ESPON

EUROPEAN SPATIAL PLANNING OBSERVATION NETWORK

Urban-rural relations in Europe

ESPON 1.1.2

Co-financed by the European Community through the Interreg III ESPON Programme

Urban-rural relations in Europe

ESPON 1.1.2
Final Report

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This report represents the final results of a research project conducted within the framework of the ESPON 2000-2006 programme, partly financed through the INTERREG programme.

The partnership behind the ESPON programme consists of the EU Commission and the Member States of the EU25, plus Norway and Switzerland. Each partner is represented in the ESPON Monitoring Committee.

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ISBN number: 951-22-7244-X
This basic report exists only in an electronic version.

Foreword

This report presents the results of the project “Urban-rural relations in Europe”, which was conducted within the ESPON 2000-2006 Programme. The project was co-ordinated by the Centre for Urban and Regional Studies, Helsinki University of Technology, and included the following institutions (partners, subcontractors and observing partners) and persons:

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The report has a number of authors. They have based their contributions on the various working documents of the project. The editors, Christer Bengs and Kaisa Schmidt-Thomé, are responsible for the final selection of the material and for the possible contradictions with the original partner contributions. Selected working material from the various Workpackages and case studies is available online (see Annex 8 for the links).

The summary has been compiled by Christer Bengs & Kaisa Schmidt-Thomé.

The Chapter 1 has been written by Christer Bengs, except for subchapter 1.3, which has been written by Kaisa Schmidt-Thomé. The section of urban-rural functional relations draws heavily on the contribution of Dominic Stead as well as the section 1.3.1.Chapter 1.

The Chapter 2 is based on the Working Documents of the Workpackage 4, written by Simin Davoudi, Michelle Wishardt, Trevor Hart and Kevin Thomas (see also Annex 8 for links to material that is available online).

The Chapter 3 has been written by Christer Bengs. Jörg Neubauer has elaborated the statistics and maps on national definitions. Tomas Hanell has contributed in developing the methodology. Hanna Ristisuo has elaborated the statistics and maps on the interrelations of various criteria and the harmonised typology. Eduarda Marques da Costa has produced the factor analysis and Kaisa Schmidt-Thome has contributed comments all the way.

Chapter 4 has been written by Jim Walsh, Kaisa Schmidt-Thomé, Dominic Stead and Eduarda Marques da Costa. The findings were summarized in 4.3 by Kaisa Schmidt-Thomé. The analysis is based on case studies (see Annex 7 for the authors), which are also available online (see Annex 8 for the links).

Chapter 5 has been written by Christer Bengs.

Chapter 6 has been compiled by Christer Bengs drawing on policy conclusions from the other chapters as well as various contributions of Jacques Robert, Simin Davoudi and Kaisa Schmidt-Thomé.

The Annexes have been compiled by Kaisa Schmidt-Thomé, Hanna Ristisuo and Maëva Balay, drawing partially on the Working Documents of the Workpackage 2, written by Simone Reinhart and Christian Muschwitz.

CURS wants to express its gratitude to all partners involved for a very pleasant and professional co-operation, to a number of ESPON projects that have always been eager to collaborate as well as to the Co-ordination Unit and the Commission for their great assistance during the whole process. We also want to thank the national contact points, which have provided us with insightful comments.

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Urban-rural relations in Europe

Part One: Summary

Executive summary

1 What is the meaning of “spatial”?

The concept of “spatial” has come into focus for a variety of reasons, one of them being that all political decisions have territorial implications. Therefore “space” has come to be seen as a devise for underpinning the need of co-ordinating our different activities. This is increasingly important in a changing world where the hierarchically organised political government is based upon territorial units. The national state is a spatial project that has shaken Europe several times during the last centuries, producing perpetually changing borders of influence in Europe. The national project is still in full swing and the future of European integration is of course relative to the various national endeavours across Europe. The pursuit for *regionalising* Europe could be conceived in the context of European integration, where more independently acting regions, including regional governments, would counterbalance or counteract the influence of national states and favour European institutions.

Regionalisation of Europe is also an endeavour associated with globalisation where the national context seems to lose in importance. Tangible assets such as the supply of qualified labour, the relative position with regard to markets and environmental qualities as well as accessibility are particular *regional characteristics*. In this context the discussion on urban-rural relations gains momentum, because the regional perspective implies the salience of urban-rural relations compared to the previously prevailing national perspective. Moreover, regionalisation actively pursued as a way for increasing local markets by creating larger *functional regions* based on daily commuting, is a tendency that can be traced all over Europe today. *This tendency induces enlarged and intensified urban-rural relations and influences the continuously altered spatial configuration of Europe.*

The continued globalisation gains from the on-going *de-regulation* of markets, including property markets. This is accompanied by continued *de-centralisation* of the decision-making process, where the neoliberalistic economy seeks its counterpart, the neoliberalistic society. In the face of recent development, the regional level is overhauled by the introduction of political and administrative reforms across Europe. The tendency is to establish regional regimes that could provide for de-centralised decision-making in a re-regulated market and, in addition to that, gain political credibility by their pure existence as an “up-to-date” solution and political legitimacy through the introduction of representative democracy on the regional level.

2 Is it possible and sensible to make a distinction between urban and rural areas in Europe?

Currently, it is not so easy to argue in favour of the traditional split between the two spheres of urban and rural Europe. The easily comprehensible traditional picture of town and countryside was blurred already by the emerging industrialisation and it was further reinforced by de-regulated property markets, improved communications and lately by the advanced information technology. A clear-cut visual divide is simply gone, being replaced by *rurbanisation*, a process where the physical environment loses qualities that were traditionally associated with urban or rural settings.

In most countries, urban centres have long since lost their particular privileges and there is no longer a clear difference in administrative status between town and countryside, or it is blurred. Economic enterprises locate where they want to, and the functional division of labour between town and countryside is increasingly indifferent. Only activities of a very space-consuming and bulky type clearly prefer the countryside. The mental map is blurred as well: the rural life is urbanised by transcending commodity relations and life styles are appropriated according to mass consumption patterns regardless location. Ideas concerning mental setups particular to urban or rural environments have been refuted and even the comprehension that urban environment would foster creativity and that rural environment would favour more stable social relations have been strongly questioned.

What is left? Is the urban-rural divide totally anachronistic? Is it altogether sensible or even possible to divide Europe according to these lines? If the divide is possible, how should it be done and what are the criteria? Does it make any sense to get engaged in designing policy recommendations on the basis of urban-rural relations? If the divide makes sense as an intellectual exercise, does it make sense in terms of politics? These and related additional questions are the focus of this study.

3 Can we apply one single concept for understanding the changing urban-rural relations?

If such a concept exists, that would be *urbanisation*! Urbanisation actually encompasses the whole spectrum of human life, which means that the countryside and rural life are not seen as residual factors of urbanism but an equally important counterpart in a relation-ship between urban and rural settings, and more generally speaking, between urban and rural life. In this study, the concept of urbanisation is understood in this broad context, and urbanisation is conceived as a crucial concept for understanding and conceptualising urban-rural relations further.

Urbanisation can be comprehended as demographic change, as structural changes in the economy and as ideas, images and behaviour of people.

4 What does urbanisation mean in more concrete terms?

Urbanisation in terms of *demographic changes* usually refers to the growth or decline of urban settings of a certain size in relation to growth or decline of rural settings. Furthermore, these urban settings are often classified according to rank size, and a study

of urbanisation would then include a study of the changes in the various parts of the hierarchical urban system, for instance on the national or on the regional level. Usually such a study is carried out by defining an intelligible *urban system*, which constitutes an integrated entity.

Of course one can study very large territories that are not composed of only one integrated urban system. Europe as a whole is an example of a territory that is not composed of only one integrated system, but, due to historical reasons, includes various relatively independent (national and regional) subsystems. It is important to underline that the effects of globalisation are not uniform in urban systems of different types. Some effects of globalisation may have a uniform impact on the whole of Europe while other effects may influence the various subsystems in very particular ways depending on the maturity of the urban system under consideration. Therefore it is important always to study the effects of European integration and globalisation in clearly defined local, regional and national contexts, that is, in contexts that make sense.

Urbanisation in terms of *structural changes* in the economy relates to the movement of people between various sectors of the economy, some of them significantly rural (agriculture) and others mainly urban (commercial services). In some of the European countries this is taken into account in the national classifications of urban and rural population. Urbanisation is not only a way for the society to adopt to new functional and economic requirements, but an economic activity in its own right, which involves landed interests, credit institutions, producers of construction materials, developers, construction firms, real estate agencies, purchasers of dwellings, etc. Urban-rural relations are dependent on prospects for lucrative investments, and those vary over time and according to the national and local context. The nationally and locally developed systems of land exploitation and real estate markets are crucial in understanding urbanisation in any particular place, and even at the national level.

The third meaning of urbanisation is related to *behavioural patters and lifestyles* as well as *images and ideas* related to them. Such images are often produced or exaggerated, and subsequently employed for commercial purposes. Images of urban and rural lifestyles are made commodities and traded on the market in the mode of various tangible and intangible objects, sports and entertainment as well as housing preferences. Already in the 60s, the notion of the *rurban* was coined, indicating the merge between urban and rural lifestyles.

5 How do urban systems change?

According to the theory of *differential urbanisation*, any urban system undergoes ideally various *phases* in its development, passing through a complete cycle of urbanisation. According to the differential urbanisation theory, the initial *polarisation* phase of an urban development cycle includes the growth of large cities (“early prime city stage”, “intermediate prime city stage”, “advanced prime city stage”). The *polarisation reversal* implies the growth of intermediate sized cities (“early intermediate city stage”, “advanced intermediate city stage”) and the *counter-urbanisation* phase corresponding to the growth of small cities (“advanced small city stage”). Ideally according to the theory, the growth of prime cities would correspond to the decline of small cities. Eventually this relation is supposed to turn the other way around as small cities grow while prime cities decline.

The growth and decline of intermediate cities would fit in as a medium stage between the extremes.

The various stages of urbanisation have also been conceptualised in terms of *urbanisation* (population increase of the core), *suburbanisation* (increase of the ring, decrease of the core), *disurbanisation* (decrease of core and ring), and *reurbanisation* (increase of core, decrease of ring). Early stages of urbanisation are often associated with *premature urbanisation*, resulting in something called over-urbanisation or a state where the urban centre gains an excess population that cannot be integrated within the formal structures of the urban centre. This would be a situation typical to developing countries, while polarisation reversal would be linked to more advanced developing countries, and counter-urbanisation to highly developed countries.

For the purpose of studying urban-rural relationships in Europe, the differential urbanisation theory could be useful as it can be applied at various scales and as it renders possible to grasp the diversity of urban systems in Europe. These have evolved very differently in the various countries over time. The effects of European integration and globalisation on the different national urban systems could be very diverse, and the theory provides some basic concepts for grasping and articulating this diversity. This theoretical view is important with respect to policy recommendations as well. *If urbanisation is a phenomenon that proceeds with the force of nature, then the conditions are very limited for the successful implementation of policies that seek to influence patterns of urbanisation.* This remark includes the idea of polycentric development as well. According to the theory of differential urbanisation, poly-centricity is inherent in particular phases of any urbanisation process in any country, but probably hard or impossible to steer.

The urban systems of the European countries must be analysed in the context of political history, which seems to explain much of the characteristics of the individual urban systems. The political turbulence of Europe during centuries and during the 20th century in particular, has caused situations where urban systems are “displaced” into new political and sometimes cultural contexts. This means that the urban systems have not grown “naturally” within stable political and/or socio-economic frames for very long periods of time. With the relative decrease of the influence of the nation state on the national urban system of each country, the urban configuration of Europe is about to change once more, and will probably adjust to enhanced European integration.

The effects of integration are likely to hit the various urban systems in very different ways depending on matters like size, attractiveness and accessibility. If globalisation has induced different patterns of urbanisation at different levels of the urban hierarchy, this could probably favour some urban nodes and leave the rest of the centres following the old patterns in the national contexts. The traditional relationship between city centre and periphery are being accompanied and overlapped by a hierarchy of networks, where the interdependencies are far more complicated than the relationship to the nearest higher node of the urban hierarchy.

The data on the change of urban population during the last fifty years would support the impression of a slower general pace of urbanisation in the already highly urbanised parts of Europe. However, the effects of immigration and increasing international mobility of people, goods and capital may contribute to further concentration of strategic activities in major cities. This could mean the continuation of suburbanisation outside huge cities. The relative over-representation of small and medium-sized towns should be seen as a European advantage.

6 What is rural?

A wide array of notions of 'the rural' has emerged in academic discourses. Four principle approaches can be identified, which are connected to four phases of discussion. In the first phase, there was a search for rurality in *particular spaces and functions* and the mapping of rural areas through non-urban characteristics or through important elements of rural identity such as open spaces, small settlements or particular behavioural patterns. Although the set of elements that gets chosen to represent rurality may have changed, this traditional set of approaches certainly continues to attract attention.

The second phase of conceptualisations was brought about by the political economy and the notion of rurality as such was undermined. The causes of change in rural areas were often seen to originate in the *national and international economy* on a rather non-spatial basis. Researchers came to question whether rural places actually represent distinct localities. Some were even ready to dump the rural as an analytical category. Traits of these approaches continue to influence academic debate especially in connection to the discussions around globalisation and global-local relations.

In the third phase, it was claimed that a single rural space cannot be defined. Instead it was suggested that a number of different social spaces overlap the same geographical space. According to this set of approaches, rurality was a *social construct*, which rescued the rural as an important research category. The meanings of rurality and their dependencies on the agencies and structures played out in various spaces were seen as questions of major interest – and still are.

The fourth phase was connected to deconstructionist approaches and it was claimed that symbols are becoming increasingly detached from their referential moorings. In rural studies, the task was thus to reflect how the socially constructed rural space becomes increasingly detached from the actual geography of every day life in the rural areas. Many scholars devoted themselves to exploring the complexities and ambivalences of the rural, e.g. through deconstruction of different *rural texts.*

7 What means rural restructuring?

In the developed market economies changes seem to bring rural areas increasingly towards the so-called *post-productivist countryside*. New demands related to the interactions between rural and urban areas can be identified, including demand for quality food production, public amenity space, space for housing, areas of environmental protection and for the experience of different types of rural 'idyll'. The *commodification* of rural areas offers various development opportunities, but generates pressure as well.

Why do people in some areas seem quite capable of responding creatively and successfully to prevailing trends while others do not? It is claimed that if policies are to meet diverse needs and circumstances, the mobilisation of the local communities and partnerships of various kinds are essential. From the perspective of the urban-rural policy-making, the questions that are raised here are: How do the various kinds of urban-rural relations correlate with the degree of success in the rural areas? What has been – or could be – the role of policy in enhancing success in the future? Could a particular focus on urban-rural relationships and partnerships be relevant in such policies? The study at hand will indicate at least partial answers to these questions.

8 How could urban-rural relations be defined?

The existence of urban-rural relations implies the idea that there is something that can be called “urban” and “rural”. It is the nature, characteristics and functions of the counterparts in a given context that determine their relations. However, “urban” and “rural” are not entities, which would be in existence regardless human practice and particular interests: the nature and character of these categories are dependent on how they are defined. By defining the concepts “urban” and “rural” we actually define some major traits of their interconnections.

Here it is assumed that the concepts of “urban” and “rural” can be defined in a variety of ways. Chosen definitions must be operational in the sense that they have to be related to some particular interest of knowledge. In defining “urban” as apart from “rural”, any definition has to reflect the *instrumental interests* underlying the chosen definition. This requirement is enhanced by the fact that empirical evidence in order to demonstrate the clear-cut distinction between the two categories seems to get more and more arbitrary as time goes by. More than being proper names of given settings, “urban” and “rural” seem to be dimensions or characteristics of any given territory. These concepts represent sets of associations that can be attributed to a whole range of different environmental types.

With respect to urban-rural relations, our point of departure is to make a distinction between structural and functional relations. *Structural properties* refer to those physical characteristics that are comparatively stable over time and in most cases have emerged as a result of human endeavour spanning over centuries. Such structural properties are established land-use patterns, settlement structure and the distribution of population. *Functional properties* refer to the factual use of the physical environment such as various forms of production, consumption and communication. We assume that “urban” and “rural” characteristics of particular territories can be defined according to various structural and functional *properties*. In this sense the two categories can be defined according to for instance population density, land-use patterns, economic activities, and functions in a given system.

We also assume that urban-rural *relations* can be defined in terms of structural as well as functional relations. Urban-rural structural relations are determined by the way the physical environment is *constituted and shaped* while their functional relations are determined by the way the physical environment is *utilised*. Over time, particular functions of any given location change as production and consumption patterns change. An effect of this is that also the physical setting is reworked over time. From this point of view, all urban-rural relations are part of a perpetual reshaping process. Structural relations are, however, characterised by a certain degree of stability, because the physical world cannot be re-built overnight. Therefore they provide a comparatively inert context of functional relations. Functional relations on the other hand can be changed over night, given the flexibility of the physical setting to house a multitude of various activities as well as the flexibility of various functions to adapt to various physical settings.

It is possible to identify two distinct phases in urban-rural functional relationships. The first phase occurred when societies of Europe were predominantly rural and cities’ relationships with rural areas were characterised by the consumption of agricultural produce by urban dwellers in exchange for cities’ commercial products. In the second phase, after the Industrial Revolution, the balance of urban-rural relationships began to shift

towards an increasing dependency of rural areas on urban economies. New urban-rural relationships are far more complex than the traditional simple reciprocal exchanges between cities and villages and concurrently we seem to be witnessing a third phase. Urban-rural linkages are now moving beyond the single one-way exchanges and demonstrate a more complex and dynamic web of interdependencies, which are shaping the fortunes of cities and countryside alike. It is this recognition of the complexity of urban-rural relationships, which has gained a new political salience both at national and European levels. This focus on urban-rural continuum is justified by *the visible and invisible flows* of people, capital, goods, information and technology between urban and rural areas.

9 What policies in Europe target urban-rural relations?

A review of various EU sector policy documents, communications and initiatives was undertaken to find explicit or implicit formulations expressing some sensitivity towards urban-rural relations. That sensitivity is not easily detected. The documents reviewed included few references to their potential effects on urban or rural areas or urban-rural relations. The analysis of the policy documents showed that in *agricultural and rural policy* documents as well as in *regional policy* documents there is already some focus on urban-rural matters, but the *transport policy*, for instance, seems rather ignorant in this respect although its spatial impacts can hardly be denied.

In the near future, the new possibilities to bring attention to urban-rural relations could be found within the Community Agricultural Policy (CAP), if this continues to develop towards an increasingly *spatial development policy* where the funds are distributed among territories that encompass both urban and rural areas. That would open up for an opportunity to realize what kind of added value the attention to urban-rural aspects could bring to territorialized development policy.

In the absence of Community competence for urban policy, and the weakness of the rural policy aspects of the CAP, it is not realistic to expect something that could be called an urban-rural policy of the European Union. However, it is worth trying to improve the sensitivity of EU's sector policies in terms of their spatial impacts, including impacts on urban-rural relations.

In order to strengthen the attention to urban-rural relations, it would be important to attempt to influence EU policies with major budgets. Other options include the continued efforts to use the Community Initiatives for reaching a greater urban-rural sensitivity. The Interreg has offered a ground for the active promotion of the ESDP aims concerning urban-rural partnership. Various actors representing regions and localities have been very active in the Interreg context in trying to integrate urban-rural aspects in their work.

Examining the occurrence and nature of urban-rural policies in different European countries, both at national and regional/local levels, has also indicated the opportunities and limitations in bringing attention to urban-rural relations. A review was accomplished with the aim to highlight the expectations of the policy makers involved in urban-rural sensitive policies and to identify relevant experience. The focus of the national level policies on urban-rural relations corresponded to the aim to ensure territorial cohesion at national and regional levels. Approaches included incentives to fostering certain kinds of

actions as well as restrictive policies steered at limiting either urban growth or rural growth. However, the possibilities of various national level policies and regional/local level actions to really have an effect on tangible urban-rural relations – structural or functional – have to be discussed further.

10 Is it possible to elaborate a typology of regions in Europe according to urban-rural characteristics?

Yes, this has actually been done in this study (Map 1)! The task was to carry out statistical analyses and cartographic renderings of European regions (NUTS3) in order to identify the *character of regions on a successive grading form urban to rural*. The analyses and the elaborated typology imply both structural and functional urban-rural relations. There is a correspondence between the two forms of relations as structural urban-rural relations form the precondition for functional relations, and functional relations turn structural over time.

The procedure of the investigations was the following. First, national definitions of urbanisation were analysed and tested. On the basis of this work an initial, not fully harmonised typology of urban-rural Europe was developed. Subsequently, a set of indicators was chosen and investigated by applying a multivariate statistical analysis. Based on the results a smaller set of indicators was chosen for further analyses, and interrelations between the various indicators were identified. A final, harmonised typology of urban-rural Europe was elaborated and this typology was compared to a set of indicators concerning the socio-economic development of Europe. The model was tested on the national level in two cases as well.

The elaborated typology is based on the idea of two main dimensions, that is, *degree of urban influence* on the one hand, and *degree of human intervention* on the other hand. Urban influence is here defined according to *population density* and *status of the leading urban centre* of each NUTS3 area. Land cover is supposed to reflect both the degree of human intervention and actual land use. Degree of human intervention was determined by the relative share of land cover according to the main land cover classes of the CORINE data set. The main classes are *artificial surfaces*, *agricultural areas*, and *residual land* cover. The European average of *artificial land* cover is 3.48 percent of the total land cover. The corresponding figure of *agricultural land* is 50.36 and of the *residual group* it is 46.16. The different land cover types were transformed into relative shares on the territorial scale of NUTS3.

