

SHRINKING CITIES IN THE MORAVIAN-SILESIAN REGION

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Abstract

Recent studies provided evidence for the fact that about 40 per cent of all European cities with more than 200,000 inhabitants have lost population in a short-, medium- or long-term period due to different reasons. As the most common cause are presented processes of regional economic transformation, economic decline and deindustrialisation. Shrinking cities bring to life a number of practical problems, which is useful to prevent. Based on the situation of Moravian-Silesian region there is proposed a set of indicators through which these processes can be monitored.

Keywords: *regional transformation, shrinking cities, set of indicators*

JEL codes: *R51, R58*

1. Introduction

Urban shrinkage appears in many forms. As a phenomenon, it is anything but a newly emerging process. Cities across the whole world have seen phases of decline already since their very early history. When narrowing the focus and looking at the recent decades of European urban development, the same is true. Already throughout the whole 20th century up to present, urban shrinkage has become a “normalcy” for many (large, medium-sized and small) cities in Europe. Recent studies provided evidence for the fact that about 40 per cent of all European cities with more than 200,000 inhabitants have lost population in a short-, medium- or long-term period due to different reasons.

It becomes obvious that there are three macro-processes in terms of premise that can lead to urban shrinkage. Firstly, economic decline and deindustrialisation led to regional migration in many European cities and regions (Ruhr district, Upper Silesia, Moravian-Silesian region). Secondly, long-term ageing processes as main reason (Genoa) and thirdly population decline as out- migration result (Ukraine). Apart from these macro- processes, there are also events that might cause population loss, such as floods (New Orleans 2004, Ostrava1997) which cause severe damage and dilapidation of whole districts.

2. Old industrial regions

Old industrial regions are characterised by several traits (Eckart, 2003):

- an above-average density of population, size of centres, provision of infrastructure (in contrast to rural / peripheral regions),
- an above-average existence of industry (compared to other regions of similar size),
- early industrialisation (compared to other regions in that country),
- the regional economy is dominated by specific sectors (usually heavy industry), situated at the end of the production cycle),
- economy is often dominated by big enterprises,
- little ability to regenerate out of own power

Old industrialised regions have experienced a development that can be described by the model of Gunnar Myrdal. Starting point for a circular development is the establishment of new industrial enterprises (e.g. coal mines, iron and steel industry). This leads to a growth of local employment and population. This again attracts capital and enterprises because they want to profit by the demand of locally produced goods and services. As a consequence, the service sector working for the local market grows and the general prosperity of the region increases. An increase in the spending power of public institutions results from higher inland revenues that make better infrastructure for the population and the businesses possible.

If further enterprises join the existing ones, the cycle begins anew. In addition to the outside circular development, there is a circular development in the inside, as mentioned with the growth of the local reservoir of the qualified industrial workforce or the development of supplying industries.

In this way, other enterprises join the existing ones, adding a supply of services that are necessary for further development. A network of businesses evolves. In the centre, there are enterprises that are central to the development from the beginning. They are referred to as key industries – sectors that dominate an economic formation. Iron and steel industry are given as an example, but it is not isolated, but connected with upstream and downstream industries and other supplying and helping industries and supporting institutions. They can be found in the field of energy supply and delivering of needed material in mechanical engineering, in the maintenance of means of production, financial services, insurance and management consulting.

But, in the process of economical changes is also possible that the local economy loses its ability to function properly and people are forced to emigrate; the loss of human resources shows negative effects in the long run.

Key sectors close down first in a collapsing economic formation, which results in declining qualities of the region for connected businesses and specialised services. In this phase, there is a circular development, too. It is referred to as the “vicious cycle” of a declining economic formation.

At the end of the regional life cycle of an economic formation – or rather in the phase of decline – measures are generally undertaken to build up a new economic formation. It is different in the way that new paths for development are taken.

