

ÉVA GERŐHÁZI – JÓZSEF HEGEDÜS – HANNA SZEMZŐ
– KYRA TOMAY – IVÁN TOSICS – LÁSZLÓ GERE

The impact of European demographic trends on regional and urban development

This article is based on the publication¹ ‘The impact of European demographic trends on regional and urban development’ written by the same authors, issued and prepared within the framework of the Hungarian Presidency of the Council of the European Union, commissioned by the Ministry of Interior, Hungary. Since public awareness of demographic changes is relatively low, despite the very serious consequences they can have in a few decades, it was of special political importance to put the issue of urban demographic trends on the agenda of the Hungarian Presidency. The discussion started during the first half of 2011 seems to have been continued and the following presidencies have decided to further elaborate on the issue, focusing on its consequences on the common Cohesion and Immigration Policies. The current article is an extract of a background study whose aim was to investigate the demographic processes and their consequences on decision making within the European Union from an urban perspective. Consequently, the article focuses on the demographic processes and policies inside the European Union (in some cases the study refers to the ESPON area that consists of the EU and Norway, Switzerland, Iceland and Lichtenstein), specialising on urban areas in which not only the towns and cities, but also their urban agglomerations are included.

Europe is facing serious challenges in the forthcoming decades that may thoroughly modify its current economic and social structure as well as its developmental preferences. Besides globalisation, climate change and the need for a secure, sustainable and competitive energy supply, demographic challenges will present one of the main sources of concern for Europe, and they will be of particular relevance for European cities and regions. There are wide variations in demographic dynamics and patterns between and within Member States, regions and cities across the EU. Some regions and cities are particularly exposed to decline with the outward migration of young people, a shrinking working age population and an ageing population that results in a worsening dependency ratio. These areas will face difficulties in financing essential public goods and services, such as health care, long-term care, housing and transport infrastructure in a sustainable manner in order to avoid increasing social polarisation and poverty. Other cities, in particular metropolitan areas, will gain population with a high inward migration. A resulting challenge for these areas will be the integration of migrants into the labour force and society as a whole, as well as the adaptation of infrastructure for high population growth.

In all its complexity, demographic change is likely to reinforce disparities between and within European regions and cities. Demographic dynamics will determine the

¹ The report is available at <http://www.mri.hu/downloads/publications/Demography.pdf>.

economic growth potential of our cities and regions as well as the risk of social polarisation and pressure on the environment. The impact of demographic change will transform the age and employment structure of European societies, raising important issues of both economic efficiency and intergenerational equality. Correspondingly, the most important recent strategic document of the EU, the 'Europe 2020 Strategy for smart, sustainable and inclusive growth' identifies demographic change among the key challenges facing Europe, and calls for specific action to be taken under several of its flagship initiatives.

In the following, we will first give an overview of the main demographic trends affecting Europe, then focus on the territorial differences across European countries and regions. After presenting this broad picture, we will specifically dwell on the demographic issues of urban areas: shrinking, ageing, migratory trends, and integration of migrant ethnic minorities. Lastly, we summarise the main trends on a local level and the possible strategies to mitigate and adapt to the described phenomena.

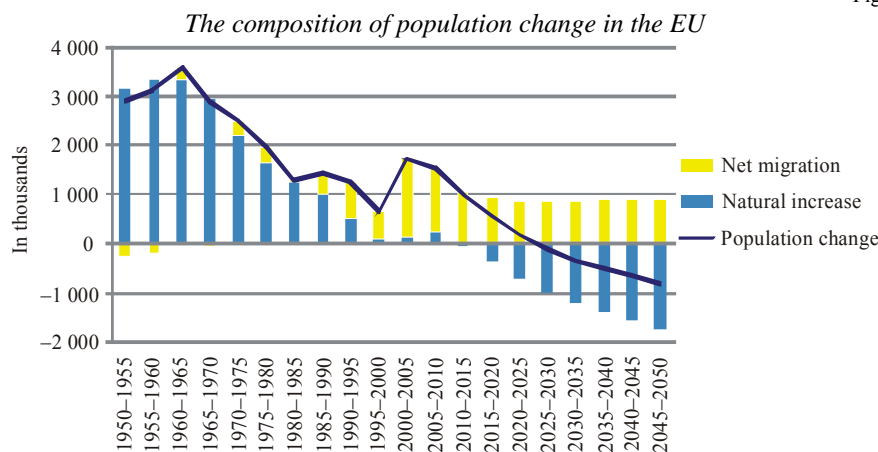
Demographic change on an EU level: the challenge

The European Union has a population of approximately 500 million people. The fertility rate of the European Union is 1.6 (2009) which is far below the replacement rate of 2.1. The fertility rate differs significantly from country to country (ranging from 1.31 in Latvia to 2.07 in Ireland) (Demography Report 2010 p. 26.). There are two factors that can mitigate the effects of low fertility levels, and thus postpone the population decrease of the European Union: the first is increasing life expectancy, the second is migration from countries outside the EU. As the figure below shows, according to the predictions by the United Nations – which are more negative concerning the timing of population decline than the forecasts by Eurostat² – increasing life expectancy will not be enough to counterbalance low fertility rates, and the positive migration balance can only mitigate this process until approximately 2025. By that point, the population of the EU may reach 520 million, from which level it will begin to decrease.

According to the predictions (Figure 1), the current high level of migration to the EU would be able to counterbalance natural population loss for a considerable time, mainly in the Western, Southern and Northern parts of Europe, but it is doubtful how long this high level of net migration would last. The forecasted decreasing level of net migration may be a reflection of the current debates on the integration capacity of the EU. However, the migration pressure is evident and the high level of illegal migration (about 500 000 people annually) cannot be properly controlled. Moreover, the latest flow of asylum seekers moving from North Africa predicts a possible future when war and climate refugees may not be stopped at the borders of the EU.

² According to the latest Eurostat forecast, population decline in the present 27 countries of the EU will only start in 2040. This is a modification of their previous prediction, which put this date at 2025, like the UN.

Figure 1



Natural population change and the dynamics of migration vary strongly across the years, and there are a number of policies that may influence these phenomena, suggesting that estimates of the future population size of Europe are uncertain. One phenomenon that is clearly becoming more important over time is ageing: the population of the EU will become significantly older. The increasing number of the elderly in the population is a consequence of longer life expectancy, which is definitely a positive phenomenon and characterises the increasing quality of life in the European Union. However, the elderly dependency rate³ is currently around 20% and it may increase to 45–55% by 2050, which would definitely put pressure on public spending.