In determining degree of *urban influence*, two factors were taken into account: population density and status of the leading urban centre of the region. Only two classes were defined, i.e. *high urban influence,* which included all NUTS3 areas with a population density more than the European average (107 persons per square km) and/or the areas where the leading urban centre of the NUTS3 area has been labelled “Metropolitan European Growth Area (MEGA). The rest of the NUTS3 regions were classified as being under *low urban influence*.

High human intervention corresponds to a situation where the share of artificial surfaces (and possibly one of the two other land cover categories) is above European average. *Medium human intervention* equals the cases where the share of agricultural land (and possibly the share of residual land cover) is above European average. *Low human*

intervention concerns all cases where only the share of residual land cover is above European average.

The two classes of *urban influence* and the three classes of *human intervention* were combined into a six-type model where the main division is in two classes of *urban influence*, that is, *high* and *low*, and a three-class subdivision into *high, medium* and *low human intervention* of the two main classes. The two-class main division indicates *functional* (status of urban centre equalising functional specialisation, population density equalling size of markets) as well as *structural* properties (population density equalling built up areas) and the three-class subdivision is based of the structural properties of the physical environment (relative share of the various kinds of the land cover) as well as function properties (land use).

11 Is not the harmonised typology of urban-rural Europe very rigid and static?

No, the model is dynamic in two respects. On the one hand it provides for the employment of statistical time series according to which changes over time can be visually represented. In this study, time series of data were available only in a few cases, and therefore later complements have to be managed in order to bring in the aspect of change. The model is flexible also in another sense: it can be applied on different geographical levels in a way that the renderings of the different levels are comparable with each other. The harmonised model was tested on two countries, Belgium and Austria, but on NUTS5 level (Maps 2 and 3). The results of these exercises are very encouraging, because they indicate the flexibility of the harmonised typology. Applying the same logic (above/below average) it is possible to switch from one geographical level to another and still get cartographic representations that are somehow comparable. Although the scale changes, the logic of the rendering keeps the same and this provides for comparability.

The success of the harmonised model lays in the fact that it is overtly simple. The basic data needed are available and the switch from one geographical level to another is no problem as long as the required data sets correspond to the basic territorial unit (NUTS-level) employed. The simple logic induces the possibility to picture e.g. Belgium in Europe, the municipalities in Belgium, one statistical area of a Belgian municipality relative to that municipality, etc. In all these cases the averages applied can be the averages of the next supreme level: in the NUTS5-based rendering the level of averages can be the national level, in case of a statistical area of a municipality it can be the municipal average. It is the application of averages (above/below) that secures the comparability between geographical levels.

12 What is the distribution of the different regional types?

The distribution of regions across the six regional types is uneven. As many as 691 NUTS3 areas belong to type 1 (high urban influence, high human intervention). The rest is distributed more evenly among the types. The distribution of the different regional types across the new member states and accession countries is uneven as well. In the regional type 3 (high urban influence, low human intervention), the EU10+2 countries are represented by only one NUTS3 area while in type 4 (low urban influence, high

human integration) their relative share is more than half of that category. Because of this uneven distribution, the profiles of these two regional types are heavily influenced by their geographical location.

The regional type 1 (high urban influence, high human intervention) covers only 19 percent of the total area (29 countries), but houses 60 percent of the population and produces 72 percent of the total GDP. The corresponding figures for the sum of all the three types with high urban influence are 27 percent, 69 percent and 78 percent. This means that nearly four fifths of the GDP of Europe is produced in slightly more than one fourth of the territory that is under high urban influence. The regional types 5 and 6, with low urban influence and medium or low human intervention, count for 53 percent (22 + 31) of the total territory but only 20 percent (12 + 8) of the total population and 16 percent of the GDP.

The share of EU15+1 (Norway missing) is 68 percent of the total area and 77 percent of the total population, and the share of the EU10+2 counts for 23 percent of the total area and 21 percent of the total population. In terms of GDP the difference between EU15+1 and the rest is striking: the former countries count for 95 percent of the GDP while the rest, that is, the new member states and two accession countries, count for only 5 percent of the GDP.

13 Are there lessons to learn from the structural properties of regions in Europe?

Certainly! What is truly noteworthy about land cover/land use in Europe is that the relative amount of *agricultural land* is so stable, being an attribute of areas with high as well as low population density, and being an attribute of all kinds of regions regardless the status of leading urban centre. The share of agricultural land does not decrease with increasing share of artificial surfaces either. Of course there are numerous examples of regions with a very low share of agricultural land, but on the average the share of agricultural land is very stable. This indicates the fact that agriculture is an integrated function of all the different parts of Europe, also the most urbanised parts of Europe. Agricultural land loses in relative importance only in those parts where residual land cover is prevailing.

The prevalence of agricultural land across Europe is an asset of tremendous importance. Firstly, it provides for the option to produce food locally. Consumers could have the possibility to literally control the production of the food they are consuming. This could also be an economic advantage as the demand for locally produced, secure food is on the rise. Secondly, the abundance of agricultural land in regions of high urban influence provides for the possibility to utilise agricultural land for recreational purposes. It is an environmental asset that cannot be underestimated. Consequently, the protection and conservation of agricultural land and greenfield land in general in the densely populated parts of Europe in particular should be a high priority.

The *degree of human* intervention was judged by the relative *share of artificial surfaces of the total land cover*. On the average, this criterion correlates with population density, but there are remarkable deviations, which are closely connected to national territories. The east of Europe, (excluding Poland) as well as Sweden, Denmark, Belgium and parts of France are characterised by a high share of artificial surfaces per capita: degree of

human intervention is considerably higher than population density would indicate. This could be conceived as an *ecological indicator*, which places the mentioned countries in an unfavourable position, and should initiate new policies for a more prudent management of land (Map 4). A high share of artificial surfaces also indicates a high share of discontinuous urban land, which indicates urban sprawl.

One could argue, however, that even if the share of artificial surfaces per capita may be conceived as an ecological indicator, it does not add much to the issue of *sustainable development*, which should include the economic dimension as well. In order to scrutinise this question, the share of artificial surfaces (per capita) was compared to economic output (GDPpps per capita), which could be conceived as an *indicator of sustainability* (Map 5). According to this criterion, the situation in Eastern Europe as well as in Sweden and Belgium is depressing.

In EU10+2, there are strong indications that urban sprawl in medium size and smaller centres have been more effectively managed than in the west. In Eastern Europe, the faults of the west should not be replicated, but there are unfortunately strong indications of decreasing prudence of land management in these countries due to increased land speculation. This unfavourable process could be enhanced by investments in transport in the EU10. There, the overall accessibility is not of the EU15 standard, and a deepening economic integration requires enhanced accessibility, but this should not make allowance for urban sprawl.

14 Which are the relations between urban and rural areas that could be described as “functional”?

Urban-rural relations of a functional kind are connected to the processes of socio-economic diversification and the interconnectedness of different functions located in urban and rural areas. The case studies concerned service provision, flows of people, accessibility to education and knowledge, production of tangible and intangible goods and the use of amenities. A set of “urban-rural situations” with relevance for spatial policy making was identified.

The link between *global-local* relations and urban-rural relations was highlighted in several cases. In Ireland in particular, the viability of major centres is highly influenced by global players. Also the role played by international tourism in the socio-economic restructuring of the Algarve region has had rather drastic urban-rural implications.

In most parts of Europe, the tendency seems to be the increasing size of *functional urban regions* or commuter catchments areas due not only to the improvements in physical infrastructure and accessibility but also depending on the possibilities offered by the developing communication technology. The diversification of the urban economies and the widening labour market areas increase the flexibility of the labour market within a wider urban agglomeration. This improves the possibilities to live in the adjacent and accessible rural areas.

In nearly all of the major urban regions that were covered by the case studies, the tendency has been towards *increasing spatial interconnectedness* of areas within those regions. The division between urban and rural functions is increasingly blurred. This has meant increasing overall diversity, but in particular urban centres the tendency may point towards increasing specialisation.

The analysis of the development trajectories of urban regions indicates a tendency towards an *increasing wealth of the medium-sized towns*. The large metropolitan areas are no longer superior in their performance measured by population and employment figures. Also smaller centres, which are mostly excluded from the global market, are able to be successful. They enjoy a certain economic stability as their economic basis relies on the service sector.

The role of leisure time is of increasing significance in the restructuring of the economy. Access to *consumption spaces* is an important aspect in the perspective of urban-rural relations. High quality environments occur as magnets not only for residents but also for enterprises. However, the regional cases tell still more about relocations of enterprises to the outer rings of urban agglomerations than about moves to the remote countryside. In this respect, decisions related to infrastructure investments play of a decisive role.

15 Should we improve the functional collaboration between urban and rural areas?

The overall diversification and blurring of urban and rural functions have probably been beneficial for the majority of the population in terms of job opportunities. Where major investments in accessibility within a region have been made, the criss-crossing or circular connections have attracted offices and industries to locate along the transport corridors, which has made it possible to draw even more commuters from all areas well connected to the corridor in question.

For urban regions the economic benefits of increasing urban-rural interaction have been quite obvious, but the social and economic sustainability of the trend is far from self-evident. The development of public transport routes has usually not kept the pace with motorway investments, which has tempted or forced private car use. As this development may have several unsustainable effects, it is increasingly important to study the nature of increased interaction and not to advocate interaction for its own sake.

The less accessible rural areas seem to find it harder to diversify their economic base when the agricultural sector at the same time is becoming increasingly marginal as a source of income. The possibilities of small towns and the surrounding countryside to maintain their economic viability seem to correlate with the population density. The search for life-savers has mainly been found in the service sector – often in the services of the urban areas or services directed to the urban residents. Where rural areas have been able to sell themselves as consumption spaces of the urban residents, the diversification has been quite successful.

16 Maybe it is better to protect the particularities of the “urban” and the “rural”?

The case study evidence shows that the accessible and attractive areas close to diversified urban centres get the greatest gain of the increasing urban-rural interaction. It seems as if the surrounding rural areas were the lure for settling down in a particular region in the first place. Such regions receive qualified, well-off migrants and thus often good tax revenues for maintaining public services. If these people also use their purchasing power in the rural areas, they add to the viability of private services. The social dimension can,

again, be more problematic, if the urban and rural realms get to clash against each other. The less well-off rural residents that do not match the qualifications of the urban labour market or cannot access the jobs e.g. due to the poor public transport, may end up being a low-paid service class.

Tourism, both as day-trip recreation and as longer stays, is certainly a key sector that can help in preserving the viability of the rural areas. However, it can also mean that rurality actually vanishes as part-time urban residents move into the area and as the development of the service sector is increasingly guided by the needs of outsiders. The same certainly applies to the uncontrolled sprawl of peri-urban areas. As rurality is increasingly seen as a mindscape connected to particular environments, the rurality that people seek for in the landscape must be defended against urban pressure.

17 Why do we see urban sprawl?

The overall tendency in Europe during the last decades is characterised by *decentralisation* of the decision-making procedure influencing land use and development as well as the *de-regulation* of property markets. These tendencies are obviously proceeding hand in hand: *de-regulation of the market is accomplished by de-centralisation of decision making*. In most European countries the planning and building codes have been amended toward increased liberalism by disqualifying previously existing hierarchical planning systems and providing for the possibility of instant, investor-driven development. The trends provide for an increase of *speculation* in real estate and decreased competition in building, because speculators want to establish territorial production monopolies.

When development is based on the *private acquisition of undeveloped agricultural land*, this may effect in a totally dysfunctional configuration of built-up areas, including huge surplus costs for construction and for operation in particular. It is in the public interest to promote well functioning and secure regional structures, which means that development decisions must have other grounds than the purely speculative aims of the development lobby. There is no lack of instrumental knowledge, the problem is to organise development in a fashion so that this knowledge can be harnessed. Basically it is a political and an ideological question: are other than private interests acknowledged by the community? Urban sprawl constitutes a kind of urban colonisation of the countryside, but that is not a “natural” process induced by necessity, but an exponent of speculative development, private land hoarding and the private appropriation of values created by public investments. The losses on the part of the *taxpayers* are enormous.

An aim of regional policies in many parts of Europe is *regional enlargement*, which implies the idea that investments in infrastructure would enlarge labour markets and commuting areas, with the effect that the enhanced complexity of enlarged labour markets would foster economic growth and the region would profit from a more polycentric structure. The implications for urban-rural relations are very important, because extended rapid railway lines and highways do not only mean that existing towns are functionally integrated into core regions on a daily commuting basis. It could also mean extensive investments in development along the new transport corridors. This could mean a further *rurbanisation* of rural Europe, and the destruction of abundant environmental and cultural assets.

A development based on speculative gains seems impossible to combine with the request for sustainable development, which implies long term considerations and a territorial

differentiation of future prospects in terms of scale and extent. Project based haphazard development is simply impossible to fit into such considerations. Case studies have provided a realistic picture of the *magnitude of unearned profits in the development of rural land to urban areas*. These profits are not just a marginal and reasonable surplus for creative entrepreneurs, but a major cost for dwellers and a crucial loss for tax payers. If the aim would be to appropriate the unearned profit of development for the community, the solution involves the *foundation of municipal land banks, a planning policy that would require piecemeal development based on approved land use plans, the possibility for user-driven non-speculative modes of development to operate undisturbed, and a municipal building site release that would not favour the establishment of territorial production monopolies*. All this can take place only providing the financial sector offers a wide array of alternatives, including *long term mortgage loans and non-speculative banking*.

18 Can urban sprawl be limited?

Space consumption by urban development has become a major concern throughout the world. The idea of *urban containment* is a response to urban sprawl. This idea is also based on the belief that compact urban development contributes to sustainability. The pursuit of compact cities and urban development based on containment include mixed use development of existing areas, more residential development in the inner city areas, and focusing growth within existing urban boundaries. In addition, critical areas should be identified and protected, the infrastructure should be in place before development is permitted and infill development should be encouraged. Prospective benefits from urban densification would be less car dependency, low emissions, reduced energy consumption, better public transport services, increased overall accessibility, the re-use of infrastructure and previously developed land, the rejuvenation of existing urban areas and increased urban vitality, the preservation of green space and a milieu for enhanced business activities, in short, a higher quality of life.

Dense patterns of urban development are, however, not only conceived in an uncritically positive manner as it is realised that they may result in a number of drawbacks as well. The experience of urban densification and compact building indicates a number of uncertainties. It is not clear to what extent densification complies with the principles for sustainable development. The principle of sustainability as an overall principle has to be supplemented by local *livability*. Only livable environments are sustainable in the long run. The experiences of densification measures indicate that every case is unique, and is judged differently by the local population in each case. Therefore urban containment cannot be taken as a general reference whenever developers want to obtain additional development rights in urban areas.

Private-public partnership originating in grand-scale private speculation may induce *large-scale corruption* of the political system. Where public agencies get involved in economic endeavours with private partners by producing an enormous increase of the value of mutual assets, corruption seems to be inevitable. One way to decrease the risk of corruption is to require tender and competition in all the phases of the development process, and to secure that allegedly non-speculative developers do not institutionally depend on the other actors involved in development, that is, finance, building material industry, building production, etc. Already prohibition for building entrepreneurs to function as developers would ease the situation across Europe considerably.

19 Are policy recommendations important?

Ideas expressed under the title of policy recommendations often acquire the form of a wishful request list. The recommendations are not always very well grounded in specified arguments. The prime objective of this study is to analyse urban-rural relations in order to elaborate policy recommendations: the policy recommendations should of course be grounded in factual research findings. This means one should concentrate on a limited set of matters that are more concrete than previously circulated ideas.

The aim of policy recommendations is to improve public policies, which means that they must concern matters that can be influenced in a somewhat foreseeable way by decisions and actions carried out by public authorities. This requirement may seem self-obvious, but actually it is very strict and limiting, because the major part of human endeavours is closed away by this precondition. Much of policy recommendations mirror a fairly unrealistic idea of the possibilities of public authorities to conduct development. This may reflect the double nature of policy recommendations: on the one hand they are a means for rallying political support, and on the other hand they should be rational and truthful in the sense that they are anchored in empirical research.

20 What is to be recommended?

1. The improvement of the quality of life in large cities and the rehabilitation of brownfields are certainly good strategies to limit – up to a certain extent – the out-migration of urban population towards rural areas. Such strategies are probably more efficient in the case of potential out-migration towards the rural areas surrounding metropolitan areas and large towns, than in the case of potential out-migration towards more distant rural areas, because the reasons for moving are rather different. In the rural areas themselves, the settlement policy should attempt to limit dispersal and pressure on natural areas.
2. There is an important task for new forms of public transportation: networks with high capillarity and medium/low intensity; connections of rural settlement nuclei with medium-sized and small towns and with the major public transport networks. Innovative solutions have to be developed, combining efficiency and profitability. Valuable natural areas have to be more strictly protected.
3. It is advisable to concentrate most investments in infrastructure and facilities in small towns for reasons of territorial, social and economic efficiency. Insofar as they make possible the provision of diversified infrastructure, facilities and services, thereby attracting and supporting economic activities, the larger population centres should be the object of special attention.
4. The functional strengthening of small and medium-sized urban centres makes possible the development of networks based on functional complementarity between urban and rural areas, safeguarding the diversity of the rural areas and taking advantage of the development potential of small and medium-sized cities with a perspective of cooperation and integration.
5. Abandoned villages can be rehabilitated for the development of soft tourism and second homes. Flexible and multi-functional transport solutions should be worked out which are suitable for the transportation of people and goods and to the delivery of mail and care to the elderly in remote villages as well as for school population.

6. In addition to the strengthening of the settlement pattern, indigenous economic activities have to be promoted and enhanced. Precise policy recommendations require exact knowledge of the indigenous potential of each region. A number of examples can however be provided, such as:

   - the production of high-quality agricultural products, taking advantage of the proximity of some urban markets and of the development of soft tourism;
   - the use of forest biomass for energy production, in particular seeking to meet the needs of the urban population and industries;
   - the use of marginal agriculture land to introduce noble forestry species and the support to industries that rely on forest resources, such as the timber industry;
   - better use of the demand by local residents (in particular those living in the region's small towns) for week-end and outdoor recreation activities, thus contributing to the increase of the economic added value generated in the rural areas;
   - fostering the exploration of certain specific tourist niches, such as outdoor, nature and old age tourism.

   The development of such activities very often requires cooperation with stakeholders settled in towns which are likely to provide advice, knowledge, technologies, financial resources, insurances, access to markets etc. Economic revival in depressed rural areas is generally dependent upon efficient urban-rural relationships and partnerships.

7. Strategies for improving sustainability, internal cohesion and stability of the regions concerned are to a large extent dependent upon the improvement of relations between urban and rural areas. Such strategies should have an integrated character and should comprise a wide diversity of complementary measures. Examples are for instance:

   - the definition of new roles for the countryside, positioning it differently through the enhancement of its own potential (for instance cultural heritage);
   - the maintenance of agricultural functions, as far as these are environmentally compatible;
   - the strengthening of the regional level, as far as territorial development policy and land use planning are concerned;
   - institutional arrangements that facilitate meaningful horizontal and vertical coordination in relation to strategic territorial planning.

Territorial sustainability is more than an objective per se. Internal development stability in a particular region can significantly influence inter-regional connections, success on the national scale and even facilitate international connections.

8. The prevalence of agricultural land across Europe is an asset of tremendous importance. Firstly, it provides for the option to produce food locally. Consumers could have the possibility to literally control the production of the food they are consuming. This could also be an economic advantage as the demand for locally produced, secure food in on the rise. Secondly, the abundance of agricultural land in regions of high urban influence provides for the possibility to utilise agricultural land for recreational purposes. It is an environmental asset that cannot be underestimated. Consequently, the protection and conservation of agricultural land and Greenfield land in general in the densely populated parts of Europe in particular should be a high priority.

9. If the aim would be to appropriate the unearned profit of development for the community, the solution involves the foundation of municipal land banks, a planning policy that would require piecemeal development based on approved land use plans, the possibility for user-driven non-speculative modes of development to operate undisturbed, and a municipal building site release that would not favour the establishment of territorial production monopolies. All this can take place only providing the financial sector offers a wide array of alternatives, including long term mortgage loans and non-speculative banking.
10. The experiences of densification measures indicate that every case is unique, and is judged differently by the local population in each case. Therefore urban containment cannot be taken as a general reference whenever developers want to obtain additional development rights in urban areas. It is not clear to what extent densification complies with the principles for sustainable development. The principle of sustainability as an overall principle has to be supplemented by local *livability*. Only livable environments are sustainable in the long run.
11. Regional co-operation should be based on the recognition that the public must be well-informed and the need for *transparency in any development endeavour*, which is a requirement that may never be accomplished when huge economic interests and power are involved. However, it is an important ideal providing the aim is higher than just to pay lip-service to democracy.
12. Public-private partnership originating in grand-scale private speculation may induce large-scale corruption of the political system. Where public agencies get involved in economic endeavours with private partners by producing an enormous increase of the value of mutual assets, corruption seems to be inevitable. One way to decrease the risk of corruption is to require tender and competition in all the phases of the development process, and to secure that allegedly non-speculative developers do not institutionally depend on the other actors involved in development, that is, finance, building material industry and building production. Already prohibition for building entrepreneurs to function as developers would ease the situation considerably.
13. It is in the public interest to *promote competition in development by offsetting the establishment of territorial production monopolies*, whether generated by private developers or by public urbanisation policies. Private real estate speculation and land hoarding is not an exponent of functioning markets, but rather a restriction to spatial competition. Enhanced competitiveness requires competition in spatial development. The particular characteristics of housing provision and spatial development in general imply a number of restrictions to competition. These restrictions concern all the sub-markets, that is, the *land market* (planning, development practices), the *input market* (building materials, labour), the *construction market* (contractors) as well as the *house market* (private and public systems for provision of houses). All the various development modes, speculative as well as non-speculative forms of building supply, may imply restrictions to competition.
14. With regard to urban-rural relations it is important to realise that development often seems to imply solely the urban point of departure while the rural interests are either considered irrelevant, or of minor importance, or sidestepped altogether. The rural aspects should be included as well.
15. A general concern in many European countries seems to be that medium- and small-income groups are excluded from the property market. An obvious reason for this is finance, that is, the commercial financial institutions, which have little interest in

getting involved in other than profitable projects. Speculative development provides good returns. The financial options for presumptive house owners seem to have shrunk, which may be a result of concurrent changes in the financial markets but also an effect of the reduced interest for non-speculative development in local politics across Europe. The prevailing speculative mode of development promotes urban sprawl, which promotes “rurbanisation” and which is detrimental to urban and rural environmental qualities. Thus, financial instruments that promote non-speculative development are much needed.