In the processes of regional transformation and urban shrinkage is nothing pre-given. Urban shrinkage is not a uniform or similar-type process but a location- specific combination of different macro-trends that impact on locally specific configurations. It is thus a heterogeneous and uneven process that may appear in different forms and lead to different outcomes. From economic point of view shrinking cities are characterised by a lack of capacities (financial, personal, institutional etc.) and, at the same time, are burdened by a number of serious problems in different fields (employment, brownfields). This leads to an increasing dependence on external resources that enable local partners to cope with the problems. The resources can either stem from the market (private investment) or from government (public money). The cities are highly vulnerable due to changing circumstances such as financial, economic etc.

1. Moravian-Silesian region

In Moravian-Silesian region plays an essential role its economic characteristic. This region belongs to so called old industrial regions. From the 19th century the region ranks among the most important industrial areas of Central Europe. However, the region's structure of economy is currently causing many problems that relate to its restructuring as well as social issues arisen from the increase in unemployment triggered off by a slow-down in coal mining and heavy industry.

The Moravian-Silesian region is the most populated region in the Czech Republic /CR/ (almost 1 250 000 inhabitants), but the number of municipalities (299) places the region among those with fewest settlements. This fact corresponds to the density of population 230 inhabitants per square km, while the national figure is 132 inhabitants per sq km. The average cadastral area of municipality is 18.2 sq km, being thus the second largest in the CR and by 50% larger than the cadastral area of the average municipality in the CR (12.6 sq km). Only less than 2% of the region's population live in municipalities of 499 inhabitants and under; 23% live in municipalities of 500 – 4 999 inhabitants, and over 13% live in municipalities of 5 000 – 19 999 inhabitants. Most of the population (almost 62%) live in towns of 20 000 inhabitants and over – such percentage is an exception in the CR. There were more than 308 000 inhabitants living in the region's capital Ostrava. Other big cities – with the number of inhabitants over 50 000 – are Havířov, Karviná, Frýdek-Místek and Opava. Regarding population, the basic characteristic of the current situation not only in the Moravian-Silesian region, but also in the whole CR is a very low birth rate. Thus, the population is gradually ageing and also gradually dying off. Also out-migration affect negatively on current situation. During the last years, there were signals indicating a change of the trend: the last strong population age-group from the second half of the 20th century are in their child-bearing age, birth rate has slightly increased. In the year 2008, for the first time since 1994, population in the region is increasing in total. Despite this result the population of industrial area of the region continued to decline. Risk of shrinking cities effects is therefore still be regarded as serious.

Moreover, currently there is substantial risk that the economic crisis and legislative changes to reverse this process again. This leads to the need seriously analyze the basic factors affecting development in shrinking cities. As mentioned urban shrinkage is a multi-layered process. It must also built in search set of indicators.

4. Set of indicators

Individual indicators should cover all significant developmental factors such as:

- national context,
- sociodemographic structure,
- economic environment,
- educational base,
- infrastructure and ecological aspects,
- sociocultural amenities.

If we would like to deal with economic indicators in shrinking cities development, we must to cover areas as:

- main attributes of the business environment,
- long-terms growth trends in the region,
- public and private investment trends,
- labour market trends,
- employment structure and groups concerned by unemployment,
- high value added activities,
- industrial and service sector development,
- brain-drain observation,
- municipal budget impacts (revenues, expenditures)
- re-conversion funds, programmes, instruments.

Among other issues can be considered as key for example:

- relations between national and regional trends,
- demographic changes and job migration,
- inter ethnic problems,
- main attributes of human resources,
- educational and learning base,
- infrastructures capacities,
- local communities activity.

Ideally, the monitoring of current status should be ensured within various target groups of regional or municipal population.

5. Conclusion

The current economic crisis increases the risk of adverse development in the Moravian-Silesian region previously hard hit by structural changes. The paper briefly characterizes possibilities of early prediction of such threats and its correction based on shrinking cities development.

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