

Rural Shrinking – what have we learned, and how does it relate to the Green Deal and Just Transitions?

Key findings and some reflections based on ESPON ESCAPE

European Shrinking Rural Areas:
Challenges, Actions and Perspectives for Territorial Governance

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1. About ESPON ESCAPE

- Applied Research Project funded by **ESPON** (European Territorial Observatory Network – ERDF Funded – Evidence to support Cohesion Policy)
- **Duration** 18 months (March 2019 – September 2020)
- **Consortium:**
 - University of Eastern Finland – Karelian Institute (FI)
 - The James Hutton Institute (UK)
 - Hungarian Academy of Sciences (HU)
 - University of Valencia (ES)
 - Federal institute for less favoured & mountainous areas (AT)
 - Nordregio (SE)
 - TEAGASC - Agriculture and Food Development Authority (IE)
 - University of Zagreb (HR)
 - University of Sofia (BG)
 - University of Cracaw, (PL)
- **Objective:** *“This project focuses upon European rural regions experiencing or threatened by demographic decline. The central objectives are to understand the process(es) driving shrinkage, map the heterogeneity within this group of regions, and devise intervention logic(s) for more appropriate integrated policy approaches, which pro-actively push forward strategies based upon territorial assets and emerging opportunities, whilst recognising the need to ameliorate the effects of some continued decline, and bearing in mind the “intervention tools” available within the EU Cohesion and ESIF policy...”*
- *Intended to contribute to preparation of **Long Term Vision for Rural Areas***



2. ESPON ESCAPE ‘in a nutshell...’

Shrinking terminology originated to describe urban/regional population decline – usually consequence of economic restructuring processes, but the rural demographic issue has a much longer history,... and a variety of (place specific) drivers...

Policy Responses affected by considerations of **Time**, **Space** and **Governance**

- Demography characterised by long-term, slow-running cycles, ... defined and regulated by human life expectancy
- Effects of selective out-migration are “baked into” the age structure for a generation or more, and legacy effects on fertility and mortality rates extend for several decades
- By the time policy makers focus on this its often too late avoid the consequences
- The scale of current/future migration required to compensate for age structure legacy effects is often unrealistic...
- Short term policy cycles and planning are badly suited to provide a medium-long term strategy
- Intervention logics need to systematically reflect the place-specific processes which have driven shrinking
- No single policy field has all the levers, different policies have different objectives, and can work against each other
- Coherence is a tough challenge, - ‘proofing’ may help...



3. Some basic concepts...

Active Shrinking – driven by ongoing migration

Legacy Shrinking – driven by natural decrease, due to effects on age structure of selective out-migration in the past

Simple Shrinking – a purely demographic process – sustained over at least two generations

Complex Shrinking – a wider downward socio-economic spiral which drives simple shrinking

Equifinality

- A concept from systems theory
- Similar outcomes do not necessarily indicate similar causal processes
- Demographic trends embedded in complex socio-economic processes of change
- Every shrinking 'place' has a unique combination of processes in its development path
- ESPON ESCAPE identified 4 key drivers of shrinking:



Economic restructuring



Locational disadvantage



Peripherisation

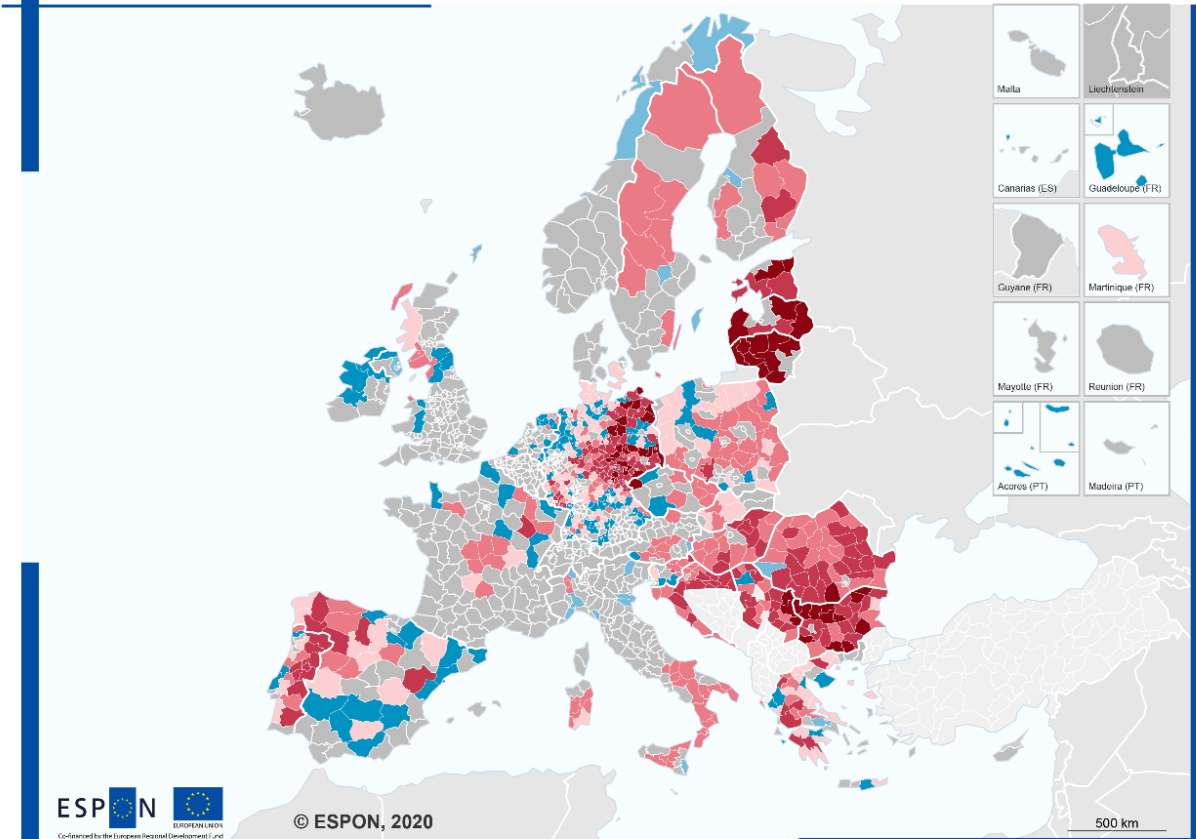


Events and transitions

4. Which parts of Rural Europe are affected?

- Demographic change (NUTS 3) estimated over an approx. two-generation time period (1993-2033)
- Classification based on the duration of the population decrease (one or two generations) and the 'intensity' of shrinking (in relation to the total population)
- Duration:
 - Red = two generations - population decrease in 2033 compared with 1993
 - Blue = one generation - population increase over 1993-2033 period, but decrease in either 1993-2013 or 2013-2033
- Intensity – higher annual rate of change darker shading
- Fairly clear E-W or core-periphery pattern – with the most intense shrinking in the CEECs, Baltic and Atlantic fringe

Chronology of demographic shrinkage



Regional level: NUTS 3 (2010)
Source: ESPON ESCAPE, 2020
© Origin of data: Eurostat, ESPON database, Nordregio 2020
UMS RIATE for administrative boundaries

Rural regions with population decrease in the period 1993-2033

- Experiencing population decrease in both periods 1993-2013 and 2013-2033 at severe annual average shrinking rates (< -1)
- Experiencing population decrease in both periods 1993-2013 and 2013-2033 at moderate annual average shrinking rate (-1 to $-0,5$)
- Experiencing population decrease in both periods 1993-2013 and 2013-2033 at modest shrinking rate ($> -0,5$)
- Experiencing population decrease only in the period 2013-2033 at modest shrinking rates ($> -0,5$)

Rural regions with population increase in the period 1993-2033

- Experiencing population decrease in the period 1993-2013
- Experiencing population decrease in the period 2013-2033