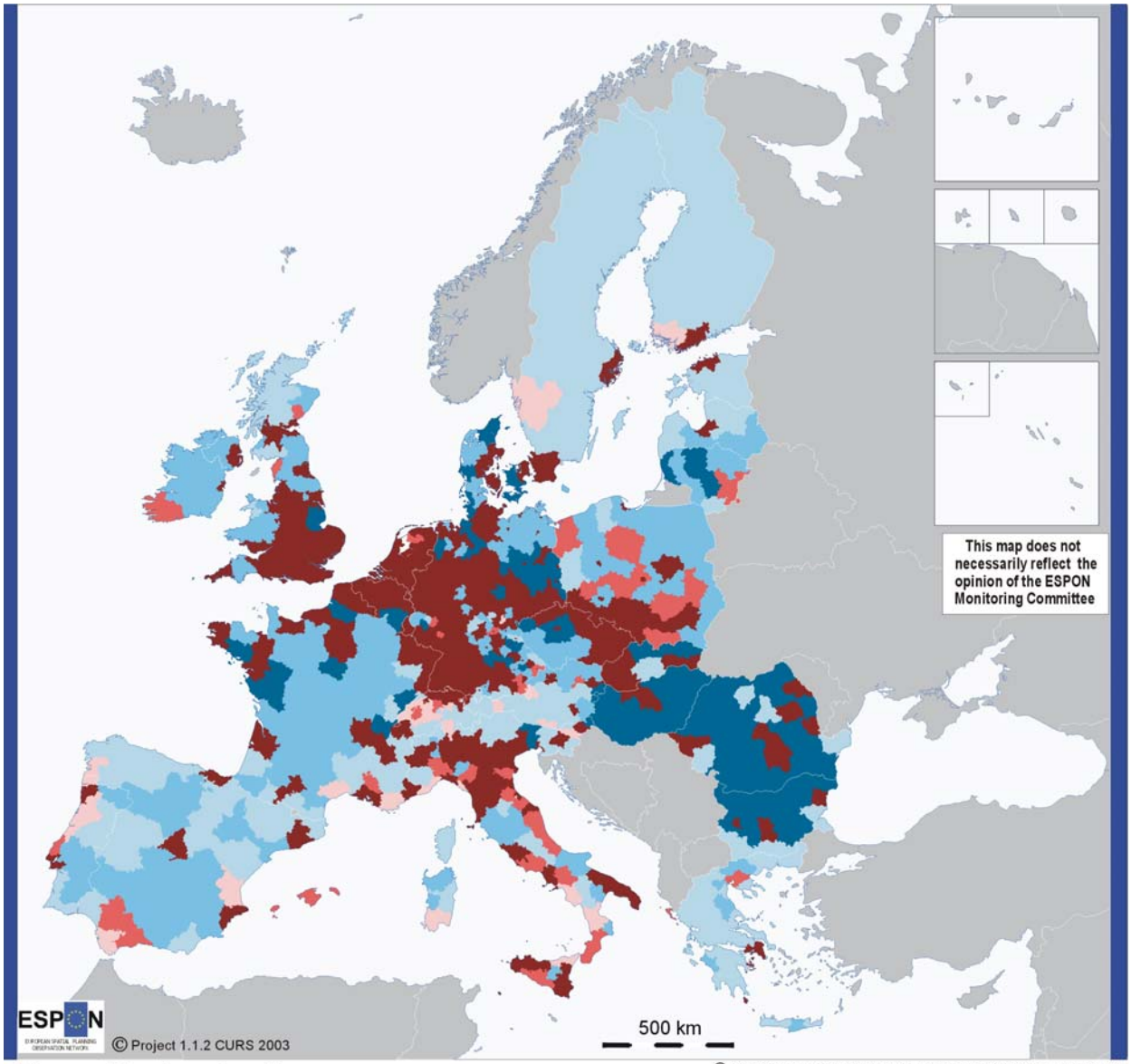
21 Are there still important issues that have not been investigated?

Certainly! This study is the first of its kind and it has fulfilled its task providing it opens up for a further discussion on urban-rural related issues. Some ideas for future research could envisaged on the grounds of the current experiences.

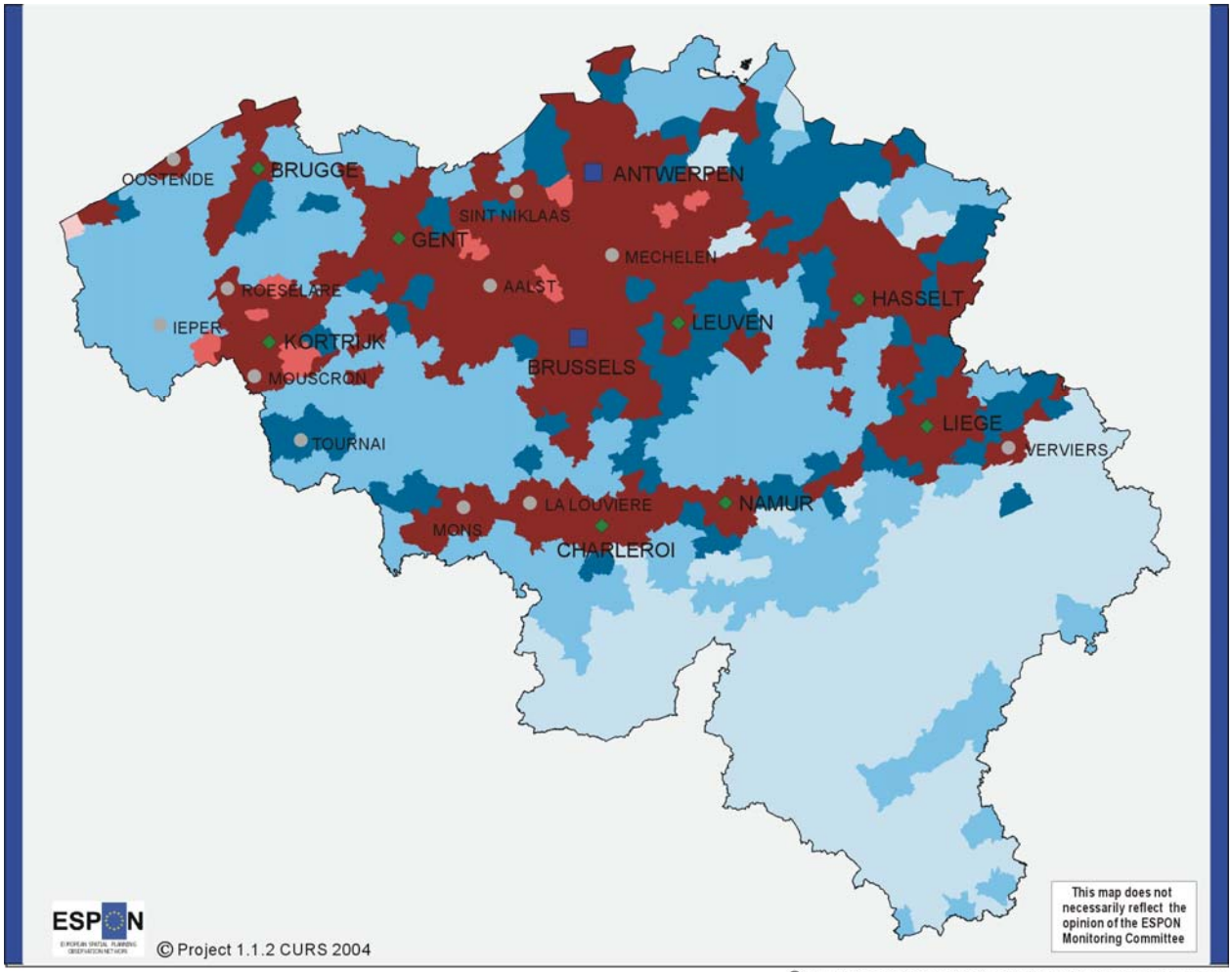
As the methodology of the harmonised urban-rural typology has proven to be useful in NUTS5-level analysis, a major research task is to continue the development of applications on the national level and to test the model in other spatial contexts as well.

The scarce availability of comparable data on commuting patterns hampers the analysis of functional urban regions in Europe. Major steps are required in order to improve the situation. The data collected by the national statistical institutions based on population censuses should be discussed with the aim to reach a European consensus on basic concepts and definitions. While waiting for the required improvements of the spatial and temporal data coverage on functional urban regions, it is possible to develop the methodological tools by employing comparable data from six European countries. This work would mean combining the various ESPON (and other) achievements in an innovative way. The urban-rural typology applied at NUTS5-level, combined with the data on commuter catchment areas could form a starting point. Various GIS-techniques (see e.g. the work done by JRC described in Annex 4) in estimating the areas of urban influence could also be useful.

It is very unfortunate that the Corine Land Cover data (CLC) of the year 2000 was not available in time. In order to get a more dynamic picture, various temporal analyses could be carried out at the European level. It is thus important to continue the work with the tools that have been developed, as soon as the full CLC 2000 data will be available. The possibilities to include such follow-up tasks in the up-coming ESPON projects should be explored.



Map 1. Urban–rural typology



Urban-rural typology in Belgium at NUTS5-level based on national averages

- High urban influence, high human intervention (239)
- High urban influence, medium human intervention (9)
- High urban influence, low human intervention (1)
- Low urban influence, high human intervention (77)
- Low urban influence, medium human intervention (179)
- Low urban influence, low human intervention (84)

Land cover:
Origin of data: Corine Land Cover 90

Population:
Origin of data: National Statistical Office
Time reference:2000

Source: CURS

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

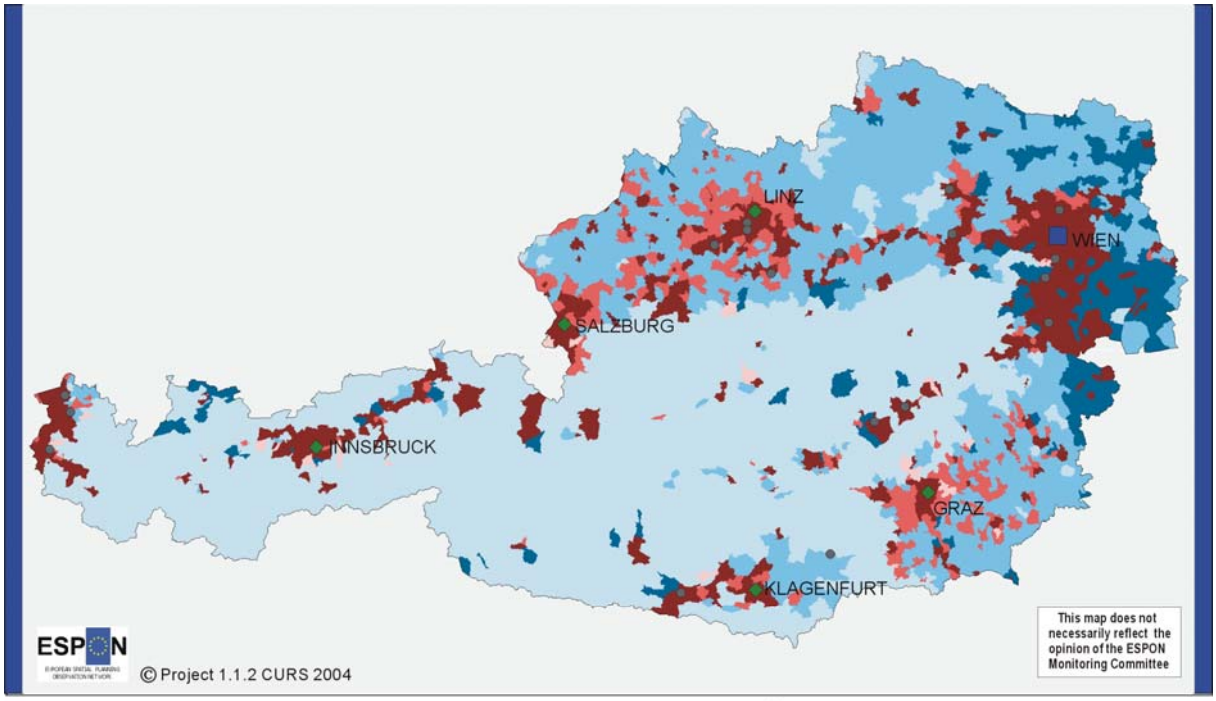
Typology of Funtional urban areas (from ESPON Action 1.1.1)

- European/Global
- National/Transnational
- Local/Regional

The criteria for urban influence:
- Population density above the average (336 inhabitants/km^2 in Belgium)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers (in Belgium):
High human intervention: at least the share of artificial surfaces above average (19,21%)
Medium human intervention: at least the share of agricultural land above average (58,64%)
Low human intervention: only the share of residual land use above average (28,19%)

Map 2. Urban–rural typology in Belgium at NUTS 5 level, based on national averages



Urban-rural typology in Austria at NUTS5 level, based on national averages

- High urban influence, high human intervention (438)
- High urban influence, medium human intervention (294)
- High urban influence, low human intervention (28)
- Low urban influence, high human intervention (163)
- Low urban influence, medium human intervention (769)
- Low urban influence, low human intervention (666)

Typology of Functional urban areas (from ESPON Action 1.1.1):

- European/Global
- National/Transnational
- Local/Regional

Land Cover:
Origin of data: Corine Land Cover 90
Source: CURS

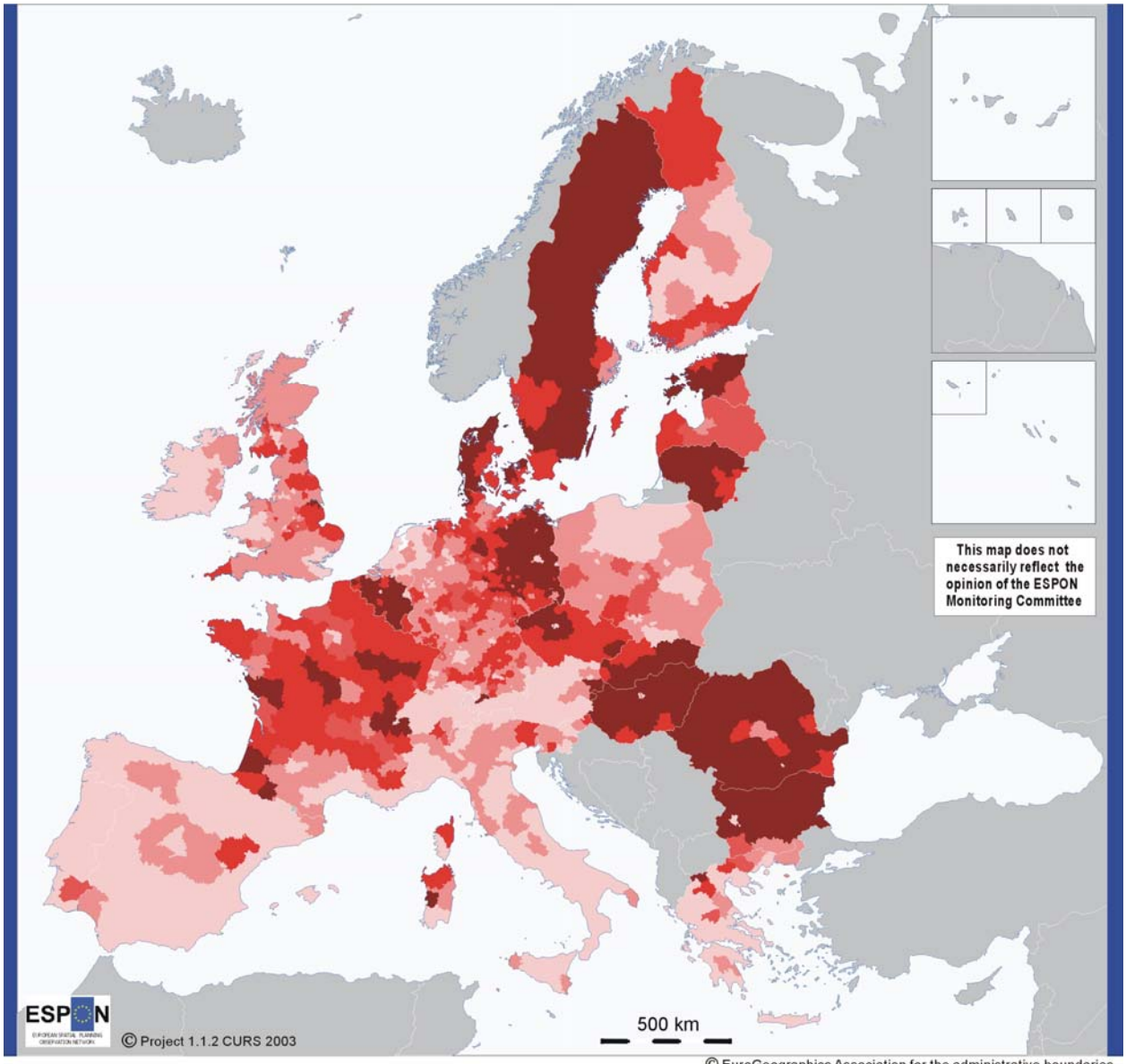
Population density:
Origin of data: National Statistical Office
Time reference:1999
Source: ÖIR

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

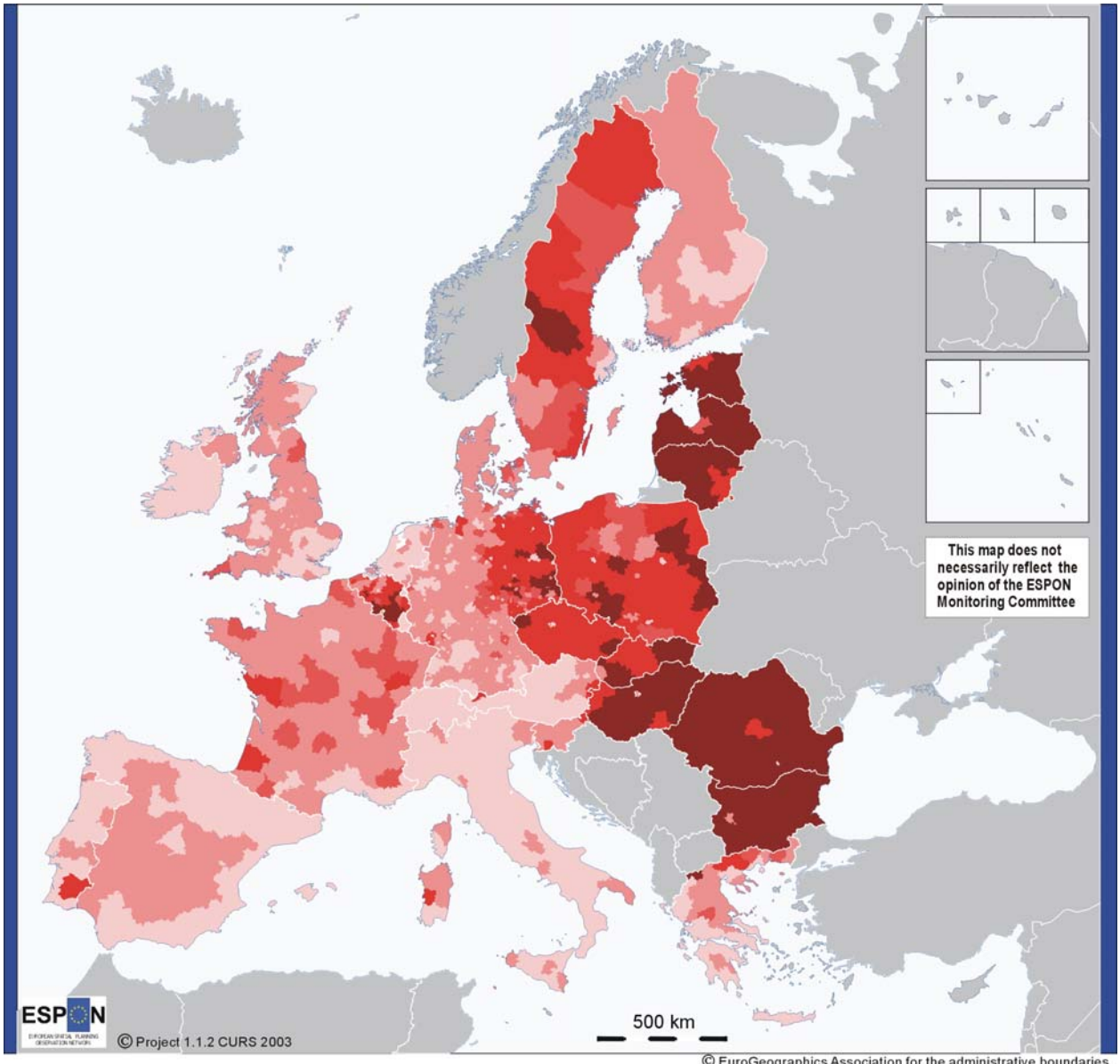
The criteria for urban influence:
- Population density above the average (96,8 inhabitants/km^2)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers:
High human intervention: at least the share of artificial surfaces above average (1,76%)
Medium human intervention: at least the share of agricultural land above average (36,34%)
Low human intervention: only the share of residual land use above average (61,9%)

Map 3. Urban–rural typology in Austria at NUTS 5 level, based on national averages



Map 4. Artificial surfaces per capita



Map 5. Artificial surfaces per GDP_{PPS}

Scientific Summary*

This scientific summary includes a review of some basic concepts and theoretical considerations as well as a short account of how the theoretical understanding of the research task has been made operational in factual research.