Territorial differences across the EU countries

While ageing and its fiscal and social consequences affect all the EU countries (though to a varying extent), massive immigration with all its social and infrastructural consequences can be observed in metropolitan areas of Western Europe. At the same time, low fertility and high emigration affect mainly the new Member States, but mostly not their metropolitan areas. Although, a number of regions in all Member States experience a constant decrease of population at a restrained pace, this fast rate of emigration together with a dropping fertility rate is specific to most new Member States and the eastern part of Germany.

According to the 5th Cohesion Report (EC, 2010) the new Member States are catching up to the EU average in GDP per capita, although more slowly than expected. However, regional disparities are growing within the new Member States: capital cities and western regions of the new Member States are developing faster, while other regions are increasingly lagging behind. These regions – suffering the most from huge outmigration – are in economic and demographic decline, which may become even more dramatic in the forthcoming decades.

³ Rate of elderly above 65 divided by the share of population aged 15–64.

The case of the Southern European countries (having faced serious migration outflows in the 1960s and 1970s, while currently experiencing vast immigration) shows that economic development might change migration tendencies – although this positive tendency does not necessarily affect all remote regions of Southern Europe. Accordingly, the new Member States could also become capable of attracting migrants in case economic convergence continues. The question is, however, whether this convergence will occur fast enough to prevent the regional and micro-regional disparities to reach the ‘point of no return’, from which they can no longer catch up.

Population dynamics in European regions

As described above, the European Union as a whole is characterised by a modest population increase with significant differences between the North/Western, Eastern and Southern regions. These differences are experienced not only in connection with macro-regions, but also between regions on NUTS 2 level.

During the last years of the 1990s, 60% of the regions experienced a population increase, as a consequence of natural population growth and positive net-migration.

In the years 2000–2006, the percentage of regions experiencing population decline increased from 27 to 30, and the percentage of regions with a high share of elderly people (aged 65 or over) also grew. Analysing the population dynamics data from a broader, territorial point of view, the variations in the direction and dynamics of development across Europe can be illustrated by the following table.

Table 1

Typology of NUTS 2 regions according to their population change

Total population change, NUTS 2 regions, 2000–04	Natural population change	Net migration	Total population in 2004, thousand	% of EU population
Population growth	Positive	Positive	174 056	36
	Negative	Positive	129 123	26
Population decline	Positive	Negative	49 585	10
	Negative	Positive	39 673	8
	Positive	Negative	23 074	5
	Negative	Negative	73 113	15

Source: Eurostat, DG Regio calculations (EC 2007, p. 47) http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion4/pdf/4cr_en.pdf.

Nowadays, the most unfavourable case of depopulation – when natural population decline is combined with migration loss – characterises 17% of the regions, where 73 million Europeans live. The most active part of the population is leaving these areas, emigrating either to larger cities or to other countries. In general, the peripheral sparsely populated and rural areas are losing, while metropolitan regions and regional centres are gaining population.

Since the 1990s, net migration has been the main source of population growth; 72% of the regions have had positive net migration, while natural population increase was positive in 59% of regions in the 1990s (ESPON DEMIFER 2009 p. 29.). From 2000 on, net migration has characteristically been high in mostly Southern regions of Europe,

especially in the South-Eastern regions of Spain, and Northern Italy. Moreover, Ireland has had high positive net migration. At the same time, many regions in Eastern Europe, as well as several French regions, the Southern regions of Italy and the Northern regions of Norway, Sweden and Finland have experienced negative migration rates.

Internal migration within countries has remained stable during the whole period: metropolitan areas have been the most favourable targets for migrants, while older industrial areas with outdated production structures have been less attractive than they were before the crisis of the 1970s.

Ageing is reinforced by the increase in life expectancy. Since 2000, the number of the oldest age (persons over 75) has risen in almost every European region without any specific geographic concentration. Average life expectancy is 80 years or over in 21% of the European regions. By contrast, life expectancy is 76 or less in 17% of the regions, mainly in Eastern Europe (ESPON DEMIFER 2009 p. 23.). The percentage of people aged 65 or over is high in several Northern regions (mainly in Sweden), in central regions (mainly in Germany), and in Southern regions (in Italy, especially in Tuscany and Liguria, where the share of the elderly population was more than 25% of total population in 2008). The rate of ageing is relatively low in Poland, Ireland and Iceland.

Projections for the future

Among the ongoing ESPON projects, DEMIFER (Demographic and migratory flows affecting European regions and cities) deals with the analysis and projection of demographic processes in Europe. For the changes in the population and labour force, a projection has been prepared (in three versions), covering a period of 45 years from 2005 until 2050.

To summarise the main findings of DEMIFER:

- Although migration is not sufficient to compensate for the decline in the labour force, it may lead to an increase in regional disparities and it affects the age structure of population and labour force resources.
- In the basic (Status Quo) scenario – this works with constant demographic events and labour force participation – the population declines by 40 million by 2050. Over 75% of the regions are winners of migration, but losers are mainly concentrated in the EU-12.
- If migration from outside the EU were to drop suddenly, the labour force of 90% of the regions would decline by 2050.
- Ageing is the most important challenge, with an increasing old age dependency ratio.

The ESPON DEMIFER projection shows that ‘migration, both extra-Europe and migration in general, would have a significant impact on demographic and labour force development of the regions. Migration-induced population changes are not uniform across the regions. Importantly, they would benefit the most affluent regions, whereas poor regions would lose population due to migration. Similarly, migration would reduce ageing in affluent regions and increase it in poor and remote ones. Therefore, we may expect that migration would be a strong factor in increasing regional disparities. This aspect of regional policies is not disputed much yet, but will perhaps become quite

crucial in the future. The only way to prevent the demography-related growth of regional disparities is to implement policies reducing incentives to emigrate from poor to wealthy regions together with policies allowing poor regions to attract more extra-Europe migrants' (ESPON DEMIFER 2010 p. 21–22.).

Population dynamics in European urban areas

The majority of the European population (71%) lives in cities. The largest urban zones in Europe are traditionally in the Western part of the continent: mainly on the Atlantic Arc, and in the so-called Pentagon area, where 40% of European citizens live, mostly in cities and towns. It is a core area in a wider sense, characterised by high population density, good accessibility and numerous cities of a global socio-economic importance (e.g. London, Paris). In addition to the individual cities situated here, there are many large metropolitan areas, for instance the Ruhr-area, the Southern-England metropolitan area, the North-Italian (Milano–Torino–Genova) metropolitan area, and the cities in the Benelux-countries (e.g. Randstad).