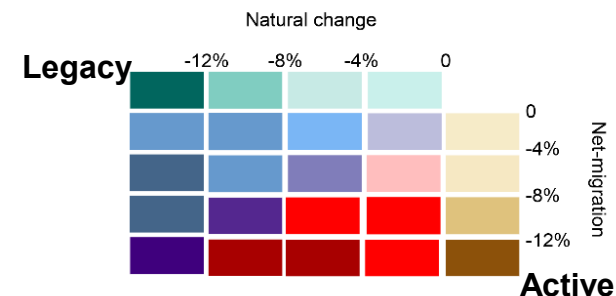
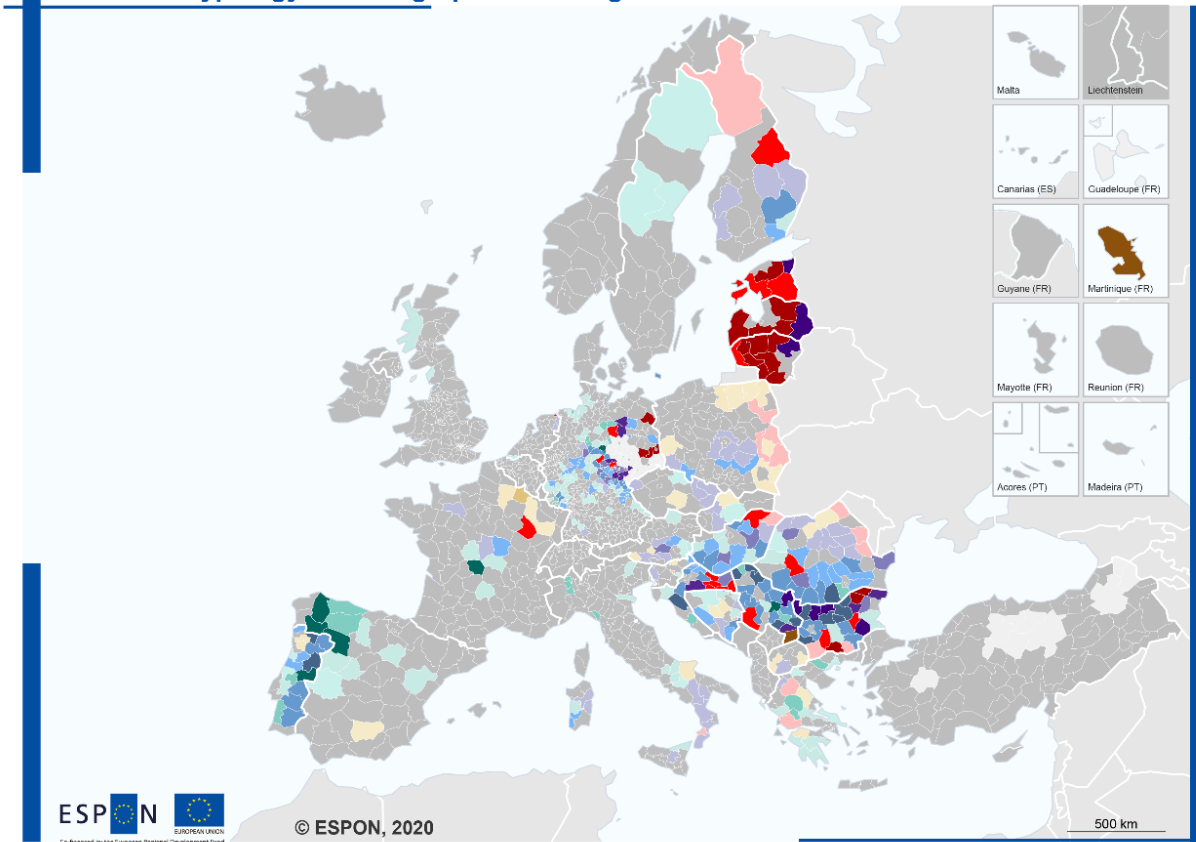
- No data
- Other regions

5. Legacy and Active Shrinking Processes

- In some rural regions (simple) shrinking is mainly driven by legacy effects, in others it is driven by active migration processes
- This map uses demographic component data during a one-generation period (2001-2016) to identify “legacy and “active” shrinking regions
- Active shrinking is evident in the Baltic and in Eastern Europe.
- Legacy shrinking is dominant, e.g. in western Germany, Portugal, Spain, Sweden and the United Kingdom.

N.B. In both these maps many “pockets” of shrinking are invisible because we have used NUTS 3 data.