Theoretical considerations

The concept of “urbanisation” is employed as a point of departure for grasping the evolution of urban-rural relations. Part of this evolution is the blurring of “urban” and “rural” as concrete settings and localities. Accordingly, the definition of “urban” and “rural” are increasingly difficult and always related to actual research interests.

Urbanisation

In a scientific context, the study of urban-rural relations needs to be conceptualised, which underpins the need for a theoretical framework. Here, the concept of *urbanisation* is employed as such a framework. Urbanisation as an intellectual context has got the advantage of referring to the dynamism of urban-rural relations. The countryside and rural life are not seen as residual factors of urbanism but as an equally important counterpart in a relationship between urban and rural settings. In this study, the concept of urbanisation is understood in this broad context, and urbanisation is conceived as a crucial concept for understanding and conceptualising urban-rural relations further.

Urbanisation in terms of *demographic changes* refers to the growth or decline of urban settings in relation to growth or decline of rural settings. Furthermore, these urban settings are often classified according to rank size, and a study of urbanisation would then include a study of the changes in the various parts of the urban system, which has to be defined. Urbanisation in terms of *structural changes* in the economy relates to the movement of population between various sectors of the economy, some of them significantly rural (agriculture) and others mainly urban (commercial services). Structural changes also include changes in land use patterns and land use regimes. The third meaning of urbanisation is related to *behavioural patters and lifestyles* as well as *images and ideas* related to them.

Currently there is a prolific discussion on migration patters and on urbanisation as an effect of globalisation. On the macro level, urban hierarchies are supposed to be revised, and on the micro level, decisions by firms and various organisations as well as by individuals are thought to reflect changing conditions. The underlying assumption seems to be that global trends influence urbanisation patters regardless place and country. Surely, some

* This summary was compiled by Christer Bengs

of the present day features of urbanisation or counter-urbanisation are caused by overall trends related to development in technology, demographic change and de-regulated markets. But do the effects of these measures occur in a uniform way? The answer is probably negative since various parts of Europe are in different stages of urbanisation, which is rendered obvious by comparing the evolving changes in a national context. In countries with a long history of centralised government, the mono-centric national urban system has evolved differently from the situation in poly-centric countries where a central government is more recently established. Other factors of interest are the age of the now existing settlement patterns and the age and pace of industrial history as well as population density.

According to the theory of differential urbanisation, any city system undergoes ideally various phases in its development, passing through a complete cycle of urbanisation. In general terms, urban evolution seems to undergo the same phases all over the world, ranging from the establishment of urban settlements to a differentiation phase when larger urban settlements are formed, often at the expense of smaller ones. Ideally according to the theory, the growth of prime cities would correspond to the decline of small cities. Eventually this relation is supposed to turn the other way around as small cities grow while prime cities decline. The growth and decline of intermediate cities would fit in as a medium stage between the extremes. If urbanisation is conceived as a force comparable to the forces of nature, the possibilities to affect urban systems by policy measures are obviously fairly limited.

Definition of "urban" and "rural"

The pursuit for identifying urban-rural relations implies the idea that there is something that can be called "urban" and "rural". It is the nature, characteristics and functions of the counterparts in a given context that determine their relations. However, "urban" and "rural" are not entities, which would be in existence regardless human practice and particular interests as the nature and character of these categories are dependent on how they are defined. By defining the concepts "urban" and "rural" we actually define some major traits of their interconnections.

Structural properties refer to those characteristics of any physical environment that are comparatively stable over time and in most cases have emerged as a result of human endeavour spanning over centuries of time. Such structural properties are established land-use patterns, settlement structure and the distribution of population. *Functional properties* refer to the factual use of the physical environment such as various forms of production, consumption and communication. We assume that "urban" and "rural" characteristics of particular territories can be defined according to various structural and functional properties.

The practice of distinguishing urban from rural settings has turned increasingly difficult. As urban municipalities have lost their privileges of trade, etc., the administratively based distinction between "urban" and "rural" settings has already disappeared or is in the phase of vanishing. The liberalisation of economic life has entailed the possibility for enterprises to locate where they want to, and thereby "urban" and "rural" settings cannot *a priori* be ascribed particular economic activities. In terms of lifestyles, ideas and images, the distinction between "urban" and "rural" is blurred as well. Both categories are employed commercially when needed, regardless factual conditions. The concurrent phase of urbanisation could be labelled *"rurbanisation"* in order to underline the fact that the

historically existing demarcation line between urban and rural locations is increasingly difficult to detect.

The various ways of making the concept of “rural” operational indicates the problems in defining the basic concepts of this study. A reasonable conclusion could be that “rural” must be an essential component of any new conceptualisation of human settlement, not as an opponent of the urban but as one dimension among others. Also the conception of the rural as something residual must be refuted – a rural place is not necessarily something that will eventually be transformed into a (“modern”) urban place. The search for some kind of essence of the rural as a category is also to be avoided. Rurality may be very different in different places and at different times. There may be good practical reasons for keeping the dichotomous setup of urban vs. rural in classificatory systems, but as a matter of principle one should try to do away with the two-poled image. The urban and rural as lived networks are not mirror images of one another, but components of a system.

Urban-rural relations

With respect to urban-rural relations, the point of departure is a distinction made between structural and functional relations.

Urban-rural *structural relations* are determined by the way the physical environment is constituted and shaped while their *functional relations* are determined by the way the physical environment is utilised. Over time, particular functions of any given setting change as production and consumption patterns change. An effect of this is that also the physical setting is reworked over time. From this point of view, all urban-rural relations are part of a perpetual reshaping process over time. Structural relations are, however, characterised by a certain degree of stability, because the physical world cannot be rebuilt over night. Therefore they provide a comparatively inert context of functional relations. Functional relations on the other hand can be changed over night, given the flexibility of the physical setting to house a multitude of various activities as well as the flexibility of various functions to adapt to various physical settings.

Whilst there is considerable literature on both rural and urban development issues, there is much less concerning the linkages between them, particularly in terms of theories and concepts. The same can be said for spatial planning policy at various levels, which has tended to address urban and rural issues as separate policy areas. Whilst rural communities may be facing separate and distinct challenges, as may other specific communities, when it comes to policy formulation and programming, such challenges cannot be addressed in isolation from their wider context. It is this recognition that is the central plank of urban-rural relationships. The need for integrated policy making is the focus of the debate rather than the denial of some of the unique characteristics of and challenges faced by the rural communities.

Partnership, public interest and policy recommendations

The issue of *partnership* is related to the idea of good governance, which has been spelled out by the European Commission. The principles of good governance include a set of general principles: openness, participation, accountability, effectiveness and coherence. The five principles are supposed to reinforce those of proportionality and subsidiarity, and EU initiatives should be checked systematically with regard to whether public action is really necessary, if the European level is the most appropriate one, and if the measures chosen are proportionate to the objectives. Partnership is obviously a form

of participation and thereby a constitutive element of the EU's interpretation of good governance.

The idea of partnership should not, however, blur the fact that the essential rationale of good government is to promote *public interests*, which actually is a fundamental objective that should not be jeopardised by e.g. partnerships, providing that the risk is there. The positive connotation of partnership is related to the idea of pursuing a win-win situation, where all parties involved do gain. From the point of view of *policy recommendations*, the idea is primarily that the public should gain, that is, public interests should form the basis of any public policy. If private interests gain as well, that is very fine indeed. Consequently, policy recommendations should indicate the foreseeable allocation of gains among all partners involved.

Accomplishments

In this research project, the various aspects of urban-rural relations have been studied on the European level by developing a typology of urban and rural Europe. In addition, functional and structural urban-rural relations have been investigated by applying a set of case studied and by relating the results to policy aims and options.

The research problem

This research project was started by giving an account of the relevant academic discussion with regard to urbanisation, urban systems in Europe, rural Europe, concurrent rural restructuring and urban-rural relations as well as the status of policy recommendations in the context of the emerging neo-liberalistic European society.

Policy recommendations

A review was undertaken in order to identify EU- and national policies that are of relevance with regard to urban-rural relations in Europe. Policies explicitly addressing urban-rural relations were comparatively easy to detect. The scientific challenge was to identify other kinds of policies that affect urban-rural relations despite the fact that these relations are not explicitly considered in those policies. The policy aims of the ESDP are still mainly waiting to be concretised in actual policy measures.

As the expectations from urban-rural policies and initiatives are very diverse, telling about attempts – in the name of urban-rural sensitive policies – to steer development into even opposite directions, it will be necessary to discuss how the expectations correspond with spatial development trends in respective countries. So far not much could be said about the success of the policies and initiatives *vis-à-vis* the expected effects. It is obvious that the level of ambition among them is very high.

The added value of the urban-rural relations and partnerships in relation to promotion of regional development and regional co-operation in general remains an open question. What this study tries to address, is to locate the added value of urban-rural linkages vs. linkages between different areas in general. Of interest is whether we can find additional benefits – more sustainable spatial development – in the name of promoting urban-rural relations.

Typology of urban-rural characteristics

The task was to develop a typology of urban and rural Europe that would integrate each and every region into the overall European perspective. The results may not correspond to the self-image of single regions or to the national views of individual member states. The elaborated model can, however, be applied on various geographical levels and thereby it can provide for further investigations where a chosen territory at any geographical level can be compared to a larger context according to its urban-rural characteristics.

The first challenge was to identify criteria, which could be applied in order to define the degree of urbanity respective rurality. In order to get an idea of current practices in defining urban and rural, a survey of national definitions was carried out. The national definitions were tested in terms of correspondence with a set of chosen criteria based on national averages. Based on national definitions, a typology of urban and rural population across Europe was elaborated, and a harmonising element of population density was introduced.

The interrelations among a set of indicators were identified based on a factor analysis, and the criteria for defining the urban versus rural character of the NUTS3 regions were chosen. The inter-correlations of the chosen criteria were studied, and each criterion was related to a set of other criteria indicating economic performance, population change, etc. as well. The purpose was to analyse interrelations in a systematic way in order to provide knowledge for a discussion on policy implications.

A typology of six classes was elaborated based on *population density, the status of the leading town of the NUTS3 area, and the shares of artificial surfaces/ agricultural land/ residual land of the total land cover*. All the three criteria indicate, more or less, structural as well as functional properties. The interrelations of these indicators were studied and each indicator was reviewed according to economic performance, population change and development prospects based on information acquired from other relevant ESPON projects. The typology based on national definitions was compared to the harmonised typology.

The typology does not as such indicate urban-rural relations in a specified manner, but it mirrors the relative degree of urban respective rural features on a successive scale according to which each region (NUTS3) could be classified. In doing so, the typology, however, indicates structural and functional relations as well, but on a fairly general level of abstraction.

Socio-economic diversification and interconnectedness of urban and rural areas

Through the analysis of case studies in terms of socio-economic diversification and interconnectedness of urban and rural areas, more detailed information on processes and relevant policy initiatives were identified, which complements the analysis undertaken at NUTS3 level. The case studies undertaken for this project partly built on the research undertaken for the Study Programme on European Spatial Planning (SPESP).

In the SPESP, urban-rural relations were given no specific geographical reference – they were not related to any spatial context but were rather floating in space. The current project highlights the importance of the long-term trends and ruptures in urbanisation tendencies in various parts of Europe, referring to the differential urbanisation theory. The purpose was thus to locate the various key trends in the differentiated urbanisation patterns of Europe and to identify the key tendencies behind the urban-rural settings that seem to be of importance from the perspective of spatial policy making. This then

leads to the discussion whether the ESDP policy goals can be promoted through operationalising them in the form of concrete urban-rural sensitive measures.

Land use: development and profitability

The issue of land use as an economic activity, and its crucial implications for how urban-rural relations – structural relations in particular – have merged over time, was scrutinized. Discussed concepts were land value, speculation, planning, partnership and urban sprawl. In addition, some comments on politically influential slogans such as sustainable development, flexibility competitiveness, cohesion and regional co-operation were added. From a scientific point of view, such general concepts get a scientific significance only in clearly defined contexts.

In the context of studying urban-rural relations, it is important to relate any particular mode of development and land exploitation to specified objectives and to realise the various potential effects of the different modes compared to overall aims. Consequently, particular modes of development can be professed providing the contextual aims are made tangible and operational. Thus, policy recommendations should be based on conditions that are clearly specified. The case studies showed that seemingly very different policies implemented may have very similar outcomes. Therefore it is important to realise the importance of understanding the particular conditions and the endless diversity of factual cases.

Report on networking

Networking with other projects and the ECP network

The project 1.1.2 has exchanged information and data with several other ESPON projects.

A joint workshop with the project 1.1.1 was held in connection with the project meetings in Leiden, the Netherlands, in July 2003. In addition the project coordinators visited each others' TPG meetings already in February 2003. The key issue was to find out possibilities to benefit from the common interests and the available data. The most concrete link in the actual work has been the use of the FUA-typology as a building material of the urban-rural typology. Respectively, project 1.1.1 used e.g. some GIS working material of the project 1.1.2 in the analysis of agglomerations for their TIR. The Lead Partner of 1.1.1 is also a subcontractor of the project at hand. 1.1.1 and 1.1.2 also share two project partners.

With 1.1.4 common interests have also been identified but their problems to provide demographic data with full NUTS3-coverage have limited the possibilities to relate the project achievements together. The project 1.1.4 has also received the urban-rural typology data to be worked with. Discussions with the project 2.1.3 during various meetings and workshops have been very interesting and useful. The projects have also shared a project partner.

Many projects have made use of the various versions of the urban-rural typologies (both the typology based on national classifications and the one based on harmonised criteria). The projects 1.1.1, 1.1.3, 2.1.1 and 2.1.3 were provided with the final version of the typology in early summer 2004. Via the ESPON database in the intranet of ESPON it was also possible for the other projects to access the update.

Through the subcontractors taking part in several ESPON projects it has been possible to see some results that can potentially be processed further through joint efforts. An example of such a study is the calculation of the ICON-indicator on accessibility to transport terminals (project 1.2.1) and its implications for the urban-rural analysis (see Third Interim Report).

Lead Partner meetings and ESPON seminars have functioned as crucial arenas for the exchange of information about the approaches and results achieved by various ESPON projects. For partners that for different reasons have not been able to participate in the seminars, the links within the ESPON have remained distant. This relates also to the use of guidance material from the CU and the project 3.1. – the various requests have fallen mainly on the shoulders of the Lead Partner.

The project team includes many ESPON 'activists', institutes and persons that are engaged in several projects, which a strength in many ways. For example, they have got rather familiar with the time-consuming financial reporting system of ESPON. Also the sharing of travel costs to ESPON seminars and meetings has been possible. In addition, as the project team includes three ECPs, there has been a realistic understanding about the possibilities to use the ECP network as supporters.

The feedback from the ECP-network on the interim reports was very useful. Some ECPs also provided help in some specific project questions such as access to data. The French and Belgian ECPs, for example, provided useful links to the national data sources when the project tried to collect data from national sources on key indicators. Some ECPs (or other non-partner organisations in those countries) filled in the questionnaires related to national policies or regional initiatives concerning urban-rural relations (Austria, Bulgaria, Denmark, Hungary, Slovenian and Switzerland). The Belgian ECP even provided an input to the Final Report, namely commenting the application of the urban-rural typology in Belgium, at NUTS5-level.

Work undertaken in the TPG

Within the consortium the work has proceeded in good spirit. The project meetings (sometimes with full team, sometimes with selected partners) have always pushed the process well forward. The main constraint, especially from the perspective of the Lead Partner, is the very limited budget of the project: it means very modest shares per partner. It is obvious that small portions quite easily mean small responsibilities as well, underlining Lead Partner's ability and will to put pressure on partners. The strategy chosen by the Lead Partner of 1.1.2 has been to rather tickle out the contributions from the partners than to control and command. This has probably meant less discipline but has created a more pleasant atmosphere for co-operation.

The consortium agreements signed by the project partners already in early autumn 2002 functioned as a good reference point what comes to the formalities. However, it was very unfortunate that the guidance what comes to the financial procedures of ESPON has in the meanwhile become outdated and might create problems of interpretation in case of disagreements between the LP and the PPs.

The incorporation of the Observing Partners was quite uncomplicated and has been useful for the project. The Hungarian and Slovenian representatives elaborated case studies and commented the overall work in order to ensure that the perspective of EU enlargement vs. key questions of urban-rural relations are taken into account.

The project has got an own logo and an own web-page, which has hardly been used after the Coordination Unit started to update the pages in www.espon.lu. However, an internal web-page of the project has frequently been used for providing working material for partners to download (eg. the row of case studies).

Report on further research issues and data gaps to overcome

As the methodology of the harmonised urban-rural typology has proven to be useful in NUTS5-level analysis of several countries, a major research task is to continue applications in different spatial contexts. Several proposals in that direction have already been made – including a trans-national study in four countries of the CADSES area. Within a project "ESPON in Finland" a NUTS5-level study including application of the methodology in Finland has already been commissioned by two ministries.

As the project 1.1.1 has spelled out, the scarce availability of comparable data on commuting patterns hampers the analysis of functional urban regions in Europe. Major steps are required in order to improve the situation. The data collected by the national statistical institutions through population censuses etc. should be a subject to an international debate. While waiting for the required (major) improvements in the spatial and temporal coverage of the data, it is possible to develop the methodological tools with the currently available, at least half-way comparable data from six countries and specific national level studies. This kind of work would mean combining the various ESPON (and other) achievements in an innovative way. The urban-rural typology applied at NUTS5-level, combined with the data on commuter catchment areas could form a starting point. Various GIS-techniques (see e.g. the work done by JRC described in Annex 4) in estimating the areas of urban influence could also be used in the analysis.

It is very unfortunate that the full CLC 2000 data was not available for the project. In order to get a more dynamic picture, various temporal analyses should have been carried out at the European level. It is thus important to continue the work with the tools that have been developed, as soon as the full CLC 2000 data has become available. The possibilities to include such follow-up tasks in the up-coming ESPON projects should be explored. An example of a possible task would be to update the urban-rural typology and use it for studying the changes in the urban-rural characteristics of the European space.

For future research programmes of the type of ESPON it is of major importance that projects such as Data Navigator or the coordinating project 3.1 start way before the actual projects are initiated. Within ESPON a huge amount of (wish-)lists with indicators have been collected from a broad array of themes. They should be used as a basis when negotiating with Eurostat and other institutes in the future, including the providers of national level statistics, to ensure a sound database to work with right from the beginning of the actual research projects.

Other data gaps than those mentioned above are discussed in the Annexes 2 and 3.

Urban-rural relations in Europe

Part Two: Results of the project

1 Spatial Europe

This chapter starts with a discussion on the spatial dimension and the importance of the regional perspective. The initial comments on space are followed by interpretations of the concepts of *urban* and *rural* as well as the concept of *urban-rural relations*. The choice of these topics is allegedly in no need of further justification. The chapter ends with a presentation of the ongoing discussion on issues like *governance* and *partnership*, and their implications for the formulation of *policy recommendations*.

1.1 The spatial dimension

The distinctive character of the traditional European landscape was marked by a fairly clear-cut distinction between urban and rural areas. Cities and towns were clearly marked off from the surrounding countryside by city walls or other visible borders. These demarcation lines would partly correspond to a functional division of labour, and, in addition, administrative delimitations. Even lifestyles, worldviews and the mental setup of the population of the two categories were seen as separate.

The historical basis for the urban-rural divide laid in the medieval rural structures of feudalism on the one hand and the urban system of at least partly independent towns and cities on the other hand. Cities were comparatively independent and privileged in terms of economy and jurisdiction despite the fact that they often were under the supreme command of clerical or worldly lords. In Europe, there was a political tension between lordly rule and republican endeavours spanning over a millennium of urban history. Another tension concerned the relationship between the privileged and at least partly independent cities on the one hand and the increasingly strong national states on the other hand. In addition, national projects of war and conquest have of course generated constant tensions among nations across Europe through centuries. A third tension concerned urban-rural relations: the clearly comprehensible spatial division of Europe into an urban and a rural sphere has provided abundant material for ideologies and political movements aiming at the reconsolidation of the two spheres.

Discernable in the traditional picture of Europe is an inherent dynamism related both to emerging and expanding markets – and lately, the commercialisation of most aspect of human life – and its spatial repercussions. The changing spatial implications of this dynamism at work concern development in the control of rural land and landed property in general as well as the control of larger territories by means of outright conquest and usurpation, economic restructuring or political and ideological influence often in the disguise of religious movements.

Feudalism is of course almost per definition a spatial command structure, and feudal lords would found and control cities in their domains as economic and political enterprises despite the fact that cities could be comparatively independent. Using a spatial metaphor, cities were islands in the feudal sea, and symbols of freedom from feudal lordship ("Stadtluft macht frei!"). In the more densely populated and urbanised parts of Europe, serfdom in the countryside made sense as an instrument for controlling urbanisation. In the Eastern parts, serfdom was needed in order to prevent the serfs from escaping into the immense wilderness of the East. In the high North, there was little need for formalised serfdom as the urban system was too undeveloped to absorb additional population in any large numbers and the wilderness was harsh and not large enough to accommodate escapers.

