

Structures, Processes, Policies

Spatial Development in Sparsely Populated Areas

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Established in 1997 by the Nordic Council of Ministers

- Providing knowledge that enhances Nordic cooperation and strengthens the Nordic countries while acting in a global context
- Development of policy-relevant and evidence-based knowledge concerning territorial development



Photos: Karin Beate Nøsterud/norden.org, VisitDenmark, Nicolai Perjesi



Nordiska Ministerrådet









Nordic Working Group on Demography and Welfare

- Mapping demographic challenges
 - Creating shared, pan-Nordic knowledge
- Mix of sectoral policies at national level
 - But difficult for the national level to develop territorially differentiated initiatives
- Best practices of local initiatives
 - Importance of Nordic municipalities in delivering welfare (e.g. provision of services of general interest)
- Nordic Demographic Programme



Common to both is the ideological mantra that intentional action should be doubly anchored; one fluke in the facts of scientific knowledge, the other in the norms of utilitarian ethics – in essence, a social democratic reformulation of the Marxian maxim that while the philosophers are trying to understand the world, the real point is to change it.

Gunnar Olsson, *Nordplan and Nordregio*, in International Encyclopedia of Human Geography, pp. 469-472



Outline

Demography in context

Spatial Structures & Dynamics

Rural economies in transition

Development policies –

Policy developments





Demography in context

Global issue,

National concern,

Local implications.









Demographic change

Figure 2.1: Total population change in the Nordic Countries in relation to the Nordic and EU28 averages.



Figure 11: Population change in the Nordic countries 2001-2011





Rural decline: the dark side of urbanization

- Affects essentially remote rural areas -> thinning out
- Imbalances in the population and employment structure <u>within</u> remote rural regions (ex: Västerbotten/Umeå case)
- Does not affect all demographic categories equally
- Generates imbalances in the labour-market in addition to overall shrinking
- Lack of critical mass for delivering efficiently basic services, both in terms of quality and cost



Spatial Structures and Dynamics





The Nordic Space

Sparsely Populated Areas are a defining characteristic of the Nordic space



Figure 1.1 Schematic typology of Nordic spaces (Erik Gloersen)

Sparsely Populated Areas - Access to MUAs



Delimitating SPA

- Not a question of *average* population density of regions (NUTS3)
- Perception of relative isolation of individual communities
- Getting a more accurate picture or territorial dynamics
- Basis for informed spatial development policies
- A (measurable) definition: places for which the population reachable within 45 min is below 100.000 inh.





Demographic change = policy shift?

Growing regional centres on the coast

+

Declining settlements in the hinterland

=

NSPA are becoming simultaneously more urbanized and more sparse





Ageing







0

issociation for the administrative boundaries

EU-28 = 3.39 HR: 2002-2011

Source: Eurostat

REGIO qis

500 Km

Rural economies in transition



Employment in Manufacturing



Spatial shift of industrial activities

Demographic shift is also a spatial shift in the geographical distribution of jobs

Table 3: Produced added-value by small firms (5-49 employees) in the manufacturingsector (SNI 2007 10-45) between 2004 and 2008

	Produced added-value (in millions of SEK)			
	2004	2008	Annual average	
			growth 2004-08	
Sweden	466 145	653 370	9,8%	
Norrland*	25 225	44 583	15,3%	
urban municipalities	10 204	22 482	21,8%	
non-urban municipalities	15 021	22 101	10,1%	

* combined Västerbotten and Norrbotten counties

Source: National Statistical Office Sweden (SCB)



EUROPEAN UNION Part-financed by the European Regional Development Fund INVESTING IN YOUR FUTURE Source: Geospecs 2011 Origin of data: NSIs © EuroGeographics Association for administrative boundaries

Transitional Labour Market



After Günther Schmid (1999) and Lars-Olof Persson (2005)





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HUMAN RESOURCES INTERFACE

(1)







HUMAN RESOURCES INTERFACE

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Entering the labour-market

- Young adults that have studied in the region will start a professional activity in the region
- Persons previously outside the labour force (either employed or unemployed) will enter the labour-market. Typically, it could be women that are starting a professional activity after years being a housewife

Other persons previously unemployed will find a job

Some other persons will enter the region, from another domestic region or abroad, to work

Some persons employed in the region will change jobs to a better job in another region

A certain number of young adults that left the region for studying in another region/country will come back to the region for strating their professional activity



HUMAN RESOURCES INTERFACE

3

	Leaving the labour-market	
-	Adults in age of retiring (between 60 and 65 depending on the country) will retire and stay in the region	
Ļ	Adults that were brought up in the region but left to another region/country for their professional activity will come back for spending their retirement (return migration)	
t	Elderly people will leave the region during their retirement to another region/country with more adapted quality of life (e.g. old Swedes settling in southern Spain)	
Ļ	Elderly people previously settled in another region/country will come to the region to spend their last years of their life	; O opment

Measuring mobilities

- Increased mobility across countries, regions and localities makes it difficult to develop coherent long-term strategies at the *local level*
 - How to influence the sum of individual choices that create societal challenges
 - Varying spatial and temporal aspects of mobilities impact the need for accessibility: commuting, migration, vacation, business trips.



Mobility flow imbalances







A new exodus?



Negative net migration in NSPA is the result of relatively small imbalances in considerably larger in and out flows.

Political action focusing on these flows may lead to a positive net migration.





Who moves out?

- Young adults from the main cities
- Families with children in Norway
- Elderly people from Swedish countryside





Who moves in?

- Young adults to the main cities
- Early retirees to the countryside
- Families with young children in Norway and some other secondary cities



Development Policies - Policy Developments



Why is sparsity a challenge for regional policy?