Structural typology of demographic shrinkage 2001-2016



Other regions
No data

6. Policy Responses...

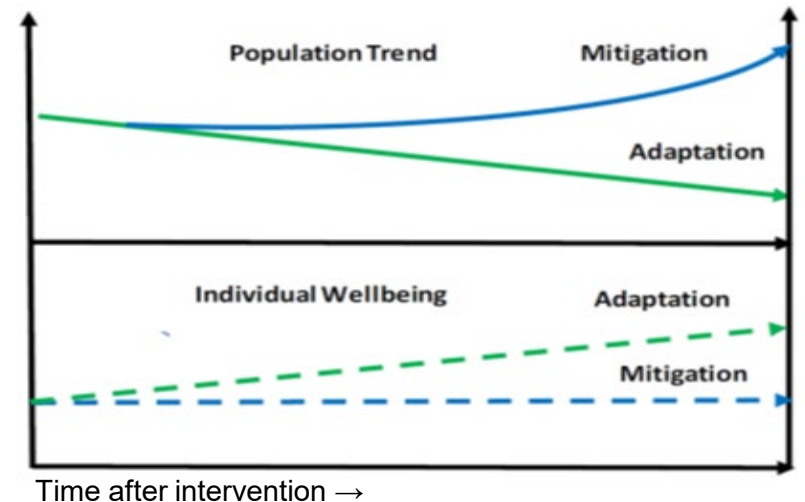
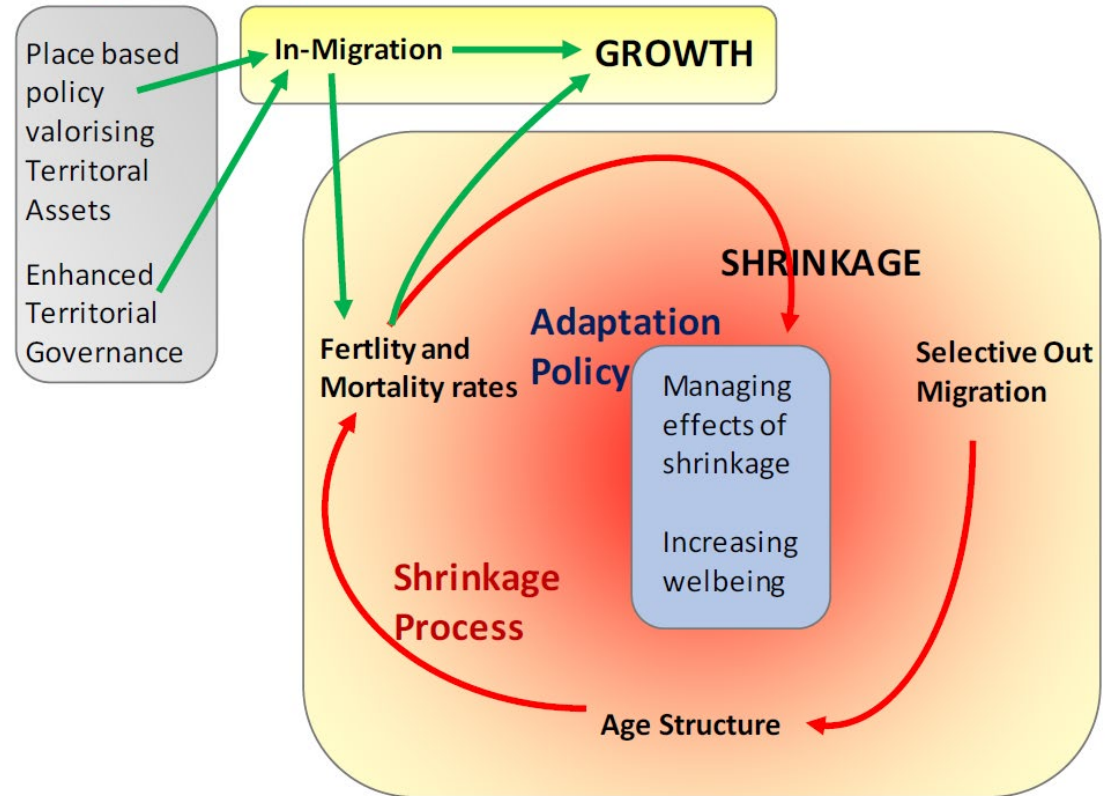
❖ Two generic types of response:

1. **Mitigation** – finding ways to stimulate in-migration

2. **Adaptation** – accepting a degree of shrinking is inevitable, and finding ways to sustain the well-being of the remaining population – sometimes dubbed ‘*smart shrinking*’

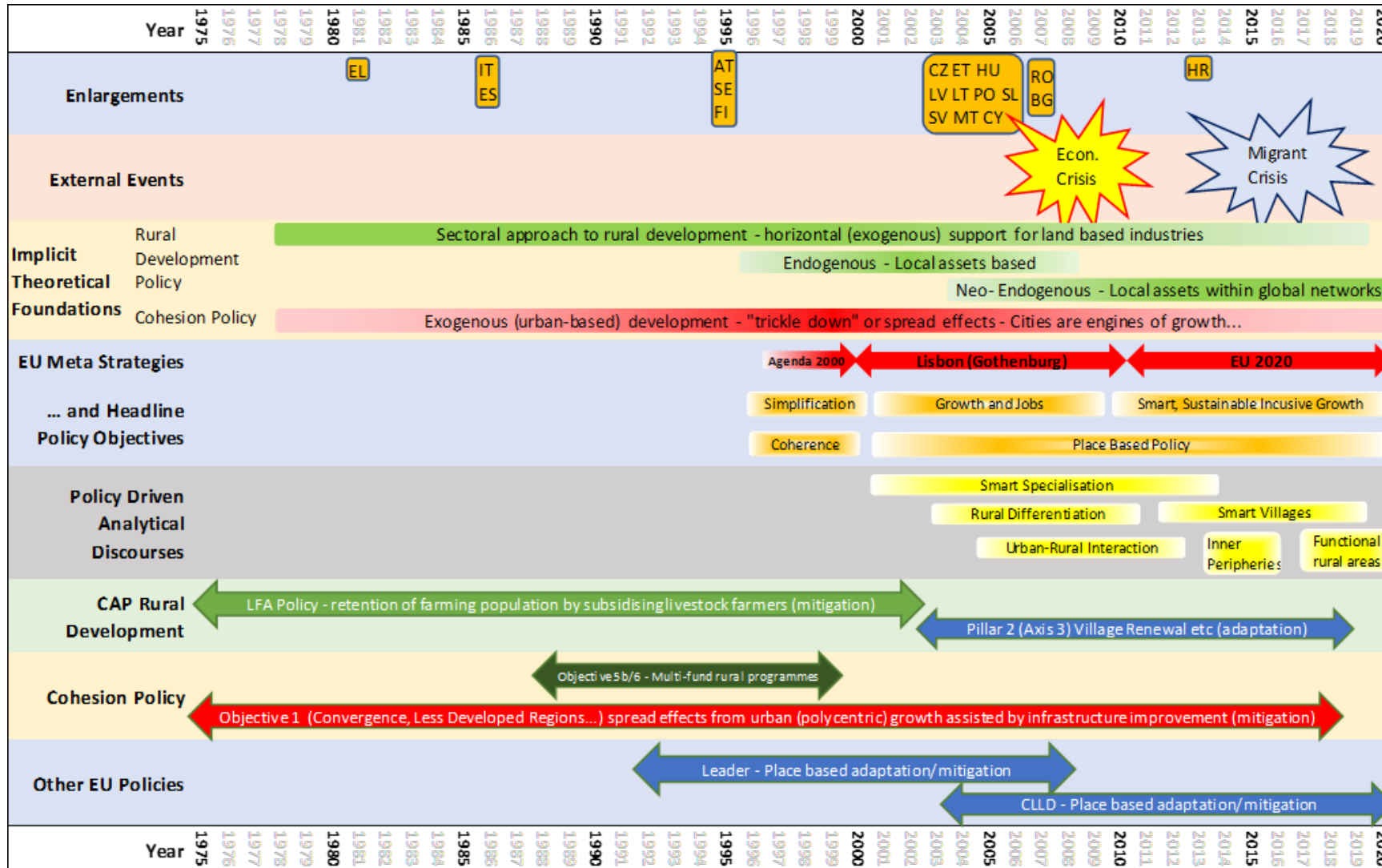
❖ The implication of **equifinality** (particularly if a mitigation response is preferred), is a need to fully understand the unique regional/local combination of processes which have resulted in shrinking – tailored, rather than ‘off the peg’ responses are required