A spatial configuration, which partly escaped the feudal command, was the medieval urban networking. It resulted in associated urban centres, which spanned huge regions across Europe. The Hanseatic League is the most well known one, but there were many other urban associations of that kind as well. These urban associations lost in influence and eventually disappeared under the pressure of the emerging centralised states. The national state is a spatial project that has shaken Europe several times during the last centuries, producing perpetually changing borders of influence in Europe. The national project is still in full swing and the future of European integration is of course relative to the various national endeavours across Europe. The pursuit for regionalising Europe could be conceived in the context of European integration, where more independently acting regions, including regional governments, would counterbalance or counteract the influence of the national state in favour of European institutions.

Regionalisation of Europe is of course also an endeavour associated with globalisation where the national context loses in importance. Tangible assets such as the supply of qualified labour, the relative position with regard to markets and environmental qualities as well as accessibility are particular regional characteristics. In this context the discussion on urban-rural relations gains momentum, because the regional perspective implies the salience of urban-rural relations compared to the previously prevailing national perspective. Moreover, regionalisation actively pursued as a way for increasing local markets by creating larger functional regions based on daily commuting, is a tendency that can be traced all over Europe today. Also this tendency provides the basis for enlarged and intensified urban-rural relations and influences the continuously altered spatial configuration of Europe.

The continued globalisation induces the on-going de-regulation of markets, including property markets. This is accompanied by continued de-centralisation of the decision-making process, where the (neo)liberalistic economy seeks its counterpart, the (neo)liberalistic society. In the face of recent development, the regional level is overhauled by the introduction of political and administrative reforms across Europe. The tendency is to establish regional regimes that could provide for de-centralised decision-making in a re-regulated market, and, in addition to that, gain political credibility by their pure existence as an "up-to-date" solution and political legitimacy through the introduction of representative democracy on the regional level.

Currently, it is not so easy to argue in favour of the traditional split between the spatially, functionally, politically and administratively divided two spheres of urban and rural Europe. The easily comprehensible picture was blurred already by the emerging industrialisation and it was further reinforced by de-regulated property markets, improved communications

and lately by the advanced information technology. A clear-cut visual divide is simply gone, being replaced by “rurbanisation”, a process where the physical environment loses qualities that were traditionally associated with urban or rural settings. In most countries, urban centres have long since lost their particular privileges and there is no longer a clear difference in administrative status between town and countryside, or it is blurred. Economic enterprises locate where they want to, and the functional division of labour between town and countryside is increasingly indifferent. Only activities of a very space-consuming and bulky type clearly prefer the countryside. The mental map is blurred as well: the rural life is urbanised by transcending commodity relations and life styles are appropriated according to mass consumption patterns regardless location. Ideas concerning mental setups particular to urban or rural environments have been refuted and even the comprehension that urban environment would foster creativity and that rural environment would favour more stable social relations have been strongly questioned.

What is left? Is the urban-rural divide totally anachronistic? Is it altogether sensible or even possible to divide Europe according to these lines? If the divide is possible, how should it be done and what are the criteria? Does it make any sense to get engaged in designing policy recommendations on the basis of urban-rural relations? If the divide makes sense as an intellectual exercise, does it make sense in terms of politics? These and related additional questions are the focus of this study.

1.2 Urban Europe

In a scientific context, the study of urban-rural relations needs to be conceptualised, which underpins the need for a theoretical framework. Here, the concept of *urbanisation* is employed as such a framework, and the following argumentation attempts to put this idea forward in a relatively straightforward manner. Urbanisation as an intellectual context has got the advantage of referring to the dynamism of urban-rural relations, and in this respect it suits the requirements of providing research results as the basis for policy recommendations.

First, the concept of urbanisation is discussed. Then comments on the theory frame are followed by a review of historical processes of interest for the post-war phase of urbanisation in Europe. Functional urban regions and FUA rank-size are shortly discussed, and the text ends with a résumé of urbanisation in eight European countries.

1.2.1 Conceptual remarks

The idea of something called “countryside” certainly requires its opposite, the “town” and the “city”. The theoretical understanding of urban-rural relations that does not give primacy to the urban side has far-reaching implications for the understanding of urbanisation. In this view, urbanisation is not something that is solely connected to towns and cities, but it involves the countryside as well just from the start.

Urbanisation actually encompasses the whole spectrum of human life, which means that the countryside and rural life are not seen as residual factors of urbanism but an equally important counterpart in a relationship between urban and rural settings, and more generally speaking, between urban and rural life. In this study, the concept of urbanisation is understood in this broad context, and urbanisation is conceived as a crucial concept for understanding and conceptualising urban-rural relations further. Three concepts of

urbanisation are distinguished, that is urbanisation as *demographic change*, as *structural changes in the economy* and as *ideas, images and behaviour* of people[1].

Demographic change

Urbanisation in terms of *demographic changes* usually refers to the growth or decline of urban settings of a certain size[2] in relation to growth or decline of rural settings. Furthermore, these urban settings are often classified according to rank size, and a study of urbanisation would then include a study of the changes in the various parts of the hierarchical urban system, for instance on the national or on the regional level. Usually such a study is carried out by defining an intelligible urban system, which constitutes an integrated entity.

Of course one can study very large territories that are not composed of only one integrated urban system. Europe as a whole is an example of a territory that is not composed of only one integrated system, but, due to historical reasons, includes various relatively independent (national and regional) subsystems. The political aim is, however, to promote European integration in all aspects and this may in due time lead to an enhanced integration of the current national and regional urban systems in Europe. The eventual result may be an integrated European urban system. It is important to underline that the effects of globalisation are not uniform in urban systems of different types. Some effects of globalisation may have a uniform impact on the whole of Europe while other effects may influence the various subsystems in very particular ways depending on the maturity of the urban system under consideration. Therefore it is important always to study the effects of European integration and globalisation in clearly defined local, regional and national contexts, that is, in contexts that make sense.

In terms of demography, urbanisation indicates relative population changes between urban and rural settings. In this sense, urbanisation may proceed even if the urban population decreases in absolute terms, providing that the rural population decreases even more. It is the *relative shares of population* in the two categories that counts. Now, the problem is of course to define “urban” as apart from “rural”. Any territory under scrutiny must be classified into two distinct categories. Traditionally this was not a problem as settlements of a certain size say bigger than 1 000, 2 000, 5 000 or 10 000 persons would have been classified as urban while the residual population would be classified as “rural”. Traditionally also the size of a settlement corresponded fairly well (albeit not always) to its legal status as a town or as a rural village, which meant that the total town population (in legal terms) of a country would correspond to the total urban population of that country.

As an effect of suburbanisation and reforms in the structure and classification of territorial units – in particular the continued practice in many countries to enlarge the size of local units by merging adjacent municipalities – the division in town and country has in many regions disappeared altogether or got quite blurred. Consequently, it is increasingly difficult to assess demographic changes on a scale from urban to rural. At the European level, the problem is getting more pronounced because the various European countries have fairly different ways of classifying “urban” and “rural”. With regard to empirical studies of urban-rural relations at the European level, it is of course essential to reach a harmonised classification of “urban” and “rural”. At the European scale this cannot be made on the

1 Nilsson 1989.

2 Population size 200 persons, 1 000 persons, 2 000 persons, 5 000 persons, etc. depending on national classifications and interest of knowledge.

NUTS5 (municipal) level for practical reasons, and therefore a classification must be carried out on the level of NUTS3 (national sub-regions), which means that each NUTS3 unit must be classified according to a chosen set of criteria indicating degree of urbanity respective rurality.

Urbanisation in terms of demography (i.e. population change) depends on two factors, natural growth (birth rate viz. death rate) and migration (including emigration and immigration). Two distinct sections in time are often considered important in describing the urbanisation process. The first one refers to a point in time when *the birth rate of urban settings exceeds their mortality rate*. By then, the towns and cities are not any more dependent on in-migration for growth, but natural population increase causes growth. The second one refers to a point in time when *the natural population increase of urban settings exceeds that of rural settings*. Urbanisation turns autonomous as the urban settings gain population growth relative to rural settings even without rural-to-urban migration.[3]

Structural change

Urbanisation in terms of *structural changes* in the economy relates to the movement of people between various sectors of the economy, some of them significantly rural (agriculture) and others mainly urban (commercial services). In some of the European countries this is taken into account in the national classifications of urban and rural population.

The difficulty with this conception of urbanism is that it seems to be more and more difficult to assign particular economic activities solely to urban or rural settings. Industries are relocated from urban to rural settings on a grand and global scale. Research and development activities are increasingly located in attractive semi-rural/semi-urban environments. Even corporation headquarters are not necessarily situated in the centre of cities any more. Agriculture is carried out in an increasingly industrialised fashion, which means that traditional environmental values associated to rural environments are disappearing. An increasingly important factor in deciding the location of new establishments is the supply of qualified labour, which gives pronounced priority to environmental qualities in terms of pleasant living environment for the employees and “a good address” for the company as well as good accessibility. Such settings are increasingly to be found in rural areas close to international communication nodes.

A major, still relevant, criterion for choosing location sites for different activities is the space requirements. Huge, bulky and land consuming activities are preferably located in places where land is comparatively cheep, i.e. semi-urban or, if possible, rural settings. Location patterns are of course a function of different planning regulations and practices in different countries. In countries like the UK where the exploitation of rural land is fairly restricted, land-use patterns take a different shape that in countries like Finland with a liberal planning policy and simply more available space. Countries and regions where unauthorised development is commonplace constitute a particular case.

An important question related to structural changes of the economy concerns *value of land*[4]. This issue is much studied, but not so much in the overall context of urbanisation. The importance of the issue must be underlined, however, with reference to its importance

[3] Nilsson 1989, 27.

[4] Bengs, C. 1993.

for the changing urban-rural relations.[5] Land speculation is a phenomenon, which is directly related to urbanisation. In the process of urbanisation, urban settings are reshaped and extended. Old structures are knocked down and replaced with new ones in order to *increase the exploitation rate of land* (e.g. sq. metres of floor area per area of land). In the rural surroundings of towns and cities, agricultural land is taken for building purposes. In practically all urban settings of Europe one can find abolished plots of land inside the urban fabric (old industrial and harbour areas in particular), waiting for new and more profitable exploitation, or abolished farming land around the cities, waiting for new investments.[6]

Real estate speculators are of course keen on influencing land use planning in order to have their possessions upgraded. In order to counteract speculation, most countries apply sets of rules and regulations to hamper real estate speculation. Actually planning legislation is a token of this. Nevertheless, in most countries speculation is common and even an integrated part of land development. Due to the filthy lucre of speculation, lose money is in circulation and, from time to time, key persons are easily bribed. This brings an element of uncertainty and particularity to the whole urbanisation process:

Firstly, urbanisation is not only a way for the society to adopt to new functional and economic requirements, but an economic activity in its own right, which involves landed interests, credit institutions, producers of construction materials, developers, construction firms, real estate agencies, purchasers of dwellings, etc. Urban-rural relations are dependent on prospects for lucrative investments, and those vary over time and according to the national and local context.

Secondly, the nationally and locally developed systems of land exploitation and real estate markets are crucial in understanding urbanisation in any particular place, and even at the national level. Huge tracts of European territory are under huge pressure of developers (e.g. the Mediterranean coast line) where the process of urbanisation is fostered, bringing dramatic change to the traditional balance between urban and rural.

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[5] Value of land as expressed in sales *prices* is determined by the prospective yield of land. Here two aspects must be noticed. On the one hand, land can be used productively (for any purpose) and thereby yielding return on the investment. On the other hand land can yield return on the investment even though it is *not* used productively in any way. This increase of value may be unearned in the sense that it can occur without any particular investments on the part of the owner. The reasons for increased value of land are investments (or prospective investments) around the particular piece of land under discussion. All land speculation is based on this very simple principle. Sometimes it is more profitable to buy land and give up the traditional productive use (e.g. agriculture) than to continue with the old function, because the value of the land (prospective sales price) is rising all the time without any productive activities or investments in the land on behalf of the owner.

[6] Real estate speculators would then buy up plots of land where the current exploitation of the property does not match the presumptive one, which causes the prospect of profits (with or without further productive investments). Likewise land speculators would buy up large tracts of farming land cheaply around cities in order to gain profits in case that land is likely to be exploited for building purposes. Successful real estate speculation is then very much dependent on swift and accurate timing with regard to the various phases of the business cycle. The prospective productivity of real estate (and thereby sales prices) is of course based on the various systems existing in different kinds of societies for allocating the future use of land. The main mechanism for determining future land use is in most societies land use planning. The essence of present day land use planning is the allocation of economic values, because the plans determine the future yield by defining the nature and volumes of exploitation. Consequently, real estate speculation and land use planning are closely related activities. Huge speculation profits can be gained by getting land cheap, providing it is allocated for low grade exploitation, and then having it upgraded for heavier exploitation. A piece of agricultural land can gain in price one hundred times over when allocated for heavy exploitation.

Behavioural change

The third meaning of urbanisation is related to *behavioural patterns and lifestyles* as well as images and ideas related to them. In the tradition of Romanticism, such images are exaggerated, and subsequently employed for commercial purposes. Images of urban and rural lifestyles are made commodities and traded on the market in the mode of various tangible and intangible objects, sports and entertainment, housing preferences, etc. Already in the 60s, the French philosopher Lefebvre coined the notion “rurban”, indicating the merge between urban and rural lifestyles.[7]

According to prevailing housing preferences in the densely populated parts of central Europe, rural dwellings are by far more appreciated than urban settings.[8] The main reasons given for this are that rural environments provide more stable and secure social relations and more nature and space. In urban literature these arguments are ridiculed as being biased and untrue.[9]

Adversely to rural life, urban life is casually connected to creative and effective diffusion of ideas. The modalities and causes of this innovative function of urban life are said to be numerous and wellknown.[10] High population density is thought to facilitate contacts, and therefore to lead to accelerated flows of information. The heterogeneity of urban activities leads to attempts to adopt or apply solutions already used in other sectors. In addition, a variety of educational activities and institutions is thought to promote the reflective mind, and lack of conformism would nurture original individuals. Much of these images have little or no bearing when the history of innovations is studied, but nevertheless prejudices concerning urban life seem to be commonplace. Taking into consideration the potential of information and communication technology, the sources of knowledge seems to be at hand for anybody, regardless where he or she lives.

1.2.2 Theoretical remarks

Among professionals and researchers there is currently a prolific discussion on migration patterns and on urbanisation as an effect of globalisation. On the macro level, urban hierarchies are supposed to be revised, and on the micro level, decisions by firms and various organisations as well as by individuals are thought to reflect changing conditions. The underlying assumption seems to be that global trends influence urbanisation patterns regardless place and country. For instance, the advance of communication and information technology is gathered to imply a certain kind of logic in rearranging urban matters.[11]

Surely, some of the present day features of urbanisation or counter-urbanisation are caused by overall trends related to development in technology, demographic change and de-regulated markets. But do the effects of these measures occur in a uniform way? The answer is probably negative since various parts of Europe are in different stages of urbanisation, which is rendered obvious by comparing the evolving changes in a national context. In countries with a long history of centralised government (U.K., France, Sweden), the (mono-centric) national urban system has evolved differently from the situation in (poly-centric) countries where a central government is more recently established

[7] Lefebvre 1982.
[8] Built Environment 2002, 28(4).
[9] Valentine 2001.
[10] Bairoch 1981, 68.
[11] Brotchie et al. 1991; Talvitie, J. 2003.

(Germany, Italy).[12] Other factors of interest are the age of the now existing settlement patterns and the age and pace of industrialisation history as well as population density.

In order to grasp the diversity of a very complex phenomenon we simply label "urbanisation", we need intellectual tools for appropriating the diversity of the phenomenon under scrutiny. Such tools would indicate the necessity of a set of concepts, founded on theory of urbanisation, being broad enough to encompass the wide variety of European settlement structures and migration patterns.

Differential urbanisation

Any urban centre can be said to fulfill two functions: to serve as a centre for its rural surroundings and as a mediator of interaction within a larger context. The size of its *hinterland* is determined by competition from business and other functions of surrounding urban centres, while its *sphere of influence* can reach beyond the hinterland or beyond nearby cities. In this respect, towns and cities do not compete, but activities (firms, services, etc.) located in them do. Cities may of course compete by trying to offer exceptional conditions for different enterprises that are considered important to attract.

In pre-industrial locations, the built-up areas of an urban centre would ideally be strictly confined to the clear delineation of the urban core, leaving a clear-cut border between urban and rural land. This *border zone* is increasingly broadened and blurred by *urban sprawl*. The population of the hinterland, or within the sphere of influence of the urban centre, is subjected to cover a certain *distance* in order to reach the centre. This distance can be viewed in objective terms, such as measured physical distance or travelling costs, or in subjective terms related to individual experience of moving to and from the centre. The resistance implied by movement results in forms of distance decay.

According to the central place theory, a *hierarchy of central places* may evolve over time and the attraction of these centres can be studied as a function of supply as well as of demand.[13] There are, however, also centres that get founded as a result of *location constants*, irrespective of the current settlement structure. Location constants could be related to natural resources, defence, religion, historical reasons, or foreseen positional advantages. Any settlement could be viewed in terms of a hierarchical organisation of focal points, clusters of focal points, clusters of clusters of focal points, and so on.

According to the theory of *differential urbanisation*[14], any city system undergoes ideally various *phases* in its development, passing through a complete cycle of urbanisation. In general terms, urban evolution seems to undergo the same phases all over the world, ranging from the establishment of urban settlements to a differentiation phase when larger urban settlements are formed, often at the expense of smaller ones. According to the differential urbanisation theory, the initial *polarisation* phase of an urban development cycle includes the growth of large cities ("early prime city stage", "intermediate prime city stage", "advanced prime city stage"). The *polarisation reversal* implies the growth of intermediate sized cities ("early intermediate city stage", "advanced intermediate city stage") and the *counter-urbanisation* phase corresponding to the growth of small cities

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[12] See Champion 2002; Pumain 2002; Kalbro & Mattsson 1995; Gans & Kemper 2002; Petsimeris 2002.

[13] The supply approach has been elaborated by Christaller, the demand approach Lösch. See Haggett 1972, pages 286–294.

[14] Geyer & Kontuly 1993.

("advanced small city stage"). Ideally according to the theory, the growth of prime cities would correspond to the decline of small cities. Eventually this relation is supposed to turn the other way around as small cities grow while prime cities decline. The growth and decline of intermediate cities would fit in as a medium stage between the extremes.

The various stages of urbanisation has also been conceptualised in terms of *urbanisation* (population increase of the core), *suburbanisation* (increase of the ring, decrease of the core), *disurbanisation* (decrease of core and ring), and *reurbanisation* (increase of core, decrease of ring).[15] Early stages of urbanisation is often associated with *premature urbanisation*, resulting in something called over-urbanisation or a state where the urban centre gains an excess population that cannot be integrated within the formal structures of the urban centre. This would be a situation typical to developing countries, while polarisation reversal would be linked to more advanced developing countries, and counter-urbanisation to highly developed countries.

For the purpose of studying urban-rural relationships in Europe, the differential urbanisation theory could be useful as it can be applied at various scales and as it renders possible to grasp the diversity of urban systems in Europe. These have evolved very differently in the various countries over time. The effects of European integration and globalisation on the different national urban systems could be very diverse, and the theory provides some basic concepts for grasping and articulating this diversity. This theoretical view is important with respect to policy recommendations as well. If urbanisation is a phenomenon that proceeds with the force of nature, then the conditions are very limited for the successful implementation of policies that seek to influence patters of urbanisation. This remark includes the idea of polycentric development as well. According to the theory of differential urbanisation, poly-centricity is inherent in particular phases of any urbanisation process in any country, but probably hard or impossible to steer.

The individual variations among the European states with respect to degree of urbanisation have cultural and political as well as economic reasons. The idea that centralised nation states have promoted mono-centric urban structures while late centralisation has caused polycentric structures to emerge was proposed above. The particular stage of urbanisation (prime city stage, intermediate city stage or small city stage) in any country is of course to some degree an effect of industrialisation, which can be rendered in terms of when it got started (e.g. less than 50 percent of the labour force employed in the primary sector), when it was close to finished (e.g. less than 15 percent employed in the primary sector), and the duration of this period. But degree of urbanisation is also a function of overall conditions such as population density, which implies remarkable differences among the various European countries.

During the last decades, the effects of *information and communication technology* (ICT) have been much discussed. The economic rationale of these changes should be clearly stated. ICT implies a tremendously improved *productivity* in the storing and processing of information and in communication, which means *saving of time*. The growth of productivity indicates of course the rising value of time. This means that the more time is saved, the more it gains in value. This relationship actually completely destroys the fairly naive argument claiming that enhanced productivity would render more "free time"

[15] Klaassen & Scimemi 1981.

for non-productive activities. As a matter of fact the logic of enhanced labour productivity seems to be widely applied on leisure time as well. Spare time is getting more and more efficiently organised and utilised in an increasingly productive manner.[16]

In relation to ICT, there are indications of a new *fifth economic sector*, which serves as a vehicle for information, education, entertainment and intellectual curiosity.[17] The knowledge-driven economy is supposed to have an effect on the entire range of actors in the global economy, the corporate sector manipulating the market and the unskilled individuals at the bottom being manipulated. Again, the impact on the urban setting and urban-rural relations is still open for debate.

Migration

In pre-industrial rural Europe, the land and labour were the two roots of wealth.[18] Warfare was a rational action as a means for grabbing agricultural land and precious land-bound resources, and emigration was rejected on the ground that the nation state would be weakened by loss of manpower. Mercantilism implied a body of thought, developed from the mid-sixteenth to the late seventeenth century, recognising the growing power of the national economy and favouring the intervention of the state in economic activity in order to maximise national wealth. Starting by the end of the 18th century, industrialisation and economic liberation brought about large-scale migration from rural to urban areas. This process has, however, been very different in various European countries. Urbanisation has been enhanced by migrants who over-estimated employment opportunities in the urban sector, which resulted in *over-urbanisation*, unemployment and emigration. As happened previously in Europe during the Industrial Revolution, primary centres in the developing world have become over-populated with subsequent unemployment and hardship.