Methodology

Urban data came from the Urban Audit database, which provides European urban statistics for more than 300 cities from nearly all European countries. The initiative of the Urban Audit was conducted by the Directorate-General for Regional Policy at the European Commission, in cooperation with Eurostat and the national statistical offices of the 27 current Member States and three additional countries. Urban Audit collects data on three territorial levels: the core city, the larger urban zone (LUZ) and the sub-city district (SCD). In the current article, we use the larger urban zone level: the city and its surroundings (agglomeration).

It is a common problem in urban research to define the precise area of a city. Since there is no generally accepted approach to define urban areas, and due to the manifold cultural differences affecting the layout of cities, it is hardly possible to find a universal definition even within Europe. It is one of the achievements of the Urban Audit to derive a standardised approach to defining Functional Urban Areas, which follows a widely accepted method based on measuring commuter zones. The Urban Audit also works with the national administrative agglomeration boundaries. For some of the smaller cities where a LUZ could not be created, the city boundaries equal that of the larger urban zone.

The time periods of data collection have been so far: 1989–1993, 1994–1998, 1999–2002 and 2003–2006. In the analysis, we refer to a period by the end date of data collection. If – as it is planned – data collection will be repeated every 3 years in every city, there will be enough data for comparative purposes. However, so far the data collection system has been changing so rapidly that only relatively limited data exists for each city. The data set is incomplete for about 100 cities. There are however, a number of key indicators with a higher response rate (demographic indicators in particular).

Because of the technical problems with the Urban Audit data, it is hard to define precisely which urban areas are losing population and which are not. However, since

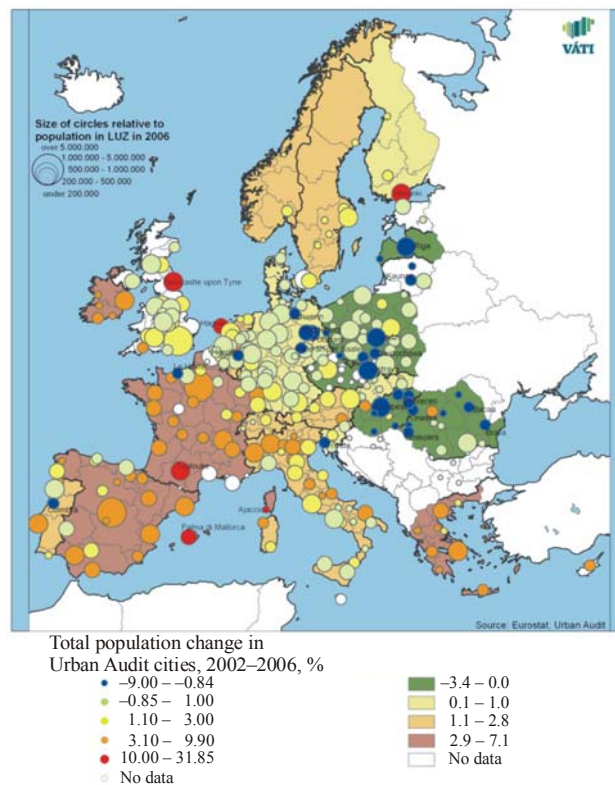
there is no other relatively up to date dataset that also contains medium sized cities, researchers mostly rely on the data provided by the Urban Audit.

According to the 2007 State of European Cities Report (EC DG REGIO 2007 p. 13.), based on data from 1996–2001, one third of the Urban Audit cities are in the urbanisation phase (both the city and the urban zone are growing); another third are in the phase of overall urban decline (both the city and the urban zone are losing population); one quarter are dominated by suburbanisation (the city is declining while the urban zone is growing), and 5% of the cities are experiencing re-urbanisation (the city is growing while the urban zone is not). Thus, a large variation in urban dynamics exists across Europe, which is the composite result of natural population change and migration. The shrinking urban areas are concentrated in the East-Central European new Member States, while most cities in the EU-15 countries are growing.

Figure 2 presents population change in Urban Audit cities between the last two dates of data collection (1999–2002 to 2003–2006).

Figure 2

Population dynamics in Urban Audit cities 2002–2006⁴



Source: VÁTI, based on Urban Audit data.

⁴ The data collection happened between, 1999 and 2002, and 2003 and 2006; in the analysis, we refer to a period by the end date of the data collection.

The city networks of Europe generally show similar demographic trends as the regions and countries where they are situated. With some exceptions, most Western European cities registered population increase at the beginning of the 2000s (2002 to 2006).

Growth also characterises the Nordic and Mediterranean urban zones. The population of cities in the Nordic countries has increased; the 'winner' is the Helsinki urban zone with the second highest value in Europe (more than 25%). In recent years, the number of inhabitants of all the analysed larger Scandinavian cities has grown, but the average increase remains between 1 and 3 per cent. However, the population of small and medium-sized towns and cities in remote Scandinavian regions tend to decline according to the Urban Audit.

In Italy, there is a strong North-South dichotomy, which is also present in population dynamics. Northern Italian cities have grown, while cities in the South just stagnated or decreased.

The picture is mixed in the Benelux and Central European urban zones. For instance, in the Hague, population growth is in the top five on the European scale, but most of the Benelux cities have just stagnated or even decreased. The situation is similar in Switzerland, Austria and in Germany, but here the decrease is even more significant in several cities (one of the fastest shrinking cities, Frankfurt an der Oder, is also in Germany, close to the Polish border).

Cities in Eastern Europe (the New Member States) and in the eastern part of Germany suffered population decline (in most cases 1–4% between 2002 and 2006); within the EU, most of the decreasing cities are situated in these countries, and there are just a few cities – mostly capital cities or metropolises – with significant population increase.

Urban shrinkage

Most shrinking cities in the last 50 years have been situated in Western industrial countries. According to the Urban Audit, out of 220 large and medium-sized European cities, 125 (57%) lost part of their population in the period between 1996 and 2001 (EC DG Regio 2007). 22 German cities (14 from the western and 8 from the eastern part of Germany), 19 Italian cities, 11 British cities, and 5 Spanish cities are included in this list. In the Central and Eastern European accession countries, 53 out of a total of 67 cities shrank. The ten cities with the highest relative population loss of more than 1.75% annually were: Halle an der Saale, Frankfurt an der Oder, Schwerin, Magdeburg (all in the Eastern part of Germany), Bacau, Cluj-Napoca, Piatra-Neamt, Tirgu Mures (all in Romania), Lisbon (Portugal), and Venice (Italy). This urban shrinkage in Europe was not predominantly caused by suburbanisation, as both the core and the suburban ring lost population during the last decades. Out of 98 larger urban zones around the city cores included in the database, 53 (54%) were shrinking.

