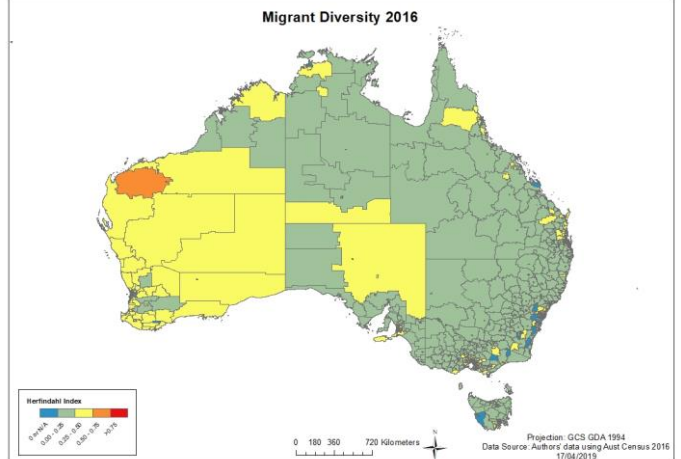
Prior to 2020:

- Ageing in place was desired
- Government initiatives such as the PLS helped this
- Private sector products also facilitated this
  - Financial: Reverse Mortgage & Home Equity Release.
  - Built Form: Boutique Developers

# Resources in Place



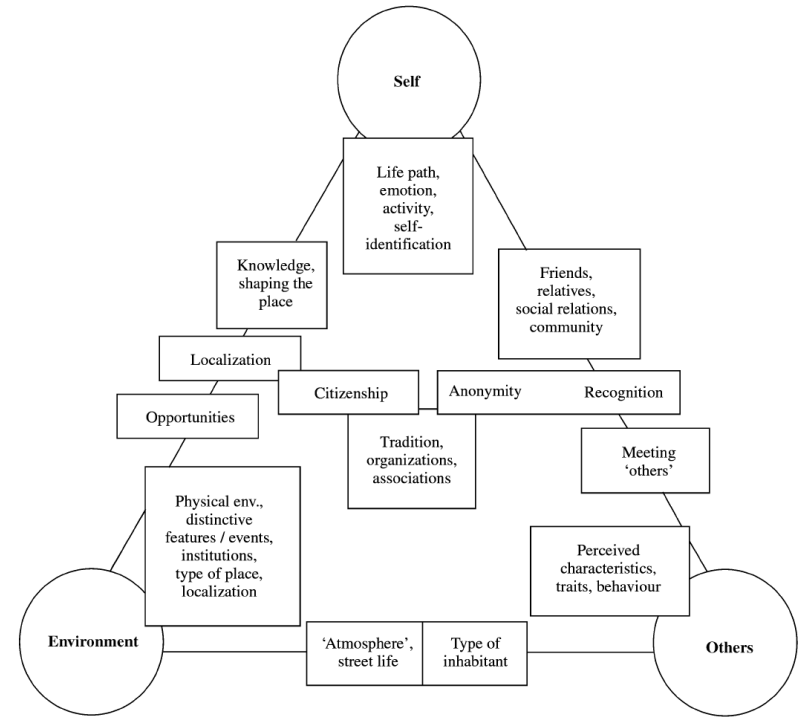
# People in Place





# Life in place

- No more maps!
- Quantitative Techniques can only take us so far
- Qualitative Techniques
  - Blinder, A. S. (1990). Those Learning By Asking Who Are Doing. *Eastern Economic Journal*, 16(4), 297–306.
  - Mahoney, J., & Goerts, G. (2006). A tale of two cultures: Contrasting quantitative and qualitative research. *Political Analysis*, 14(3), 227–249. <https://doi.org/10.1093/pan/mpj017>
  - Grove, H. (2021). Ageing as well as you can in place: Applying a geographical lens to the capability approach. *Social Science and Medicine*, 288(August 2020), 113525. <https://doi.org/10.1016/j.socscimed.2020.113525>



Gustafson, P. (2001).

# Conclusion

- Place matters!
- Spatial levels Matter
- Place, irrespective of what spatial unit, is complex
- Some important place characteristics cannot be measured quantitatively
- Policy future - co-design