In the post-war era, decentralisation and the introduction of the concept of *growth poles* were applied in order to counteract polarisation and create economic development in peripheral areas. Emphasis was laid on the industrial development of intermediate-sized towns and their adjacent regions in order to divert migration away from large cities. The continuing polarisation despite these measures has in some countries lead to the discrediting of the growth centre concept as a development instrument. The concept of *place prosperity* has thus been substituted for the concept of *people's prosperity*. In this view, the top-down approach is substituted for a bottom-up perspective and the mean value prosperity is replaced by a diversified understanding of the situation among various population categories.

According to the *neoclassical migration theory*, the migration from urban to rural areas will continue until imbalances in the productivity and income levels between agriculture

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[16] Like all improvements in productivity, the probable effect of ICT is concentration of economic activities. World cities are gaining in centrality because ICT improves their competitiveness and allows for their economies to attract even more related economic investments. The new information and communication technology forms the backbone of current structural transformations in the European economy because it serves as a vehicle for the creation of a new functionally interrelated global economic system. As ICT helps to compress space and time, societies are supposed to be increasingly fragmented. ICT is, however, not necessarily supposed to diminish the importance of face-to-face interaction. The very contrary may be the case. The effects of ICT on urban-rural relations are still open for debate. See Talvitie 2003

[17] The total share of manual labour and office work are supposed to be reduced to some 30–40 percent of the total employment in the US by the year 2010. Geyer 2002, 69.

[18] Cowen 1998.

and industry have been eliminated. This theory has been much criticised for being exceedingly macro-scale oriented and for overlooking socio-anthropological explanations. The theory of *relative deprivation* regards the economic position of a household in its own community, and states that the degree of one's relative deprivation corresponds to one's likelihood to migrate. Thus communities with relatively equal income distribution will generate less migration. Migration also relates to envisaged long-term advantages as a result of education possibilities. The young generation is attracted to major metropolises and their diverse supply of entertainment and lifestyles. The degree of mobility among various social strata seems to correlate with the degree of empowerment among the different groups.[19]

Migration patterns are distinguished according to population streams between various locations: *mainstream* migration indicates dominant patterns while *sub-stream* and *counter-stream* migration are movements in opposite direction, part of which are return migrants. The rational behind migration patterns are of course associated with the incentives, which can be very diverse: *productionism* refers to driving forces of an economic nature while *environmentalism* would refer to the need to improve one's actual living environment. In a lifespan perspective, the former enables a person to achieve the latter. In the upper strata of a segmented labour market, productionist and environmentalist incentives would fuse as professionals are inclined to seek for good living conditions in combination with an attractive job. Both on the individual level and the institutional level, migration involves *risks and costs* that are either *direct or indirect*. The desired benefits may not be achieved even in the long run. Life changes may involve investment in education and professional skills that pay off only during a considerable period of time, which makes it harder for older people as these have less time to compensate for financial and social losses.

In the context of a core-periphery relationship, huge discrepancies in terms of economic opportunities and environmental assets would favour migration. By contrast, when differences are reduced, the migratory patterns get more varied and complex, and less predictable over time. Normally, migration patterns correlate with the *business cycle*. Booms enhance polarisation while recessions would decrease it. Migration patterns are further modified by the core-peripheral framework, which can be differentiated vertically in terms of their relative level of development, and horizontally in terms of scale and location.

One of the major overall contexts of migration is *demographic change*. Fertility rates fell below the replacement level of 2.13 live births per woman in Europe for the first time in the mid-60s, which was followed by the rest of the developed world some ten years later. Falling fertility rates in combination with rising life expectancy levels has had a significant impact on the demographic picture. Family sizes are decreasing, family members are aging, and single parent families or "new family" combinations are increasing. Changing

[19] Industrialisation has resulted in the deepening of core-peripheral differentials. In developing countries, a polarisation between a westernised elite and the traditional rest has emerged. In the view of the *world systems theory*, capitalism expands outwards from the core nations to the rest of the world and labour in the developing countries get displaced. International migration is fuelled by an increasing polarisation of the global economy. Migrants from the developing countries are accommodated in the least attractive and insecure employment sector in an increasingly segmented labour market. In the lagging countries, labour is regarded as an export commodity to improve their own capital-labour ratios and to gain foreign capital through international remittance. Core areas, with low fertility rates, act as magnets on peripheral areas with high fertility rates and poverty.

needs and improved mobility result in diverging redistribution trends. For instance elderly migration has had a significant impact on overall migration trends. Those in their early retirement move to desired locations. When minor disabilities appear, they tend to move to locations where assistance is present.

Another major migration trend in the central parts of Europe is the striving for the rural. Sub-urbanisation is not only a characteristic of households with children, but increasingly so with regard to single-person households as well.[20] There seem to be a prevailing preference for rural dwelling.[21] Actually: *"This cultural construction – the …rural idyll – is actively mobilized and reproduced through the marketing and commodification of the countryside for urban consumption on multiple scales from the local to the national."*[22] The driving forces behind that are supposed to be twofold. One the one hand, the rural is conceived as "close to nature". On the other hand, the rural context is supposed to imply an enhanced feeling for community in terms of comprehensible social relations.

The current high concentration of immigrants in large metropolitan areas in Europe could set in motion the next phase of counter-urbanisation. Those that cannot make a living in the metropolises are obliged to join the higher income groups of the earlier phase of counter-urbanisation. This could change the core-periphery concept from a regional to a local phenomenon, indicating a deepened social polarisation characteristic to third world countries.

1.2.3 Historical remarks

After the ruin of urban life in Europe during the last centuries of the Roman era, and the first centuries of the Middle Ages when urban life practically disappeared, urbanisation took swing and the present day settlement structure of most parts of Europe was established by 1350 AD. The basic traits of the European landscape including urban-rural structural relations, is of medieval origin. In regions within the borders of the old Roman Empire, the Roman legacy was of importance. In other parts, urbanisation was, more or less, an original endeavour.

The establishment of centralised power in countries like England, France and Spain caused the foundation of new towns for mastering large tracts of land with unstable power relations. Founded towns formed a considerable part of medieval urban settlements, usually regular in shape. Also founded towns of the German colonisation of Slave and other territories east of Elbe resulted in regularly shaped town plans. The idea that medieval town plans of a more free shape would have resulted from organic growth has recently been contested by the argument that large scale geometric patterns seem to underlay such towns as well. Consequently, initial European urbanisation seems to have been less haphazard and more orderly accomplished that used to be thought.

Towns were strange elements in the feudal context, but lucrative for mundane and clerical lords to found and control as they generated revenues through the conduct of commerce. Until the liberalisation of the economy in most parts of Europe in the 19th century, urban-rural relations were underpinned by the urban strive for hegemony in trade and all kinds of commerce. Active measures were taken to restrict peasantry trade, which was hard to control and could escape taxation.

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[20] Heins, S. et al. 2002.

[21] Built Environment. Volume 28, Number 4, 2002.

[22] Valentine 2001, page 257.

There was a dramatic disruption in European population growth, brought about by the Black Death, but the urban population and its distribution seems to have remained remarkably stable or to have reconstituted itself by 1500.[23] A second wave of expansion began slowly and gained momentum after 1750. By 1800, the number of cities with 10 000 or more inhabitants reached 363, and each decade thereafter brought major gain. The 19th century witnessed a pace of urban growth altogether different from the previous centuries. The percentage of Europe's population living in cities of at least 10 000 inhabitants displayed a relentless upward pressure, climbing from 5.3 percent in 1500 to 9.4 percent in 1800. The setback of the early 17th century, while affecting the number of cities, had less effect on the size of urban population, which indicates a situation where a large-scale demographic contraction apparently had much less effect on the urban population than it had on the size of the rural population. As a consequence, the urban percentage continued to climb. The distribution of settlements by size shows regularity, usually referred to as the *rank-size distribution*, and a study of the changing rank size distribution over time given an idea of the evolving European urban system.[24]

Urban growth in the period from 1500 to 1750 was heavily concentrated in the large cities and was not characterised by the birth of numerous new cities. In the course of the

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[23] In the early 14th century, there was 125 cities of 10 000 or more inhabitants, and 4 cities of about 100 000 inhabitants. In 1500, the corresponding figures were 156 and still 4 huge cities. Italy alone claimed 28 percent of these cities as well as three of the four cities with over 100 000 inhabitants. Then an era of expansion gained momentum, and it was to last until the middle of the 17th century. The number of cities with more than 10 000 inhabitants grew to over 200 before a recession set in. This recession hit the Mediterranean countries by 1600 and central Europe a few decades later, which brought about an actual contraction in the number of cities with 10 000 or more inhabitants. deVries 1981

[24] In large systems of cities, the second largest city is likely to be half of the largest, the third largest city one-third as large, etc. It follows from this that proportionate growth throughout the relevant range of city sizes will generate a series of rank-size distributions over time that preserve the same overall configuration. To achieve this constancy, there must be a long-term balance between the growth of the component cities and the growth of the urban system as a whole, which means the introduction of new cities into the system. What does the rank-size distribution of European cities and towns during various centuries tell us? In 1500, the largest ten cities were smaller than "predicted" according to rank-size distribution. This was particularly evident in Middle Europe, where only Paris was distinctively larger than the rest. This could be considered as an evidence of the lack of integration of the various regions of Europe. The summation of many small and relatively autarkical urban systems is likely to generate a rank-size distribution where the upper part of the system is under-represented.

By 1600, the rank-size curve of Europe was approaching the ideal one, suggesting that Europe had progressed in the direction of an economic integration of its regions and an associated development of a hierarchy in the system of cities. Particularly in Middle Europe, the huge cities gain growth, and by 1650 London, Paris and Amsterdam were already dominant cities. One of the driving forces behind this development was probably the state-building effort particularly in France, England and Spain that had the effect of undermining the independence and autonomy of many cities and of subordinating their economic interests to those of the centralised states. In addition, the Reformation's impact on Cathedral towns in newly Protestant lands had the cumulative impact of undermining the viability of many cities at the same time as certain cities gained enormously in growth potential being the administrative centres of the new monarchies (Madrid, London, Paris, Stockholm) or being the economic handmaidens of imperial ambition (Genoa, Augsburg). As a group, European cities saw their distinctive municipal culture dismissed by right-thinking servitors of the modern state as a medieval relict.

In the period from 1600 to 1750, among the cities that declined markedly none were capitals, a category, which together with ports were conspicuous among the rapidly growing cities. Administration, the military, and the legal apparatus provided a major expansion of urban employment. Powerful economic forces were speeding the abandonment of cities as locations for many of the most labour-absorbing industries. Proto-industrialisation in the form of the spread through the countryside of the putting-out system was stimulated by changes in relative prices, colonial markets, demographic change and the politics of cities. Industrial labour could be recruited without withdrawing it totally from the agricultural sector, and the heavy burden of capital investment associated with urban growth could be avoided.

17th century, the relative share of the Mediterranean population of the European total dropped from half to one third. The entire net growth was concentrated in Middle and Western Europe. *After 1750*, the process of urbanisation as reflected in the rank-size distribution changed fundamentally. Now *smaller cities grew disproportionately and numerous new cities emerged* while the largest cities were conspicuous for their lethargic growth relative to the rest of the cities. This is particularly evident in Middle Europe, while Southern Europe joins in during the first half of the 19th century. An obvious factor of urban growth was simply the rate of overall population growth.

The early stages of the industrial revolution tended to be played out in relatively small cities and in rural locations. Although the industrial revolution of the 18th century was primarily a British phenomenon, yet the growth of small cities was much more widespread. The universality of small-city growth in the period 1750–1850 (in 1800–1850 in the Mediterranean region) can be accounted for by the increase in agricultural incomes and the expansion of farm production. Regional marketing and administrative centres expanded their employment bases as the volume of marketed farm output grew. The retailing and service sectors grew with the increase in landlords' rental incomes. Although it is apparent that modern urbanisation is characterised by urban population concentration in large cities, it was obviously preceded by an interval in which the opposite was the case, and in which Europe for the first time since the Middle Ages received a sizable fusion of new cities.

The development of the city-system of pre-industrial Europe could be described as the destruction of an old urban structure and its replacement by a new one, but with the proviso that the constituent cities of these two structures remained the same. The individual cities were largely concerned with their search for a place in a new urban environment. The new urban structure was not primarily an administrative hierarchy or a central market system, but the outcome of a commercialising economy and came to be dominated by competitive mercantile centres. [25]

Industrialisation and liberalisation of the economy altered urban and rural settings and life in a fundamental way. Industrialised production has affected all sectors of the economy, primary as well as secondary and tertiary sectors as well. Urban industries have altered townscapes in a fundamental way. The industrialisation of agriculture has caused huge changes in rural settlement and land-use structures. As a result, large scale migration has been commonplace and the process of urbanisation was strongly fuelled in the 19th and 20th centuries by the restructuring going on in the economy as well as the liberalisation of the economy, which caused urban settings to lose their favoured position. It is, however, *false to attribute industrialisation to the urbanised world and to conceive recent urbanisation only in terms of industrialisation*.

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[25] A curious phase of urban-rural structural relations occurred in the 17th and 18th centuries when the rural landscape outside towns was appropriated by aristocrats and nobles who *en masse* founded landscape gardens of magnificent dimensions. In fact the visual appropriation by far overrode the actual size of the gardens as visual focal points were established in the landscape at crucial nodes. These structures were produced in the hundreds all over Europe, especially in residence towns and their surroundings. The scale of these elements was surpassed only by 20th century urbanisation and the proliferation of large-scale infrastructures. The Baroque aesthetic reshaping of the countryside represents a kind of "staging" (German "Inszenierung") of the landscape that in scale has a parallel only in the current concern for conservation of historical and rural landscape types. The example indicates the *importance of visual attitudes in the appropriation of landscape in terms of symbolic* (or currently: economic) *gains*. Benevolo 1993

In England, where the initial industrialisation took place, the old towns appeared at the head of the hierarchy as spectators in the process of industrialisation, and it is assumed that rural industries increased relative to urban industry. Actually it is supposed that the process of industrialisation proceeded ahead of urbanisation in 18th century England.[26] In Russia a similar pattern is to be found. In 1902, still 61 percent of the total employment in factory industry was located outside the cities. Almost all the countries that had an early industrial take-off (England, France, Belgium, Switzerland) had rather low levels of urbanisation while many of the late comers were highly urbanised (Spain, Italy, Netherlands, Portugal). Actually the industrial revolution is supposed to have started first in agriculture. In England, the agricultural revolution preceded the industrial upheaval by 40–50 years.

There is a peculiar relation between agricultural production and the relative size of urban settlements in a given territory. The linkage between the huge progress achieved by agricultural productivity since the industrial revolution and the jump in the level of urbanisation is evident. The most advanced agricultural techniques in the 18th century still had to mobilise some 70 to 75 percent of the labour force just to produce food and raw material, mainly textiles. In the absence of massive food imports, the urbanisation level could not be higher than some 20 percent.

Only small countries with exceptional resources could (by mobilising low food surplus of large regions) import large shares of their food consumption, which was the case in the Netherlands in the 17th century where the share of urban population was some 40 percent. This could be achieved only by importing huge quantities of cereal, which rendered it possible for some 55 to 70 percent of the population to be employed in non-agricultural sectors. In other European countries with no exceptional commercial orientation, the proportion of non-agricultural labour had never exceeded 20–30 percent before the industrial revolution, and the percentage of urban population was never greater than 12 –15 percent. On the macro-regional levels (Europe, large countries of Asia) the proportion of the non-agricultural labour force had never exceeded 15–20 percent and the proportion of city dwellers 10–13 percent.[27] For the 19th century, the links between economic development and levels of urbanisation is obvious. In Europe from the 1850s, differences in the level of economic development can explain some 60 to 70 percent of the differences in urbanisation levels. After 1930 and even more so after 1960, the relation between economic development and urbanisation became less strong.

Technical innovations arise and are diffused more often in urban than in rural settings. This is allegedly a proven fact: higher population density facilitates contacts, and therefore it is supposed to lead to accelerated flows of information. The heterogeneity of urban activities leads to applications in other sectors. In addition, the city is traditionally the seat of educational activities and the city is in contact with other cities. The size of the city is supposed to play an important role in the spatial diffusion of innovation. In conclusion, the city leads to more, particularly technical innovation, and favours the spread of these innovations thereby being a factor of economic development.

How could then the agricultural revolution of the countryside have preceded the industrial upheaval of towns and cities? The Dutch experience shows that advanced urbanism did not by necessity generate productivity increase in farming. An answer could be that

[26] Diederiks 1981, 7-8

[27] Bairoch 1981, 65 –66

"hyper-urbanisation" or "over-urbanisation" (Spain, Portugal, Italy, the Netherlands in the 18th and early 19th centuries) indicated a level of urbanisation and the presence of large cities, which no longer corresponded to the original economic functions of urbanisation. In many third world countries this is the prevailing situation. It is supposed that over-urbanisation has limited the possibilities of productive investments especially in new sectors. Consumption demand from cities or even construction needs have absorbed a too large share of resources. Over-urbanisation also implies urban under-employment, low productivity and an enlarged tertiary sector.

In the beginning of the industrial revolution, the two major innovations of this period had important fall out on agriculture. Firstly, the production of iron instead of wood, which lead to a sharp fall in iron's price, and brought a sizeable improvement in terms of trade of agricultural product versus iron manufactures. This and other technical inventions allowed a widened use of iron in traditional agricultural implements and the development of entirely new ones, which resulted in increased agricultural productivity. Secondly, the mechanisation of spinning lead to the disappearance of rural textile activities, which subsequently often lead to the total withdrawal from agricultural activities on land of low productivity, and an increased devotion to land of high yield, i.e. an increase in average agricultural productivity.

The second agricultural revolution started around 1840 – 1870, and its main component was the introduction of artificial fertilisers and of real agricultural machinery. The development of fertilisers stemmed directly from progress in science. In mechanisation, rural inventors could play a more important role, but at a very early stage, production and improvement of equipment became an urban activity. Further improvement in productivity is later on brought about by the introduction of pesticides and herbicides as well as further mechanisation, genetic manipulation, improved communication and logistics. In spatial terms, there is a global shift in agriculture from Europe to the temperate zones of America and Oceania. In Europe, there is going on a regional concentration and specialisation in production. Urbanisation relates to the restructuring of agriculture by having a positive impact on the flow of agricultural goods. The increased demand for food without an increase of active population on the land is both a cause and effect of progress in agricultural productivity.

An important issue with regard to urbanisation is the market size for industrial goods. During the 16th and 17th centuries, there was an increase in the size of urban markets without fundamental change of technology whereas in the 19th century technology developed more substantially than urban markets. It is argued that technological evolution probably led to sharper increase in size of the market needed by industry than the increase in average city size. Consequently, it appears very unlikely that the city improved its role as an outlet for industries, and by this very reason became a more important factor of development. The growth of city size has not been an important factor for the outlet of the industrial sector. If such a growth, however, would not have taken place, rationalisation and the introduction of new technologies could have been harder. The urban component does not seem to have been the leading one.

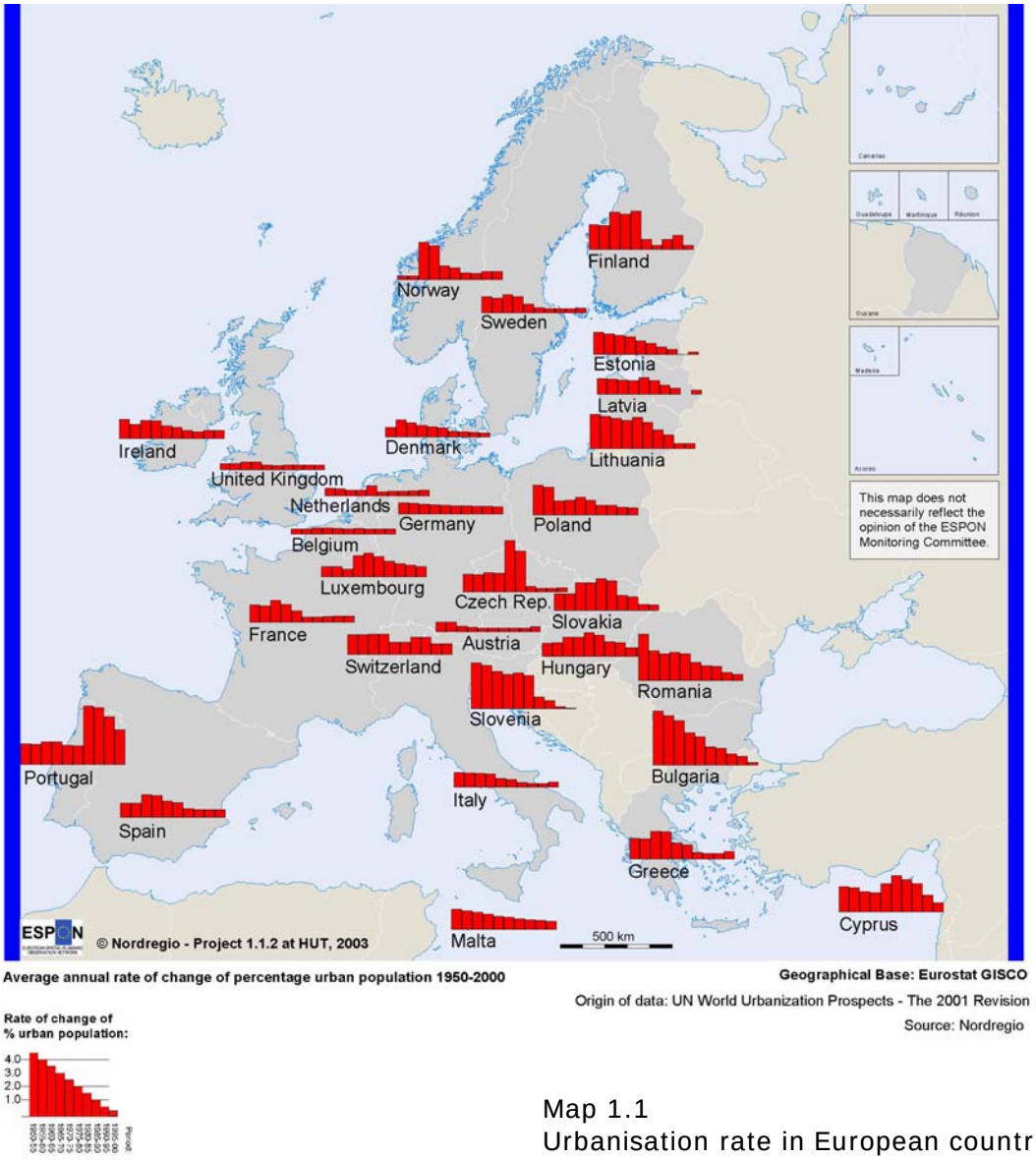
Post-war urbanisation in Europe

The 20th century has been characterised as having seen an urban civilisation without cities.[28] The main feature of European urbanisation is supposed to be its diversity of

[28] Berry 1978

origin, degree of dispersal or concentration, and level of urbanisation.[29] The economic system of Europe has, however, become increasingly integrated, which should have an impact on the development of the national urban systems, particularly on border regions and on migration patterns.