However, these declining tendencies seem to have slowed down in the 2000s, when the new migration wave and the reducing intensity of suburbanisation created a new dynamism of growth, mostly in the bigger cities and metropolitan areas of Europe.

There are some categorisation schemes concerning the causes of shrinkage (e.g. those developed in the CIRES project). The current study created the categories presented below⁵:

- The classical form of shrinkage was a result of the economic downturn in industrialised cities like the North-Eastern cities in Great Britain, the Ruhr-area in Germany, and the North-Western cities of Spain. The cities, which had a monocentric industrial structure that became outdated, were extremely sensitive to decline.
- Smaller cities in remote regions have been characterised by emigration from the countryside to bigger urban centres both in the second half of the 20th century and the 21st century. This was mainly the result of the growing importance of skilled work and higher education, with bigger cities offering more opportunities for work.
- Most Central-Eastern European cities and towns where the economic transition, outmigration to more developed Western countries and the low fertility rate are experienced simultaneously. Bigger scale urban regions of Central-Eastern Europe have experienced a modest decline or stagnation if we add up the core city and its suburbs. Shrinkage is more relevant in the case of smaller cities and their surrounding areas. According to the research of Vlad Mykhnenko and Ivan Turok, 3/4 of the urban areas above 200 000 residents in post-socialist countries are shrinking (Mykhnenko 2007). Most of these areas are in the former Soviet Union and Yugoslavia. (Urban shrinkage, ageing and emigration are more likely to be dramatic east of the EU than in the EU.)
- In the late 1990s and 2000s, shrinkage became typical of the eastern part of Germany. It was characterised by de-industrialisation, suburbanisation, low fertility rates, and the dynamic enlargement of the urban infrastructure and housing stock (Großmann 2008). (One may think that the radical population loss is strongly connected to the outmigration to the western part of Germany. However, the net migration balance between the two parts of Germany was not at all as negative.)

Currently, the phrase of shrinking is commonly used all over Europe, as all countries are affected. Shrinking seems to be a long-term process, which is also caused by further factors, like permanently low fertility rates. (Although one must be careful with fertility rates, as the tempo effect⁶ might partially change the population dynamics.)

Central-Eastern European cities are losing their population rapidly. However, the picture becomes increasingly mixed if we use the extended meaning of shrinkage: ‘When a city loses population it does not necessarily represent the actual loss sustained. But if a city is in ‘complex-shrinking’ (including a declining population via migration and less births, less jobs, more unemployment, a smaller gross domestic product and a declining income), this implies that help is very urgent.’ (Wolf 2010). A vicious circle can develop

⁵ In several studies, suburbanisation is considered as one of the main causes of urban shrinkage. However, the current study does not intend to address this issue, as our unit of analysis is the urban area and not the core city, which already includes the suburbanisation process.

⁶ Tempo effect means the effect of the postponement of childbearing, which suggests that the low fertility rates could increase in several Member States as women step into their 30s.

when the population decline coincides with a decline in economic performance and substantially less demand for public services and housing. Complex indicators prove that shrinking cities are somewhat different from 'complex shrinking cities'. The main cities of Central-Eastern Europe are not in such a bad position as it seemed at first, but small and medium sized towns all around Europe (mostly in Central and Eastern Europe and in the Mediterranean Area) occupy a worse position.

Natural population change in urban areas

The values of natural population change are similar to that of the total population change, with the territorial differences being a bit sharper. The highest natural increase is observed in global metropolitan areas (London, Paris) and in Irish cities (Dublin, Galway, Waterford). Natural decline characterises German urban areas and most of the cities in the new Member States, especially in the Baltic States. The highest decrease appears to be in Latvia (Riga, Liepaja). Northern Italian cities also suffer from natural decrease (Genoa and Trieste are among the bottom five cities which have the highest natural population loss).

Ageing

Ageing and the increase of the dependency ratio (because of low fertility rates and growing expected lifetime) are among the most important challenges for European cities. If this demographic deficit is not balanced by international immigration, the natural decrease may result in total population shrinkage. However, most cities have a younger composition of residents than the Member States themselves. This fact may be explained by more intense immigration to cities and the economic dynamism of urban areas that attracts students to study, and active age people to work there.

Regarding the 'future generation', the highest proportion of 0–14 year-old children are to be found in Norwegian and Irish cities (Stavanger, Tromsø, Kristiansand, Bergen (21–22%); Waterford, Limerick, Galway, Cork, Dublin (20–22%)) and in some French cities like Lille, Paris, Le Havre and Nantes (19–20%). The highest increases in the proportion of children between 2002 and 2006 were registered in Dutch cities; however, cities in the UK, Spain and Greece also showed an increase in the share of children.

The highest decreases in the proportion of children were in East Germany (Schwerin, Frankfurt an der Oder) and Romania (Bacau, Braila, Calarasi).

The share of the elderly (65+) and the oldest old (75+) is the highest in several Italian cities, for instance in Trieste, Genoa, Bologna, Firenze, Cremona, Ancona, Campobasso, Perugia etc, and in some French and Spanish cities (e.g. Gijón, Oviedo, Toulon). In these cities, the proportion of the population aged 65 years and over is above 20%, of which the oldest section is above 10%.