Mitigation Policy



7. Rural population policy is set within a complex and shifting context...

Exogenous and Top Down Endogenous and place based



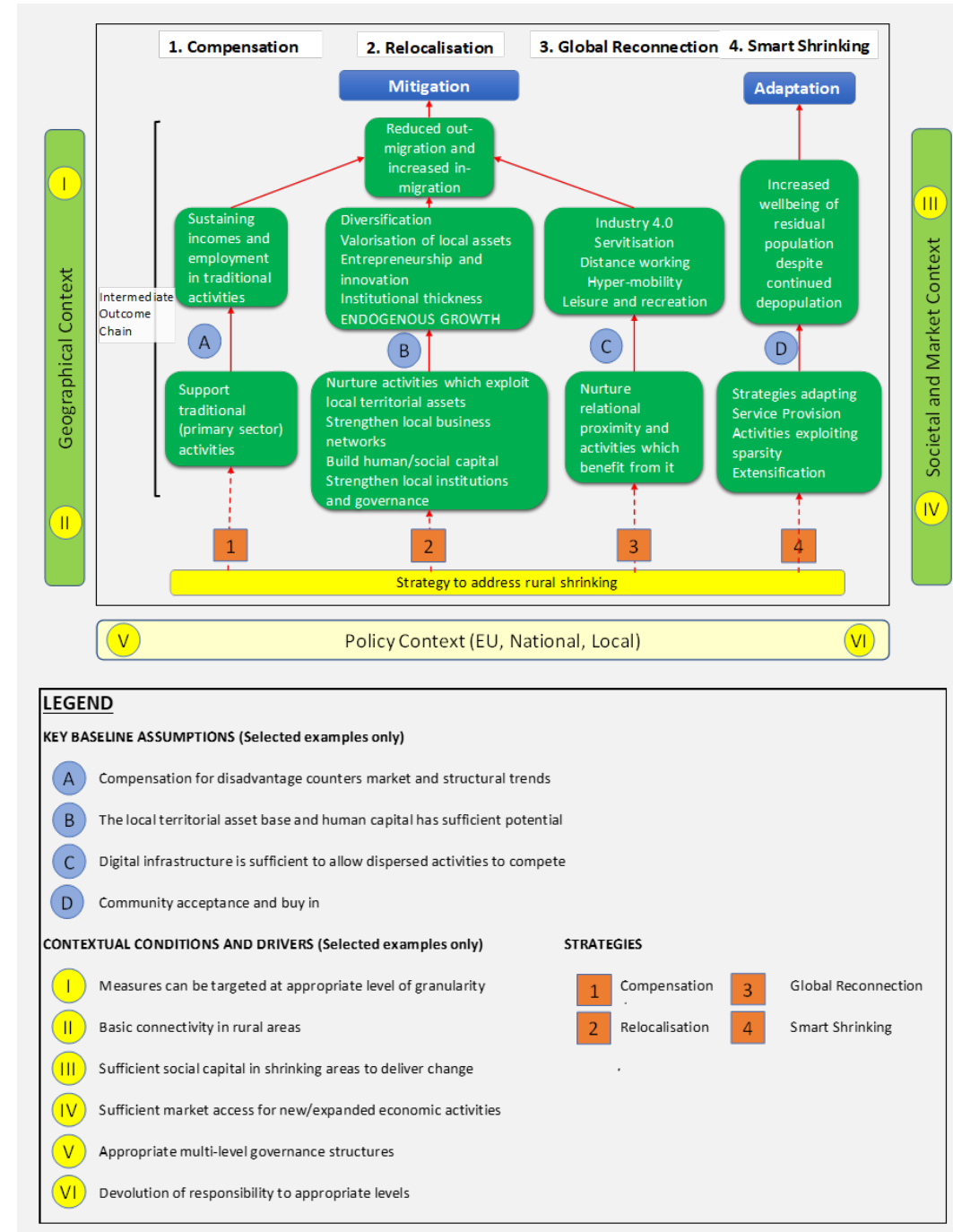
8. The Potential for Conflict and Incoherence