The urbanisation rate was investigated for all 29 countries included in this study for the period from 1950 to 2000, expressed as urbanisation rate average in five year periods (Map 1.1). The overall impression is the slow-down of urbanisation towards the end of the period. The early 90s seems to have been a period of stagnation where 6 countries (Bulgaria, Czech Republic, Estonia, Italy, Latvia, Slovenia) out of 29 countries even experienced counter-urbanisation (negative urbanisation rate).[30] Partly this is probably due to international migration patterns.



Map 1.1
Urbanisation rate in European countries 1950–2000.

[29] Drewett & Rossi 1981

[30] Due to technical problems, the negative urbanisation rates are not indicated in Map 1.1.

Except for Portugal and Norway, the western part of Europe seems to have had a more even and balanced urbanisation than the eastern part. In the case of Portugal, the urbanisation during the whole period was strong, in particular after the fall of the Salazar-regime, in the 80s and 90s. The Norwegian urbanisation was particularly strong in the 50s. In countries like UK, the Netherlands and Belgium, urbanisation was marginal during the period. In most of the eastern European countries, urbanisation got momentum after the war and has slowed down gradually after that. In the case of Finland and Czech Republic, however, there are some peculiar swings of irregularity in the 60s and 70s. In the Finnish case, the swings are probably caused by the influence of international economic fluctuations, because of the small size and open character of its economy.

The urbanisation rates also in many cases indicate the level of economic performance and urbanisation at the beginning of the period and the pace of restructuring during the period. Countries with a high degree of urbanisation already at the beginning of the period show a more balanced pattern than those with a lower initial urbanisation. Strong fluctuations indicate political changes and/or dependence of international business cycles. Growth performance of European functional areas during the period 1950–1975 show that the 50s and 60s were characterised by rapid growth, which slowed down in the latter part of the period (except for e.g. Sweden and Austria). Growth rates were not related to the population size of the country or to the extent of the national urban system. The majority of towns with over one million inhabitants found themselves in the disurbanisation phase.

Patterns of growth performance of urban zones during the period 1950–75 show that the cores of functional urban areas decreased irrespective of country, size of population and city system or time period. In terms of country performance, the suburbanisation was particularly strong in the Netherlands, Sweden, Italy, France, Switzerland and Denmark. It was less evident in Britain and Belgium where the suburbanisation had moved on to a stage of population decentralisation from both the core and the ring of cities.

The position of towns had clearly shifted in the course of the years. In the 50s, 37 percent of the towns were in the urbanisation phase. In the 60s and early 70s, the percentage of suburbanising towns had increased from 59 to 84 percent. The earlier stages of absolute and relative centralisation were predominantly a feature of Eastern Europe (e.g. Bulgaria, Hungary, Poland and Yugoslavia) with many cities still experiencing an absolute centralisation of population. The countries lying in an intermediate position between centralisation and decentralisation were Denmark, Sweden, Austria, France and Italy. The countries with cities absolutely decentralising or declining were found in a region stretching from Switzerland and West Germany, through Belgium and the Netherlands to Great Britain.

The growth performance of smaller towns during the period 1950–75 indicated that growth rates of urban population related inversely to size. In countries like Austria, Belgium, Denmark, Great Britain, the Netherlands, France, Sweden, Switzerland and West Germany, from 70 to 100 percent of the population growth during 1950–75 took place in towns with less than 50 000 inhabitants. An exception was Italy, where the share of the middle and smaller towns in the total population increase was less than 40 percent. In 7 out of 10 Western European countries examined, net-migration represented a very important component of the demographic growth of the middle sized and smaller towns. High immigration correlated, however, with high natural change rates. In a majority of

cases, migration seemed to have been a result of suburbanisation. In this kind of urbanisation, it is presumed that residential preferences assume a leading role.

It is apparent that population change is closely related to employment change and the restructuring of the economy. Population de-concentration is therefore related to employment de-concentration. Large organisations are expanding their influence and city-interdependencies are growing more complex because of intra-organisational linkages. During a period of population de-concentration the control mechanisms have been centralising, shaping a pattern of economical and spatial inter-dependencies in the system.[31] If urbanisation, i.e. urban-rural relations, is viewed as a whole, it is obvious that people's judgement is based on a multitude of decision elements such as employment opportunities, wage levels, housing, schools, medical amenities as well as cultural amenities. The whole settlement pattern of Europe has shown a process of declining rates of urban growth.[32] Different-sized cities seem to be affected in different ways. Adequate policies addressing urban-rural relations would then have to be designed in compliance with the dynamic and diversified characteristics of urbanisation as all towns appear to be subjected to an autonomous wave-like movement of growth and decline.

1.2.4 Functional integration and rank-size of urban centres in Europe

The relative share of population living in functional urban areas (FUA) out of the country total was calculated for all the countries studied, but the results were not considered to be reliable enough for the purposes of this study.[33] Another way to approach the question of urbanisation was to study the rank size distribution of FUAs in Europe as a whole and in each country separately. The rank size distribution of cities in an urban system is supposed to shed light on the degree of maturity of that system and its degree of integration. On a graph having logarithmic scales, the size distribution of an integrated urban system would, according to the rank-size rule, result in the form of a straight line.[34]

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[31] Drewett & Rossi 1981.

[32] van den Berg et al. 1981.

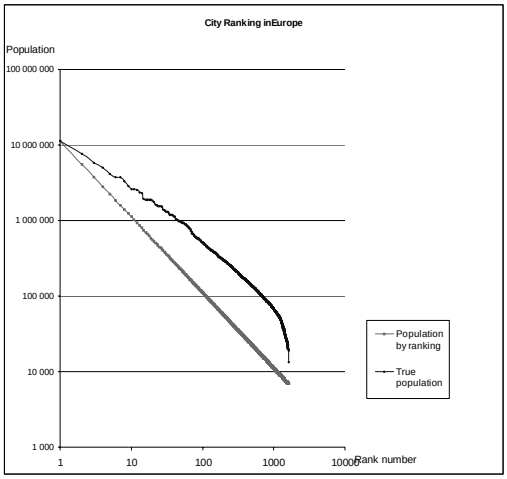
[33] The material was received from ESPON project 1.1.1. The basis for this calculation was the theoretical assumption that *share of FUA correlates positively with the degree of urban-rural integration*. The material was not, however, good enough for such conclusions to be drawn with absolute certainty, because the statistical NUTS-division, which the population data are based on, does not match FUAs very well in all individual cases. The method as such for estimating degree of urban integration seems pertinent enough, but the empirical basis should be improved. The share of FUA population varied from 100 percent (Malta) to 34 percent in Poland. Other very low FUA-shares could be found in Austria (36 percent), Romania (37), Ireland (39) and Lithuania (41). Also the FUA-share in the UK was surprisingly low (51). These low percentages could be explained partly by geographical matters or low degree of integration into urban economies, which means that dys-integration in these cases would be real. In the UK-case it could be explained by the fact that the country is very densely populated and that a considerable part of the rural areas are integrated into urban economies but these are of a size too small to be recognised in the FUA-sample. This explanation may be valid for some of the other countries with low FUA-shares as well.

[34] First proposed by Auerbach, the straightforward statement of the rank-size rule is that the population of a given city tends to equal the population of the largest city divided by the rank of the given city, which is often referred to as the Zipf's Law. Zipf added that the distribution would follow Pareto function (having a shape parameter, Pareto exponent) equal to 1. An extensive amount of studies have tried to test the proposition empirically. Some studies have also tried to find correlations between the distribution of cities and different statistical variables, even some causal relationships from the patterns. Guérin-Pace 1995; Soo 2002.

In a recent attempt with rank-sizes calculated for 75 countries it was found out that in most European countries the size distribution is more even than in countries in Asia, Africa or South-America.[35] The dominant role of the largest city, the primate pattern, is more common in the developing countries and in small-sized countries than in big and complex states. It can thus be assumed that the primate distributions typify the impact of a few rather strong forces.[36] The persistence of the shape of the city size distribution and of its spatial distribution has also been highlighted. The stability of the overall system can cover the instability of the position of each city within the hierarchy. Different results are obtained, however, according to different ways of delimiting urban centres or urban functional areas. The results would differ if data on urban centres would be used instead of the functional urban areas, because of the decrease in population in the traditional core areas of major cities. At the same time the concentration to the major urban agglomerations may have continued.

In the project at hand, the *rank-size* for all the countries as well as for each country was calculated. The purpose for this was to render a picture of the relative balance of each national urban system, and for Europe as a whole. In all, 1608 FUAs were included. The assumption was that a rank-size distribution where the factual urban system is close to the theoretical ideal would indicate an integrated and balanced urban system whereas deviations from the ideal would indicate a lower or higher degree of disintegration and/ or unbalance in the system under scrutiny. Such an assumption is false in the European case as it is not correct to view the European rank-size distribution in terms of an integrated urban system. The same comment is valid for a number of individual countries that have changed their borders after the Second World War (e.g. Poland) and thereby coming to encompass (or lose) parts of urban systems, which have had to develop in a new context during the post-war time.

The rank-size distribution of considered FUAs in Europe indicates a considerable imbalance in the urban system: the medium and smaller parts of the FUAs in particular are strongly overrepresented compared to the size of the twenty or so largest FUAs (Graph 1.1). When comparing the European rank-size distribution of FUAs with the corresponding distribution of urban nodes, the graph on the latter shows a pattern following rather



Graph 1.1:
Rank-size graph of all European FUAs (pink colour showing the value expected according to Zipf's Law, blue colour showing the true population on a logarithmic scale). (Source of data: Project 1.1.1.)

[35] Soo 2002
[36] Guérin-Pace 1995

precisely the rank-size rule.[37] The FUA curve reveals an overrepresentation of FUAs on the lower part of the ladder and could be used as evidence of the currently low degree of integration within the European urban system, as described above.

The smooth top of the European curve indicates steeper curves in some individual countries as the weight of the biggest FUAs are bigger in the national contexts. In France, the dominance of Paris rises (rank of FUA number 1 in Europe, rank of city proper only 5), and for Greece, where Athens ranks 8th among FUAs, but with a population below one million is of a rather low ranking among urban nodes. The sample size should also be kept in mind when viewing the European graph. As the selection criteria of the FUAs could not follow any strict criteria: fixed number of cities, fixed size threshold or size above which the sample accounts for some given proportion of a country's population.[38] This is why only the upper half of the European rank-size curve can be used for interpretation.

When taking a closer look at the national variations it is obvious that certain "family-resemblances" can be detected. A clear category are those countries were the functional urban area of the *prime city is stressed* (Graph 1.2 at the end of this subchapter). Such cases are UK, France, Portugal, Greece, Austria, Latvia, Estonia, Denmark, Ireland and Finland. In some of these cases, the historical importance of the capital in early centralised, vast nations is obvious (UK, France). In other cases, the country has lost some of its territory, and the prime city has turned over-sized in comparison with the reduced territory (Austria, Denmark). In a few cases, the prime city has emerged in a much larger urban context where the country in question for a considerable time was a part of another state (Estonia, Latvia). The explanation could also be over-urbanisation due to the fact that the urbanisation phase of the prime city stage is still going on. The relative smallness of the national economy (Finland, Ireland, Portugal and Greece) could also be an explaining factor.

Another clear category encompasses countries with a relative over-representation of small and medium-sized towns (Belgium, the Netherlands, Italy, Germany, Poland and Slovenia). Some of these have a fairly recent history as centralised states (Germany, Italy, Belgium and the Netherlands) and in some cases a political structure of federalism. A third category covers countries with a balanced rank-size graph, such as Spain, which has a history of strong centralisation but currently a political system of federalism. Other countries with balanced rank-sizes are Switzerland and Lithuania. The rank-size exercise shows the variety of urban systems in Europe and a few conclusions could be drawn:

Firstly, the urban systems of the European countries must be analysed in the context of political history, which seems to explain much of the characteristics of the individual urban systems. Secondly, the political turbulence of Europe during centuries and during the 20th century in particular, has caused situations where urban systems are "displaced" into new political and sometimes cultural contexts. This means that the urban systems have not grown "naturally" within stable political and/or socio-economic frames for very long periods of time. Thirdly, with the relative decrease of the influence of the nation

[37] Graphs made by Michael Wegener concerning European urban nodes only, the project 1.1.1., using the database of IRPUD.

[38] Cheshire 1999, cit. in Soo 2002.

state on the national urban system of each country, the urban configuration of Europe is about to change once more, and will probably adjust to enhanced European integration. The effects of integration are, however, likely to hit the various urban systems in very different ways depending on size, attractiveness, accessibility, etc. Fourthly, urban-rural policies should be designed and implemented in order to take advantage of the high quality of urban life in Europe, which is a matter where Europe differs in a positive way from the situation in some other parts of the world. From that point of view, the relative over-representation of small and medium-sized towns could be seen as a European advantage.

A comprehensive European analysis of urbanisation and urban-rural relations through the rank-size distribution would only be possible if long time series for both urban nodes and urban agglomerations would be available. The changes, even small ones, in the shape of the rank-size curve would indicate changes in the relative shares and growth rates. One could also try to connect the rank-size figures to the differential urbanisation theory and the different growth patterns of the various stages of urbanisation as explicit in that theory.

In the absence of time series for FUAs, the data on the change of urban population during the last fifty years (Map 1.1) would support the impression about a slower general pace of urbanisation in the already highly urbanised parts of Europe and correspond with a hill-shaped growth curves. However, the effects of immigration and increasing international mobility of people, goods and capital may contribute to further concentration of strategic activities in major cities.[39] This could mean a continuation of suburbanisation outside huge cities, an effect that may not be captured by the graphs if the FUA delineations vary too much between different countries.

If globalisation has induced different patterns of urbanisation at different levels of the urban hierarchy, could not this favour some nodes and leave the rest of the nodes following the old patterns in the national contexts? For the study of urban-rural relations the message is clear: *the traditional relationships between city centre and periphery are being accompanied and overlapped by a hierarchy of networks, where the inter-dependencies are far more complicated than the relationship to the nearest higher node.*[40] This could mean that the rank-size curve gets more and more unpredictable. On the other hand there is not much evidence of the correlation between economic variables and the rank-size curve. Variables related to political economy seem to play a larger role in explaining variations than geographic variables such as scale economies.

Because of the huge diversity of urban systems in Europe and because of the huge differences relative to degree and history of urbanisation, the cases of eight countries were reviewed (see appendix of this chapter). The selection includes the populous parts of central Europe (U.K., France, Germany and the Netherlands), the Mediterranean region (Italy) and the ultimate periphery (Finland) as well as the former socialist countries of Eastern Europe (Poland and Romania). The national reviews indicate the huge variations in the history of urbanisation, but also common traits.

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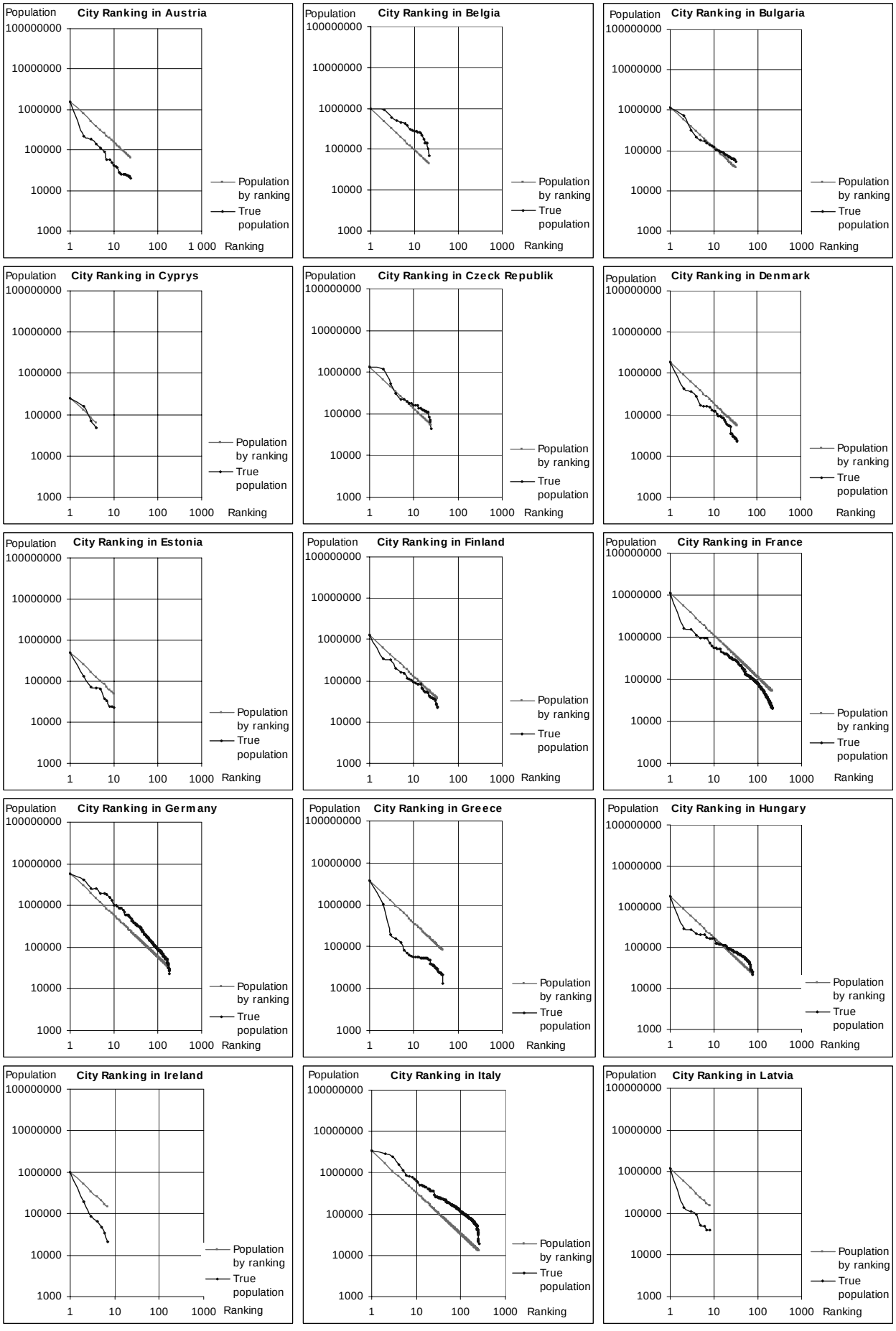
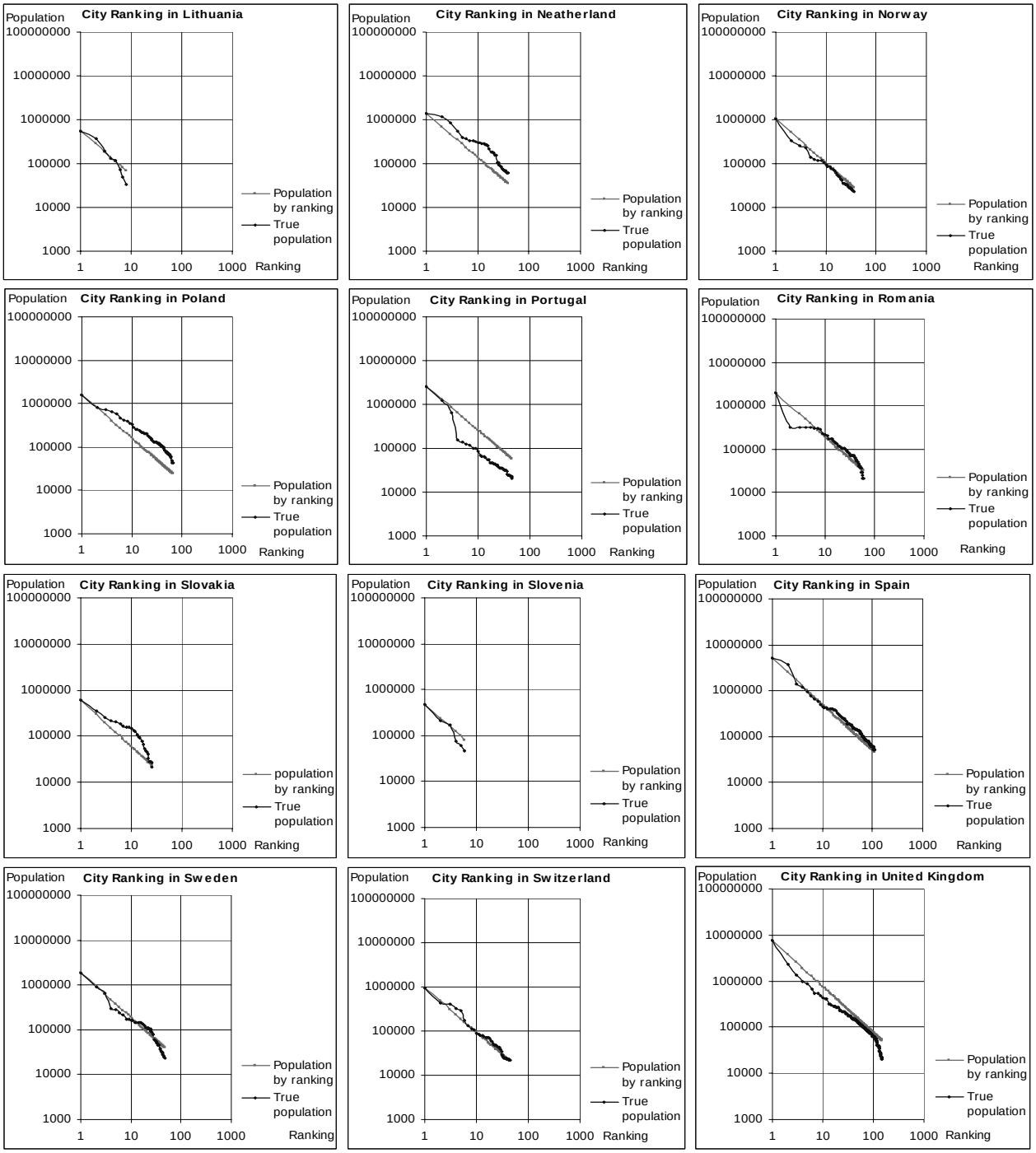
[39] Sassen 2002.