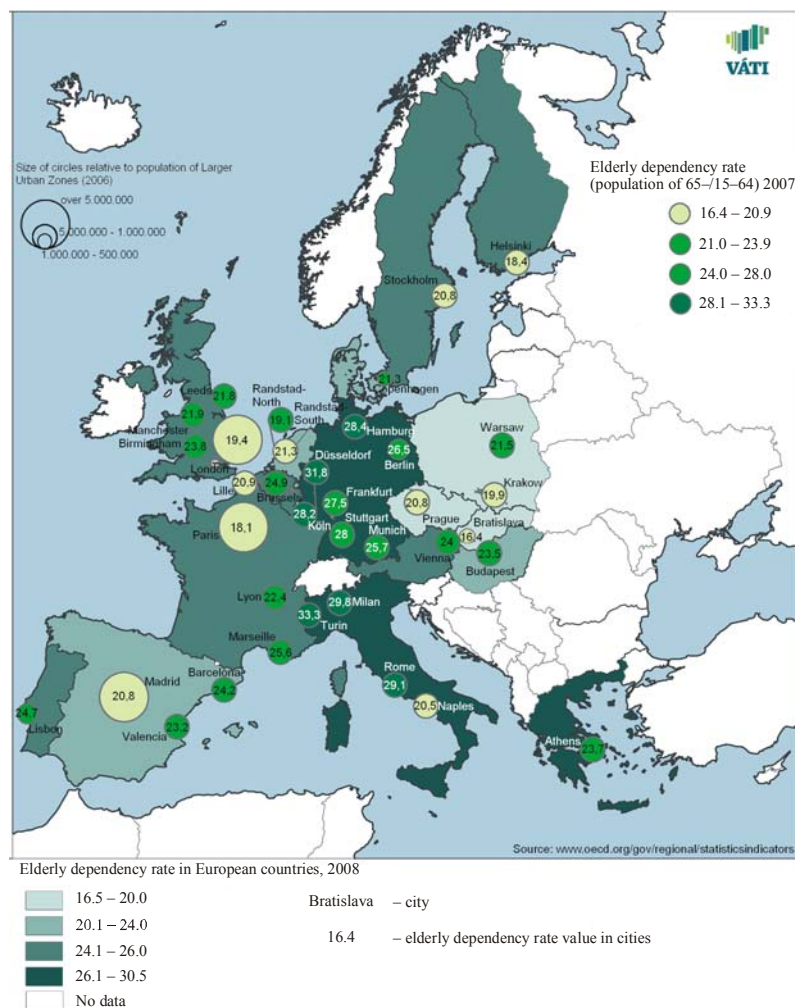
The share of retired people is the highest in Western and Central Western European cities, in Eastern Germany and Southern Italy, while the New Member States, the Eastern European cities are in a relatively more favourable position. However, as a result of the intra-European migratory flows caused by the unequal economic positions, and allowed by the enlargement of the EU, this asset may dissolve in 10–15 years. According to the

projections for 2050, the Mediterranean countries (Spain, Greece, Italy, Portugal) will be joined by many Eastern European countries such as the Czech Republic, Slovakia and Poland in having a higher proportion of elderly than the EU-25 average, as the fertility rates are mostly lower than that of Western Europe and life expectancy is growing rapidly. (Romania and Bulgaria were not included in this projection, although they are also considered to be heavily affected).

Currently, the old age dependency rate⁷ of European cities is around 20–25, which is predicted to double by 2050.

Figure 3

Elderly dependency rates of selected European Metropolitan Regions, 2008



Source: VÁTI, based on OECD regional statistical indicators.

⁷ The proportion of the active, working age group (15–64) compared to the old.

The current elderly are much more active, mobile and affluent when deciding on their preferences concerning location, housing, services and activities, which in turn generates the improvement of the silver economy. Several thousands of retirees move from bigger cities to specific parts of the European Union to make their life more comfortable (e.g. to coastal zones in the south of Europe). This movement is quite typical at the age of 55–74, but ageing citizens tend to return to the cities after turning 75 or 80 when they need special health care services.

Migratory trends

It is important to distinguish three categories of migrants: the ‘nationals’ (coming to the city from other parts of the same country), ‘other EU nationals’ and the ‘third country nationals’. These categories differ substantially in all aspects, from the regulations that influence their numbers to the way they can/want to integrate themselves into the labour and housing market of the city. It is not easy to get reliable data at city level on the magnitude of migrants and especially on the share of the three categories. The most recent Europe-wide comparable data are based on the Urban Audit survey of 2004. It is clear that the 2004 data should be regarded as somewhat outdated in many aspects, as they still show the pre-enlargement situation, before the mass East-West migration started, and was collected well before the financial crisis. It is also problematic that some countries (notably the UK) did not supply data.

The 2004 data allow us to make the following observations:

- Migration targets mainly the cities of the north-western countries, including France, Germany and Austria. There are differences between these countries in the share of non-EU nationals (and it is clear that this difference increased dramatically in the second half of the decade).
- Cities of the Central and Eastern European countries had low numbers of newcomers and even these were almost exclusively nationals.
- A few southern regions and cities, mostly located in Spain, experienced dramatic increases in migration between 2000 and 2005. The majority of immigrants who came to the cities of the Southern European countries are non-EU migrants.

After the two waves of EU enlargement in 2004 and 2007, internal migration from the eastern to the western parts of Europe strengthened. For instance, Poland has lost 2 million people in recent years, as a consequence of the ‘export of the baby-boomer generation to the UK’ (WS 2010, Potrykowska); and there are 3 million long-term migrants (staying at least 12 months in the last three years) from Romania to other EU countries and cities, many of whom chose Spain, Italy or France (WS 2010, Alexe).

There is a huge variety of estimates regarding the number of migrants living in different European cities. According to the very rough estimations by CLIP, in 2008 the highest share was around 63% (in Luxembourg), followed by 49% (in Amsterdam) and 38% (in Frankfurt am Main).⁸ The lowest, one-digit figures were reported from Central European, post-socialist cities.

⁸ There is no unified definition of migrant population across the cities: in some case foreign born, in other cases foreign nationality persons are counted as migrants. In some cities migration background is used, deriving from the migration status of the mother or father (as foreigners, or foreign born).

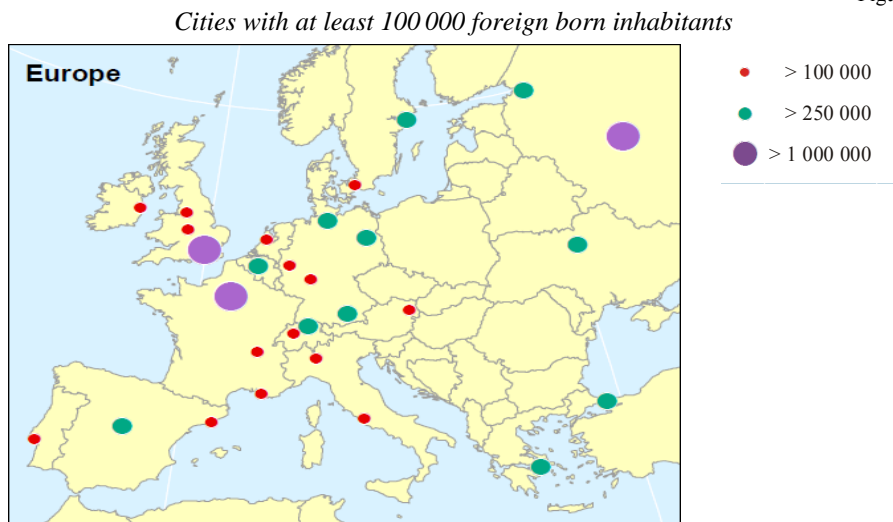
According to recent trends, the number of immigrants has increased in countries where immigration was not traditionally present, e.g. in Finland. In Helsinki, the immigrant share of the population is about 9%, which is not a high value, but it has increased from less than 2% in the last two decades. (Dhalmann & Vilkkama 2009) The high level of immigration is a distinctive characteristic of the largest European cities, but the immigrant population in medium size cities has also been on the increase since the 1980s (Reeve & Robinson 2007).