Policy Response	Mitigation	Adaptation
Examples of relevant areas of policy and forms of intervention	Immigration and visas Regional Economic Development Place making Integration support Housing policy Decentralisation of Public Sector Regional taxation	‘Rationalisation’ of services (education, health, social care, mail and parcels, leisure...etc) Digitalisation of services Support for (regional/local) economic restructuring Revaluation of the role of older people

- Neither mitigation or adaptation can be pursued through a single policy – they both require ‘broad spectrum’ awareness across a number of policy areas – **‘demographic proofing’**?
- **Clear strategic thinking and good communication** based on a **strong evidence base** is required at the national or regional level
- **Explicit prioritization** between mitigation and adaptation is desirable
- The potential for **‘unintended consequences’**, and **conflict** between the interventions of different stakeholders (with different objectives) can be substantial, especially when local governance is weaker, and responsibilities for service delivery is shared in complex ways
- Adjustments to and ‘rationalization’ of services are often motivated by efficiency and cost effectiveness, rather than adaptation to shrinking *per se* – and they have **recursive demographic impacts**
- **Coherence is an enormous challenge!**

9. Tailored Intervention Logics

- Equifinality increases the risk of not thinking through a local/regional response to specific shrinking processes
- A version of Theory of Change (ToC) can be a helpful way of structuring this strategic thinking
- This approach can be illustrated by describing four common strategies:
 1. Compensation
 2. Relocalisation
 3. Global Reconnection
 4. Smart Shrinking



10. Reflections on Just Transitions

Fossil Fuel dependent regions:

- The “equifinality trap” is likely to be just as much an issue in the carbon dependent regions... It will be equally important here to take account of the development path and local/regional context before recommending “off the shelf” strategies.
- Incoherence and conflict can weaken impact – effective multi-level governance is very challenging, but crucial.
- A systematic approach and clarity of intervention logic, tailored to local opportunities and challenges will be essential.

In Rural Areas with no history of Fossil Fuel Extraction or Related Industry:

- Rural areas, including shrinking ones, will have development opportunities in renewable energy – but whether these lead to a reversal of “complex shrinking” depends on whether they are accompanied by sufficient entrepreneurship in associated (distributed) economic activities.
- Human capital is thin in many shrinking rural areas – this is likely to inhibit entrepreneurial discovery processes –an explicit strategy to both upgrade local human capital resources, and attract in “new blood” from outside will be needed.
- Digital catch-up will be important: Open innovation processes may be inhibited by poor connectivity and inadequate capacity/experience of exogenous networking.

11. Ultimate Goals: Place-based or People-based Policies?

Should place-based principles be ‘sacred’?

- Pinilla and Sáez (2021) review the history of rural population policies in Spain (Aragon and Castilla y León), concluding: *“Policies addressing depopulation in Spain have had a low impact due to their incorrect diagnosis and design in terms of their **contents** and **governance**.”*
- They advocate a degree of realism *“not defining fascinating goals which are impossible to achieve, as if we were able to change structural and global trends”* (p341)
- When defining the policy goal for shrinking rural areas *“the relevant question is not how many people live there. In a digital and global world, thresholds are changing every day. The question is whether people are able to live in a remote rural area because they want to live there. **A better life in remote rural areas is the objective, how many is the consequence.**”* (p344-5)
- This raises profound questions (equally important in the context of Just Transitions) about:
 - a) Development (growth?) goals (economic? population? well-being?)
 - b) Should we reconsider the potential role of mobility (part of the solution for “de-carbonising” regions)?

Pinilla, V. and Sáez, L.A., 2021. What do public policies teach us about rural depopulation: the case study of Spain. *European Countryside*, 13(2), pp.330-351

Read more about ESPON ESCAPE...

ESPON ESCAPE Reports: <https://www.espon.eu/escape>

Paper published in 'TERRA':

<https://ojs.uv.es/index.php/TERRA/article/view/20366>

Thank you

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