A clear objective: Territorial Cohesion

people should be able to live wherever they want

"securing better living conditions and quality of life with equal opportunities irrespective of where people live"

A new motto: Territorial Diversity

"competitiveness and prosperity depend on the capacity of the people and businesses located there to make the best use of all of territorial assets."

Green Paper on Territorial Cohesion (2008)





Source: Copus 2001:540

Core-Periphery in a nutshell

"For both geographers and economists alike the world is becoming more 'spiky', peppered with economic agglomerations separated by ever growing economic 'deserts'" (Rodríguez-Pose, 2011, 351).

- Economy 'peripherality' can be conceived as a spatial theory linking geography and economic process (Anderson, 2000).
- Power peripherality refers to the condition of being at the edge of a communication system and to the perception of being marginalised and distant from decisionmaking centres. (Anderson, 2000)
- Dependence "rurality and remoteness from markets has generally been defined with respect to a single, central market" (Ward and Hite, 1998).
- European Spatial Planning relates to the locational disadvantage of being located far away from the continent's major markets (Keeble et al. 1982; 1988)" -> low 'market potential' (Crone, 2012)





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90 - 99

100 - 109 >= 110

The three C's

- Competition between cities and regions
- Urban-Rural continuum
- Rural areas are deemed as uncompetitive in this normative agenda
 - Rural Development becomes a corollary of Urban Development (focus on urban-rural partnerships)
 - Shadow areas of urbanurban connectivity (Richardson, 2000, p.58)
- Transport infrastructure
 - symbolic linkages that usually have little (positive) economic impacts





EU Policies with impact on Rural Regions

- Cohesion Policy
 - Investments at the regional level
 - Implementing the Europe 2020 Agenda
 - Promoting regional performance
- Common Agricultural Policy
 - Supporting the primary sector (Pillar I)
 - Supporting diversification (Pillar II)
 - Supporting local constellations of actors





Regional Development: friend or foe?

- Regional development policies
 - Fragmentation of rural space
 - Institutional marginalization
 - No leverage for holistic spatial planning approaches
- Functional rural spaces:
 - interdependencies, not dependencies from regional centres
 - Regional enlargement



Cluster analysis of employment in Nordic LAU2

Multiscalar Analysis of Employment in Nordic SPAs

Primary Sector Manufacturing NACE A. B. C + E NACE D Sparse territories Employment in selected sectors (NACE) Localities above 150% Hotels and restaurants This map does not necessarily reflect the opinion of the ESPON Macro Meso Local NACE H deviation deviation deviation nitoring Committe Х Х Х Х Х Х Х Х Х Х Х Х Macro = all Nordic localities studied Meso = Localities belonging to the same Sparse Territor Local = Neighbouring with studied localities egio GEOSPECS 20 ROPEAN UNION Source: Geospecs 2011 ESP art-financed by the European Regional Development Fund IVESTING IN YOUR FUTURE Origin of data: NSIs ation for administrative houndaries ranhice Acco Energy Trade and Business Services Mining Agriculture, Construction and Finance Agriculture, Forestry and fishing Manufacturing No data Hotel and Restaurant; Personal Services

Acknowledging Diverse Peripheries

The periphery is not homogenous in socio-economic terms

- What is the main characteristic of SPA? Their distance to urban centres, or their own socioeconomic profile?
- Peripheries do change



Refined typologies of the *Nordic* Rural Spaces (much) needed



From Martin Hedlund (2014): Mapping the Socioeconomic Landscape of Rural Sweden: Towards a Typology of Rural Areas, Regional Studies



Smart Specialisation(s?)

- What role can innovation play for rural development?
- The bioeconomy
 - New products and markets for traditional outputs
 - Green energy production
- The circular economy
 - New activities bringing an additional added-value to the local economy
- The knowledge economy
 - New competences and skills based on human capital, not natural resources
- New Rural Economy
 - Diversified, 'urban-like' economies on a smaller scale





The New Rural Economy

- What is the place of rural areas in a globalized economy?
 - Integration of rural areas in internal patterns of migration
 - Rural businesses present in global markets
- Knowledge as the primary economic commodity for rural areas
 - "smaller but more entrepreneurial" (Nuur and Laestedius, 2010)
 - Rural areas as a place for knowledge production and experimentation



(Re-)constructing peripherality

- One core-one periphery -> multiple peripheries connected to multiple cores
- Rurality should not be constructed as the 'in-between' spaces of urbanity. Rural spaces have a socio-economic logic of their own.
- European spatial policy process is seen as being as much about politics and power as it is about rational policy-making. (Richardson, 2000, p56)
 - What is the place of the rural in modern regional policymaking?



Is sparsity the future of Europe?



Sparsely populated areas are gaining ground

Norden as a testing ground for spatial development policies

- SPA are likely to be more numerous and widespread in the future
- In Europe, shrinking regions or localities are not the exception, but the norm: concentration of population benefits few large metropolises

From locational disadvantage to territorial potential



Wrapping-up

- Overcome the institutional fragmentation of SPA
 - Thinking beyond the urban-rural continuum and geographical contiguity as organizing principles of the Nordic socio-economic spaces
 - within, between and beyond sparsely populated territories
- Dual development strategies need to better integrate the urban and sparsely populated components
- Mainstream inter-municipal initiatives beyond regional and national administrative borders
 - Functional territories: better synergy effects between regional and local development strategies across different regions
 - Take advantage of the long-standing cross-border cooperation Finland-Norway-Sweden
- The natural resource-knowledge conundrum
 - Sourcing new skills and competences



Enjoy the symposium!

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