New migrants prefer the developing big cities, although the importance of the ethnic minorities is relevant in secondary cities as well. Across Europe, migration has had the most significant impact on large cities. An interesting observation in the UK is that, not least because of new transport links and cheap airlines, the immigration of EU citizens is spread more evenly across the UK's urban areas than expected, beyond the typical destinations for migrants, including previously less popular cities.

While third-country nationals are still the most important migrant group for most EU cities, citizens from the EU-8 (the countries that joined the EU in 2004, except for Cyprus and Malta) have dominated the net migration inflow in some, and have formed important new migrant communities. This trend is most significant in the United Kingdom and in Ireland, but is also important in the Netherlands (IPPR 2008).

All Western European countries have at least one major immigrant city, while some of them, such as Germany, France, and the United Kingdom have several (see Figure 4). In fact, 29 European cities have over 100 000 foreign born inhabitants. Since European metropolitan areas tend to be smaller than North American ones, the 100 000-person threshold often accounts for 10 per cent or more of a city's total population (Price & Benton-Short 2007).

Figure 4



1 000 000 < London, Paris, Moscow; 250 000 < Madrid, Brussels, Zurich, Munich, Hamburg, Berlin, Stockholm, St. Petersburg, Kyiv, Istanbul, Athens; 100 000 < Dublin, Manchester, Birmingham, Lisbon, Barcelona, Marseille, Lyon, Bern, Milan, Rome, Wien, Frankfurt, Düsseldorf, Amsterdam, Copenhagen.

Data are from different dates/city between 2000 and 2005.

Source: Price, Benton-Short, 2007. <http://www.migrationinformation.org/Feature/display.cfm?ID=567>.

Emigration statistics are even more uncertain than immigration statistics, as leaving the country does not have to be announced anywhere, and not even labour statistics can supply estimates, as many of the emigrants were unemployed before leaving the country.

Romania – one of the countries having the largest supply of emigrants – has gone through interesting changes. In the first period, outmigration eased the tensions of the job market (high unemployment). Around 2007, when an economic boom started, labour shortages developed quickly in the construction and textile industries, in health care and in the education sector. Although immigration quotas were increased for eastern countries (e.g. for Turkish, Chinese and Moldovan firms working in Romania), this could not even closely replace outmigration: compared to the 3 million long-term (at least 12 months in the last 3 years) emigrants from Romania to EU countries, the total number of immigrants in Romania is only around 60 thousand (WS 2010, Alexe).

Ethnic minorities in urban areas

Ethnic groups – according to the mainstream definition – are people who share a common identity that arises from a collective sense of distinctive history, and people who possess their own culture, norms, tradition and, usually, common language. The ‘boundaries between the ethnic groups are defined through social processes of exclusion and incorporation; that is, ethnic group members identify themselves in terms of ethnic categories and are in turn recognised as members by outsiders’ (D. Jary & J. Jary 1991 p. 151). Ethnicity and ethnic minorities represent a very complex problem, so we should be very careful with any generalisation. Even though the article is on the ethnic minority issues related to immigration as a permanent factor in the future demographic process, we should not forget the existing territorial or borderline minorities, which raise severe conflict in European society and impact on urban policies.

There are cases when the territory of an ethnic group is clearly defined as a consequence of the historical past, and members of the group are treated as long term residents (indigenous people). However, there are ethnic minorities that gained the status of minorities because of the shifting borders of states. As the borders shifted, a part of an ethnic group found itself in the territory of another state, which then gave rise to racial, ethnic or civic discrimination against them from the majority groups (e.g. Russian minorities in the Baltic states). Because of the dominance of politics of nation states, multi-ethnic regions and countries were created such as Belgium, or Bosnia.

In Europe, Muslim minorities pose special challenges to the national governments and cities with respect to integration. The Muslim population in Europe is estimated to be around 16 million. In Western Europe, they have settled in largely urban areas. The Muslim population in selected European cities is estimated to be as high as 25% in Rotterdam, 24% in Amsterdam, 20% in Marseilles, 17% in Brussels, 16% in Bradford (UK), while in others, like Paris, London and Copenhagen, the figure is approximately 10%.⁹ However, it must be clarified that there are no exact data available on the share of the Muslim population, as there are no official statistics on this matter in most countries.

There are also ethnic minority issues (besides the problem of borderline minorities) in the eastern part of Europe, but here the main topic is the share of the Roma population.

⁹ <http://islamineurope.blogspot.com>, 2007.

This group represents a relatively low proportion of the population in the new Member States, especially in Bulgaria, Romania, Slovakia (above 9%), Hungary (around 7%), and the Czech Republic (5%) – however, we have to emphasise that there are no reliable data collection methods available to define exactly the attributes of being Roma or their share in the population. The Roma have historically been marginalised in every European country where they have settled. The social conditions of the Roma population in each of these countries are critical; their income, housing and employment positions have in most cases deteriorated. The high share of Roma population in rural areas in most of the new Member States, while in some cases – such as in the Czech Republic – the concentration of Roma households is more an urban issue.

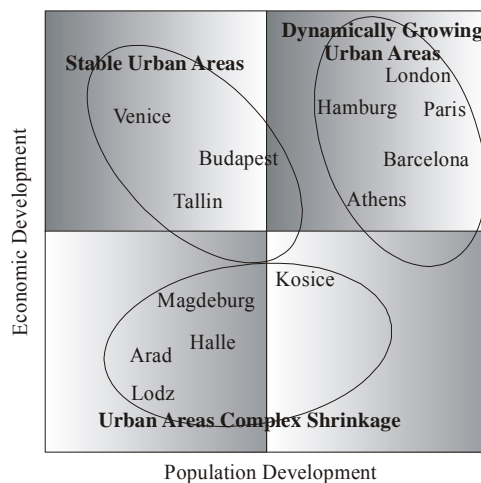
The Roma population is estimated to be between 9 and 12 million (Council of Europe 2010). Roma migration to western countries, and especially to big metropolitan cities, has become one of the most critical ethnic conflicts of urban development recently in France, Italy and Spain. The wave of expulsion of Roma people from France (according to estimates, 15 000–20 000 Roma live in France, in 300 hundred shantytowns) called attention to this problem, and made it clear that the problem of the Roma minority is a European level problem.

Demographic change on the local level and the possible strategies

In the long run, many European regions and cities will face shrinking and the ageing of the population both on the national and the urban¹⁰ level. However, these processes will not be of similar intensity all over Europe. Moreover, the tendency of the demographic processes may not coincide with those of the economic processes.

Figure 5

Position of selected urban areas according to their demographic and economic performance



Source: based on the idea of Eric van Marissing and Thorsten Wiechmann, developed in a Budapest workshop on 15–16 November 2010.

¹⁰ The local level is understood in the study as a functional (metropolitan) area, i.e. cities are considered together with their surrounding areas of influence.

The inclusion of economic parameters in the demographic analysis is essential, *because the real challenges for the future are the economic and social causes and consequences of demographic change, not demographic change itself*. In fact, similar demographic processes may occur together with very different socio-economic structures. That is why our analysis has put great emphasis on typologies of urban areas not only according to demographic characteristics but also based on a complex approach covering demographic and economic parameters at once.

Based on these considerations, three¹¹ main types can be distinguished¹²:

1. *Dynamically growing cities*: Even in the long run there will be cities that experience a strong population increase caused mainly by their large economic power. These cities are mostly bigger cities in Western Europe with local economies connected closely to the world economy. As economy is the most relevant factor in attracting migrants (who are usually younger and have a higher fertility rate), these cities may also remain hosts to migrants in the long run. Migration is generally regulated on a national level in the EU, but the local level has a lot to do to foster the integration of migrants. There are many European cities that have worked out efficient integration strategies, based on offering high level local services (registration, education, health and housing) and ensuring the most important requirements for integration (studying, working, knowing the language), thus enabling the migrants to join European society. In addition to integration policies, these cities face the challenge of pressing additional demand for infrastructure and public services. Dynamic population growth may result in the further increasing density of the built environment or in the uncontrolled sprawl of the urban area. In order to avoid the spatial and social tensions because of growth and increasing heterogeneity, *dynamically growing cities should concentrate on retaining the territorial and social cohesion of the urban area*.
2. *Cities and towns with stable populations*: Cities with a strong economic background and a gradually shrinking – sometimes slightly increasing – or stable population. Population shrinkage in itself cannot be considered a serious problem unless it has a dramatic effect on the local economy and infrastructure. Gradual population loss in a city may even be advantageous: as the density of the urban environment decreases, the economic output will be divided among fewer residents (resulting in higher GDP per capita). The main task of cities with a more or less stable demographic and strong economic background is to create flexible urban strategies. Population decline, or slight growth can quickly turn around – as

¹¹ We could define a fourth type of city, characterised by economic decline or stagnation despite population growth. This type of city is mostly found in Eastern Europe, in rural areas. The source of population growth is typically the high birth rate of Roma families who are crowded out to (or stuck in) remote regions struggling with economic difficulties. The favourable demographic situation of these cities is vastly eroded by the economic problems, resulting in high inactivity and unemployment rate of the population. Due to the differences in the migration patterns of the Roma (in some countries they move to urban, while in others to rural areas) this type of urban area could not be identified clearly and needs more research in the future.

¹² We must note that data available to measure demographic and economic performance on the urban level are not totally reliable. The current study generally uses the data of the Urban Audit, which are still somewhat incomplete in spite of the very innovative efforts. The important question about the exact share of growing or declining urban areas cannot be answered properly and evaluations sometimes have to be based on approximations. Thus the Urban Audit dataset needs to be further developed for monitoring and policy making purposes.

economic and population dynamics are not stable in the long run – changing the age and ethnic composition of the residents, leading to new requirements for public services. Flexibility means the improvement of urban infrastructure and environment in such a way that it can serve different purposes (e.g. new housing that can be both for the youth and the elderly, low density housing inside the urban borders). Besides flexibility, these cities should definitely prepare themselves for the consequences of ageing, by redesigning the urban environment, transportation and services according to the new type of needs.

3. *Rapidly shrinking cities and towns*: Urban areas of complex shrinkage experience both demographic and economic decline.¹³ These urban areas are mostly located in the Central and Eastern part of the EU (in the Eastern part of Germany, the Eastern regions of Poland, Hungary, Slovakia, Romania, and Bulgaria), but some peripheral areas of Western Europe are also affected (like the Southern part of Italy, the Eastern part of Portugal, the Northern part of England, the Northern part of Scandinavia, etc.). The decline of a region does not necessarily mean the decline of the city as well; there are vital cities to be found in declining regions. The main cause of complex shrinkage is economic restructuring: the city region starts to lose its population when it is no longer able to provide enough jobs compared to other urban regions. Thus, the strategy to mitigate complex shrinkage should concentrate on the redefinition of the economic basis. It is an important question whether all urban areas of complex shrinkage could become capable of revitalising their economic base. Several examples (e.g. the German reunification, the Italian efforts to diminish the development gap between the Southern and Northern part of Italy and the Scandinavian policy to integrate the Northern part) show the difficulties of achieving full economic recovery in the less developed regions, despite the often enormous amounts of money invested. Another question is whether the development of the economy automatically results in the increase of population in shrinking countries. In many cases ‘jobless growth’ is the outcome, when economic development means that the urban area recovers its economic basis but does not require more workforce, thus population increase may not be the consequence or only at a modest rate. Thus, besides concentrating on the economic recovery policy, these cities should adapt to the partial collapse of the overdeveloped infrastructure, housing and public services. Cities may aim at downsizing the urban infrastructure with fewer residents, thus they can reach a new equilibrium on a smaller scale. For already smaller shrinking cities, the establishment of proper territorial connectivity to large urban centres in order to strengthen the access to high quality services may be of high importance.

The previous paragraphs indicated the special measures on which urban areas of different economic-demographic types should concentrate. In addition, there are certain measures that are advisable for all urban areas no matter which category from those mentioned they belong to:

¹³ Economic decline in this sense does not necessarily mean a decline of output in net terms, rather economic stagnation, or slower development than the national average.

- implementing local employment programmes in order to activate the hidden reserves of the resident population and reduce the effect of the shrinking workforce due to ageing or outmigration;
- creating a family friendly environment and strengthening the social context, supporting family oriented measures in order to support those wishing to have larger families and to stay in urban areas;
- strengthening local child-care services to create better conditions for child-bearing and to encourage the participation of parents in the labour market;
- implementing approaches in housing, urban and spatial planning to encourage the design of mixed residential areas, regarding age, family structure and social composition;
- providing new and improved local services for the ageing generations (social, health care, culture, transportation, barrier-free environment etc.);
- implementing cultural and social activities and programmes that can strengthen social cohesion and community development, while promoting the respect for cultural diversity and reducing possible social tensions;
- providing a secure and safe urban environment in order to lower spatial segregation and increase the quality of life of all inhabitants.

National and European level tasks to address demographic challenges

The European Union has a limited role in influencing the demographic processes. The EU does not have a strict common immigration policy or a common social policy.

Even so, the EU can, through indirect tools, encourage (or press) national governments to develop policies with a direct relevance to demographic processes in the following directions:

- family-responsible social systems that give mothers the possibility to bear all the children they would like to have;
- increased retirement age in order to handle the shrinkage of the work force and lessen the burden on pension funds;
- sustainable pension systems that are based on pre-savings of the currently active generation;
- flexible labour markets without age, sex and ethnic discrimination that would enable the high-inactivity layers of society (youngsters, ethnic minorities, elderly, mothers, people with physical or mental disabilities) to enter the labour market;
- migration policies that make it easier (or even support) for those types of migrants to enter the EU, whose qualifications are needed for the economy, or for whom there is a seasonal demand;
- national and local integration strategies that aim at providing social inclusion not only for the first but for the second and third generation of migrants;
- multi-level regional development systems based on polycentric urban development to mitigate the micro-regional disparities strengthened by demographic factors.

As demographic processes may deepen the already existing development gap between the more and less developed regions of Europe, special efforts have to be taken – in the framework of national regional policies, the Cohesion Policy and also the Rural

Development Policy of the European Union – to reverse this process. This is not only a value based necessity but it also brings economic benefits, as there is considerable potential for development in lagging areas.

To tackle the loss of the working age population it is extremely important to increase labour market activity rates. There are many tools available from the provision of flexible working conditions to the training and social inclusion of inactive people, partly supported by EU measures.

To address the demographic challenges, Europe needs to establish a new solidarity across generations. The potential of third country migration should be used in a more active way, and national governments should take into account their sub-national levels (regions, urban areas) when shaping their migration policies.

REFERENCES

- CLIP 2008, *Employment of migrants by CLIP cites CLIP (Cities for Local Integration Policy) Network, 2008* downloaded from <http://www.eurofound.europa.eu/pubdocs/2008/92/en/1/EF0892EN.pdf> at 2/5/2011.
- Council of Europe 2010, *The situation of Roma in Europe and relevant activities of the Council of Europe Report*, Doc. 12174, Committee on Legal Affairs and Human Rights. <http://assembly.coe.int/ Documents/WorkingDocs/Doc10/EDOC12174.pdf> at 2/5/2011.
- Demography Report 2010, *Commission Staff Working Document. By European Commission Directorate-General for Employment, Social Affairs and Inclusion*, Eurostat, the Statistical Office of the European Union.
- Dhalmann, H. & Vilkkama, K. 2009, 'Housing policy and the ethnic mix in Helsinki, Finland: perceptions of city officials and Somali immigrants' *Journal of Housing and Built Environment* Vol. 24., No.: 4., pp. 423–439.
- EC DG Regio 2007, *State of European Cities Report – Adding value to the European Urban Audit*, http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/urban/stateofcities_2007.pdf.
- EC 2007, *Growing regions, growing Europe Fourth report on economic and social cohesion*, http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion4/pdf/4cr_en.pdf
- EC 2008, *REGIONS 2020 An assessment of future challenges for EU regions*, Commission Staff Working Paper, November 2008.
- EC 2010, *Investing in Europe's future: Fifth report on economic, social and territorial cohesion*, http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion5/index_en.cfm.
- ESPO DEMIFER 2010, *Demographic and Migratory Flows affecting European Regions and Cities Applied Research 2013/1/3 Final Report*, Version 30/09/2010 http://www.espon.eu/main/Menu_Projects /Menu_Applied_Research/demifer.html.
- ESPO DEMIFER 2009, *Demographic and Migratory Flows affecting European Regions and Cities Applied Research 2013/1/3 Interim Report*, http://www.espon.eu/export/sites/default/Documents/ Projects/AppliedResearch/DEMIFER/demifer_interim_report-29_04-09.pdf.
- EU 2020 2010, *EUROPE 2020 A European strategy for smart, sustainable and inclusive growth*, Brussels, 3.3.2010 COM (2010) 2020. http://europa.eu/press_room/pdf/complet_en_barroso__007_-_europe_2020_-_en_version.pdf.
- Großmann, K. et al. 2008, 'Urban shrinkage in East-Central Europe? Benefits and limits of cross-national transfer of research approaches' in *Declining cities/developing cities Posnan 2008*, <http://islamineurope.blogspot.com/2007/11/muslim-population-in-european-cities.html>.
- Jary, D. & Jary, J. 1991, *The HarperCollins Dictionary Sociology*, HarperPerennial.
- IPPR 2008, Pollard, N. & Latorre, M. & Sriskandarajah, D., *Floodgates or turnstiles? Post-EU enlargement migration flows to (and from) the UK*, Institute of Public Policy Research. http://www.ippr.org/ images/media/files/publication /2011/05/floodgates_or_turnstiles_1637.pdf.
- Mykhnenko, V. & Turok, I. & Mykhnenko, I 2007, 'The trajectories of European cities, 1960–2005' *Cities*, Vol. 24., No. 3., pp. 165–182.
- Price, M. & Benton-Short, L. 2007, *Counting Immigrants in Cities across the Globe*, George Washington University. January 2007 <http://www.migrationinformation.org/Feature/display.cfm?ID=567>
- Reeve, K. & Robinson, D. 2007, 'Beyond the Multi-ethnic Metropolis: Minority Ethnic Housing Experiences in Small Town England' *Housing Studies*, Vol: 22., No.: 4., pp. 547–571.
- United Nations 2008, *Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2008 Revision*, downloaded from <http://esa.un.org/unpp/> at Tuesday, June 08, 2010; 10:08:00 AM.
- Urban Audit database, 1999–2002 and 2003–2006 datasets*, <http://www.urbanaudit.org/index.aspx>
- Wolf, M. 2010, *Urban shrinkage in Europe, working paper 2010*.
- WS 2010, *Workshop of experts on 15–16 November 2010 in Budapest*, participants: Iris Alexe, Dirk Gebhardt, Éva Gerőházi, József Hegedűs, Eric van Marissing, Rainer Münz, Alina Potrykowska, Hanna Szemző, Kyra Tomay, Iván Tosics and Thorsten Wiechmann.

Keywords: Demographic change, regional and urban level, ageing, shrinking cities, migration, integration.