[40] eg. Dematteis 1995.



Graph 1.2:
Rank-size graphs of functional urban areas in European countries. (Source of data: Project 1.1.1)



Graph 1.2 (continued):
Rank-size graphs of functional urban areas in European countries. (Source of data: Project 1.1.1)

1.3 Rural Europe

The definition of “rural” is equally difficult to define as the concept of “urban”. This chapter starts by reiterating the concurrent discussion on how to define the concept of rural. The literature on rural restructuring is presented and the chapter ends by some concluding remarks.

1.3.1 Defining rural areas

A wide array of notions of 'the rural' has emerged through academic discourses. Four principle approaches can be identified, connected to four phases of discussion.[41] In the first phase, there was the search for rurality in particular spaces and functions, mapping rural areas through non-urban characteristics or through important elements of rural identity, such as open spaces, small settlements or certain behavioural qualities. Although the set of elements that gets chosen to represent rurality may have changed, this traditional set of approaches certainly continues to attract attention as will be reviewed in the next sub-chapter.

The second phase of conceptualisations was brought about by the political economy approaches and the notion of rurality was undermined. The causes of changes in rural areas were often seen to originate from national and international economy, on a rather non-spatial basis. The researchers came to question whether the rural places actually represent distinct localities. Some were even ready to dump the rural as an analytical category[42]. Traits of these approaches continue to influence academic debates especially in connection with the discussions around globalisation and global-local relations.

In the third phase, it was claimed that a single rural space cannot be defined. Instead it was suggested that a number of different social spaces overlap the same geographical space. According to this set of approaches, rurality was a social construct, which rescued the rural as an important research category. The meanings of rurality and their interconnections with the agencies and structures played out in various spaces were seen as questions of major interest – and still are.

The fourth phase was connected to deconstructionist approaches and it was claimed that in post-modern times symbols are becoming increasingly detached from their referential moorings. In rural studies, the task was thus to reflect how the socially constructed rural space becomes increasingly detached from the actual geography of every day life in the rural areas. Many scholars devoted themselves to exploring the complexities and ambivalences of the rural, e.g. through deconstruction of different 'rural texts'.

A study with the intention to support European spatial planning has to be down-to-earth in order to produce operational definitions of the concepts of urban and rural, building extensively on the first phase of approaches discussed above. However, the shift in the academic debate from descriptive, spatially deterministic or locally oriented approaches towards constructionist approaches[43] should not go unnoticed, as it has fuelled much academic debate concerning interpretations of the concept of rurality[44]. The tradition of descriptive, quantitative approaches to define the rural certainly continue to offer interesting research tasks, but one should also try to learn from the more recent debates.

The following review of approaches trying to define rural is divided in two parts. The first set of approaches has to do with attempts to capture rural populations and spaces, maintaining the material understanding of the rural. These approaches are rooted in the presence or absence of a relatively distinct rural locality. The second set tries to dematerialise the rural and to place it within the realm of imagination – which in turn has clear material affiliations. In other words, the first set reviews the more straight-forward

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[41] Cloke & Goodwin 1993, Cloke & Thrift 1994, Phillips 1998.

[42] e.g. Hoggart 1990.

[43] Richardson 2000.

[44] see for example Mormont, 1990; Philo 1992, 1993; Murdoch & Pratt 1993, 1994; Halfacree 1993,1995; Cloke et al. 1994; Cloke and Little, 1997.

approaches that, by sharpening their definitional toolkits, believe to create ever improving definitions of the rural. According to the second set of approaches there is no confidence in that the rural can be defined by using conventional indicators. Within this criticism, the second set offers important lessons that can be used to improve the first set, as will be described below.

Table 1.1. Approaches to Defining Rural Areas

General Approach	*Theoretical Context and Methodologies Employed*	*Data Sources*
(a) Implicit definitions/ differentiation of rural areas (often policy-relevant)	Normally a consideration of different rural 'types' based on intuition, theory and existing empirical evidence – not statistically based or tested, although could serve as preliminary to subsequent empirical investigation and statistical analysis: • CEC (1988) – 'standard types' of rural area, based on perceived developmental challenges • OECD (1993) – urban-rural gradient differentiating between rural areas by their degree of integration with major urban centre • Marsden et al (1993) – economic, social, political and cultural 'parameters' • von Meyer (1997) – dynamic versus lagging rural regions • Copus and Crabtree (1996) socio-economic sustainability within rural areas, 3 attributes (population, density, economic activity), measurable across three dimensions (structure, performance, dependence).	Multi-dimensional considerations based on literature review and existing empirical analyses
(b) Statistically derived policy-relevant differentiation of rural areas	Normally a classification/regionalisation conducted in an *exploratory* fashion, but with a selection of variables based on some theoretically based pre-defined criteria: • cluster analysis (e.g. Williams et al 1996 – socio-economic profile) • principal components analysis (PCA) (e.g. Malinen et al. 1995 – socio-economic profile; Haase 1998 – deprivation; Hannan and Commins 1993 – social ecology of rural areas) • PCA and cluster analysis combined (e.g. Walsh, 1980 – agricultural regions; Lafferty et al. 1999 – agricultural regions; Cawley 1986 – rural deprivation) • detailed spatial mapping of individual variables (e.g. Cooke et al. 2000 – deprivation analysis)	Multivariate – mostly census-based variables
(c) Statistically derived index of rurality	Normally a classification of areas based on *subjective, pre-defined* criteria relating to 'rurality': • principal components analysis (e.g. Cloke 1977 and 1978; Cloke and Edwards 1986; Harrington and O'Donoghue 1998; Mitchell and Doyle 1996) • chi square (e.g. Hodge et al. 1996) • cluster analysis (e.g. Robinson 1990; Mitchell and Doyle, 1996)	Multivariate-mostly census-based variables
(d) Neutrally defined rural delimitation	Normally a preliminary stage in a more detailed analysis: • weighted population density (e.g. Craig, 1985) • population density cut-off point (e.g. OECD, 1994; Walford and Hockey 1991; Commins and Keane, 1994) • gravity model (e.g. Copus and Crabtree, 1996)	Mostly univariate (often variations on populations density, distribution of population, or some accessibility/distance measures)

Capturing rurality

McHugh and Walsh (2000) present a useful overview of different approaches for defining rural areas, identifying four main types of general approach: firstly, implicit definitions which are often multi-dimensional and based on intuition, theory and existing empirical evidence; secondly, statistically derived exploratory multivariate policy-oriented definitions; thirdly, statistically derived normative multivariate indices of rurality; fourthly, 'neutrally' defined univariate definitions.

Examples of various studies within each of these four approaches are summarised in Table 1.1.

(a) Implicit definitions of rural areas

Many commentaries elaborating on variations between rural areas are not spatially explicit. They are based on intuition, theory or existing empirical evidence, but not statistical tests. A few examples of such approaches are highlighted in Table 1 and some are discussed in more detail here.

The European Commission report *'The future of Rural Society' (*CEC, 1988) discusses differentiation within the rural realm and the challenges this differentiation poses for the areas concerned. A three-fold distinction of rural areas is made: rural areas under pressure of modern life, rural areas in decline as well as very marginal rural areas

The first of these 'standard types' relates to rural areas, which are within relatively easy reach of large urban centres, are densely populated (but also include some coastal zones), and enjoy a favourable economic environment. They are the areas where diversification of the rural economy has been most marked. Agriculture in these regions is normally more modern and intensive in nature; "*making heavy demands on the natural environment*". Moreover, these regions are most likely to be affected by what the report calls "*the modern back to nature movement*". As a result, there is intense competition over the use of land from the building of first and second homes and establishing tourism and leisure amenities, to decentralisation of some industrial and service related activities of development of new industries, which in combination places "*the ecological balance in jeopardy*".

The 'rural areas in decline' comprise a different set of changes and problems. The most salient feature in these areas is the relative strength of agricultural activity. It is the dominant activity in these areas, but is often characterised by major natural and structural handicaps. As a result of these, there is a "*persistent drift from the land*", towards large towns outside of these regions, or migration within the region from rural to urban areas. Associated features include under-employment (which is often both concealed and permanent), low family incomes, and declines in public and private services.

The third rural type called *'very marginal areas',* exhibits similar but more marked features than the *'rural areas in decline'* category, especially with regard to depopulation and economic weaknesses. According to the CEC report, potential for economic diversification in these areas is much more limited, particularly where basic infrastructural developments are lacking and costly to establish.

The concept of an urban-rural gradient represented in the three-fold classification of rural space described above, separating more accessible locations from more peripheral and finally very remote areas, is a popular schema. A similar classification is contained in

the OECD 1993 report *'What Future for our Countryside?'* in which rural areas are classified by their degree of access to a major urban centre:

> "*The degree to which a community is integrated with a major economic centre, and through that centre to the world economy, is probably the single most important determinant of its economic condition and of the many other features that are determined, directly or indirectly by that condition*".

Paradoxically, the OECD report acknowledges how there are some areas, which once would have been classified as intermediate of remote, but have now become economically integrated while remaining rural in population density terms. This realisation is evidenced in a later OECD paper where it is suggested that in addition to the settlement dimension (rural versus urban), regions should also be distinguished according to a development dimension (dynamic versus lagging). [45]

There are also attempts to list the most important characteristics that influence the differentiation between rural areas. According to one of them, these characteristics are: the degree of integration of rural areas with the urban industrial complex; the nature of the economic base of the area (for example, the natural resource base, tourism, services and manufacturing); the social and demographic structure of the area and the community of communities present, and; the nature of the political organisation of the area and the aspirations and capacities of the communities in relation to their abilities for self government and management.[46]

A famous implicit division of rural areas is found in the works of Marsden and others.[47] They list four main sets of 'parameters' that have a role in determining a particular development trajectory.

1. *economic parameters*, most notably the structure of the local economy – its buoyancy and diversity and the role of the state in the local economy,
2. *social parameters*, including demographic structure, rate of population change, influence of the "middle" class, level of commuting and proportion of retirees,
3. *political parameters*, including ideals of representation, forms of participation, type of politics (whether, for example, organised around production interests or the protection of positional goods),
4. *cultural parameters*, including dominant attitudes towards property rights (e.g. land as a productive asset, as heritage and as a sense of locality/community).

As to how these parameters variably interact and combine in a particular way, thus differentiating one rural area from another, the authors examine some possible major tendencies in the guise of 'ideal types' characterising British countryside. The *'preserved countryside'* is characterised by established antidevelopment interests and local decision making, attractive and accessible areas, and by middle-class consumption interests that have having some influence. The *'contested countryside'* is signified by an increasing conflict between old and new groups outside the core commuter catchment areas, where farmers/landowners manage to push through development proposals. The *'paternalistic countryside'* is attributed established landowners, falling agricultural revenues that push towards selling land, parallel perception of the farmers as stewards of the countryside.

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[45] von Meyer, 1997.

[46] Bowler et al. 1992.

[47] Marsden et al 1993.

The *'clientelistic countryside'* includes farming fully dependent on subsidies as well as corporatist relations between local capital and state agencies. It is pointed out that the 'ideal types' do not refer to specific places as such, but rather "variations upon them overlap and merge into one another in rural space"48. They represent a set of local conditions, whose configurations may in turn mediate the broader tendencies.

In Scotland a *periphery index* was used to delimit four broad zones according to increasing degree of remoteness[49]. The most remote of these zones was then subjected to a more in-depth analysis in order to establish its level of socio-economic sustainability. Based on recurrent themes and empirical treatments of socio-economic issues in remote rural areas, the authors proposed that relative socio-economic sustainability in a remote rural area could be assessed in terms of three major dimensions; structure, performance, and dependence. A selection of relevant indicators, related to various attributes of population, economic activity and community/culture, were each measured within this multi-dimensional framework.

While these classifications tend not to be spatially explicit, their findings serve a number of purposes. Firstly they are derived from a theoretical examination of the likely implications of processes of change both within and beyond rural areas. Secondly, they suggest a plausible representation of reality on the ground, which can act as a referent in the design and implementation of policies tailored to particular needs and developmental scenarios. Thirdly, an implicit delineation of rural types can be followed up by a quantitative procedure, which might confirm their existence and pinpoint their location.[50] Finally, the findings of these theoretical reflections might have a useful role in guiding the selection of variables for a quantitative exploration of differences between rural areas.

(b) Quantitative, policy-relevant differentiation of rural areas

Studies, which fall under this broad heading, have all employed a quantitative procedure to spatially delineate different rural area types. While the objective is similar in all cases, the studies vary in terms of their focus, ranging from distinguishing between distinct agricultural regions[51], to highlighting varying levels of social and economic deprivation[52] or to identifying areas with distinct socio-economic configurations and structural properties[53]. They are all problem-related or policy-related typologies, the aim of which is to assist in the spatial targeting of appropriate resources to areas with particular needs. The analyses are exploratory to the extent that they are based on the hypothesis that 'regions' or area 'types' exist, but the exact location or character of these territorial aggregations is unknown prior to the analysis. The latter criterion is reflected in the statistical techniques employed – usually principal components analysis or cluster analysis or a combination of the two.

The administrative areas in Scotland were grouped on the basis of their similarities with respect to a range of rural development policy-relevant variables.[54] The Cluster Analysis statistical technique was employed to this end since it could classify objects (in this case, rural districts) in terms of their relative scores on a set of variables. In all, 23 variables

48 Marsden et al, 1993: 187.
49 Copus and Crabtree 1996.
50 see Malinen 1995.
51 Walsh 1980, Lafferty et al. 1999.
52 Cawley 1986, Haase 1998.
53 Hannan and Commins 1993, Malinen 1995, Williams et al. 1996.
54 Williams et al 1996.

were selected, measuring various aspects of remoteness, social well being, economic performance, and demographic viability. Five coherent and relatively homogenous 'clusters' emerged from the analysis, each one containing a set of rural districts displaying similar configurations of the indicator variables.

A Finnish study had as its objective to make an implicit 'tripartition of rural areas' and locate these areas on a map.[55] The resultant rural area typology was to be used as a tool for rural policy, particularly in the evaluation of development possibilities. The study set out to group municipalities according to the most important criteria for rural policy purposes. Data from the population and agricultural census for 1990 related to municipalities was used. Thirty variables were selected, depicting degree of rurality (remoteness and employment in primary production), functional differentiation (employment and land use), rural development (unemployment, level of income, migration), and including a selection of co-called 'predictive' variables such as population change, age structure and employment change. Although the objective was to achieve a tripartition' of rural areas, the study team proceeded with an exploratory analysis, employing the statistical technique (i.e. principal components analysis) to make optimal use of the broad-ranging set of variables.

A similar methodology (i.e. principal component analysis) was adopted to classify Irish rural districts on the basis of 'underlying spatial differentiating features of the Irish agricultural production system and its associated socio-demographic characteristics – particularly its reproductive viability'.[56] Thirty-four variables were used in the analysis (from the Censuses of Agriculture and Population), which were selected to represent some broad aspects of the farm and non-farm economy and the socio-demographic structure. Instead of conducting a grouping analysis as in the Finnish study, the authors considered each component on a separate basis, applying a Likert-scale to the range of scores reported on each of the original variables which were considered representative of the 'conceptual domain underlying each component'.

Another Irish study[57] was concerned with differentiating between rural areas. Overall, the aim was to highlight areas of disadvantage and 'cumulative deprivation'. The variables selected for the analysis consisted of 'demographic indices' (related to population maintenance and associated issues of service provision) and 'socio-economic indices' (relating directly to standards of service and quality of life issues). The analysis consisted of a clustering of areas according to the scores registered by each rural district (excluding County Dublin and the County Borough area) on the first component in a principal components analysis.

A census-based deprivation analysis focussed on geographical variability in the distribution of affluence and deprivation in Ireland.[58] The analysis was conducted at a detailed spatial scale, utilising Small Area Population Statistics data from the 1991 Census of Population. The aim was to derive an index of deprivation based on a combination of scores on a number of variables. These variables were chosen to represent the multidimensional nature of deprivation – for example, highlighting such aspects as imbalances in population profile, low levels of car ownership, social class structure.

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[55] Malinen 1995.

[56] Hannan and Commins 1993.

[57] Cawley 1986.

[58] Haase 1998.

The studies above all have a clear focus, the results are spatially explicit and some are conducted at detailed spatial scales. The application of such techniques as principal component analysis and cluster analysis facilitate the assimilation of quite large data sets and their transformation into easily accessible and understandable summaries. The studies above are exploratory in nature, and are quite versatile (in that they can be tailored to the task at hand – from distinguishing between areas according to varying levels of deprivation to investigating the presence of particular agricultural 'regions'). The studies related to Ireland clearly indicate that great diversity exists across the state and the policy implications are obvious.

(c) Statistically derived indexes of rurality

Quantitative, multivariate analyses of the types considered above, have also been employed in an effort to spatially define and describe different degrees of rurality. Probably the best known of these is Cloke's attempt, which was subsequently refined and updated.[59] The purpose of Cloke's original study in 1977 was to assist in the selection of comparable case study units for use in the author's subsequent research into settlement planning policies for rural areas. It was suggested that his index could be useful in identifying the 'most problematical areas' and in 'monitoring changes in the degree of rurality'. The notion of an 'index of rurality' is inspired by the concept of a 'rural-urban continuum', and it is this aspect of Cloke's and other similar studies, which has attracted some criticism.[60] The main criticism surrounding studies such as Cloke's appears to be the attempt made to associate a subjective conceptualisation of rurality with some notion of differing development trajectories within the rural realm.

In Cloke's analysis, a selection of variables from the Census of Population was assembled on the expectation that they would all vary appreciably with changing rurality. A total of sixteen variables were chosen in all including indicators related to remoteness, population density, age structure and engagement in primary industries. A principal components analysis was then undertaken, which extracted a number of components from the original set of variables.

It is debatable whether the results of Cloke's and subsequent analyses could be utilised from a policy planning point of view. The variables are not chosen with a view to highlighting particular structural weaknesses, which may require policy intervention of some kind. Rather, it appears to be assumed that degree of rurality in some way indicates a particular set of structural circumstances. It may have been more informative had the other 'components', which emerged from the principal component analysis been considered as additional dimensions, which differentiated between the districts. This shortcoming was addressed in an analysis,[61] which replicated and updated Cloke's index using variables from the 1991 Census of Population. However, the same selection of variables was utilised. The original analysis was extended by considering a second component, which was concluded to represent a 'demographic rural dimension', since it loads heavily on indicators, related to age structure and migration. The authors went on to describe a two-dimensional rurality based on the compilation of separate indexes based on '*structural rurality'* (from Cloke 1977) and *'demographic rurality'.*

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[59] by Cloke and Edwards (1986) and again by Harrington and O'Donoghue (1998).

[60] see Hoggart 1990.

[61] Harrington & O'Donoghue 1998.

(d) Neutrally defined rural delimitation

Another set of quantitative approaches aimed at determining the spatial extent of different types of rural area. They made no reference to structural characteristics of rural areas or any other distinguishing features, which may reflect some subjective definition of rurality, at least at the stage of the actual spatial delineation. Normally, rural areas are distinguished on the basis of their location relative to urban centres. In most cases, these areas are then subjected to further examination or statistical analysis. For example, a study on socio-economic sustainability in 'remote rural' Scotland[62] first delineated different rural areas exhibiting varying degrees of remoteness using a gravity model-based algorithm.

Similarly, a 1994 OECD study created a 'policy-neutral' territorial 'schema' based on measures of population density.[63] Firstly, areal units with a population density greater than 150 persons per square kilometre were deemed 'urban' (see above). Secondly, for the purposes of classifying regions on the basis of their 'rurality', a three-part typology was employed. The criterion used to define these regional types was the share of the population of the region living in 'rural communities' (i.e. territorial units which had a population density less than 150 persons per square kilometre). The thresholds used were '*predominantly rural'* if more than 50 % of the population of the region lived in rural communities, *'significantly rural'* if the share of rural population was between 15 and 50 per cent, and *'predominantly urbanised'* if less than 15 per cent of the population could be classified as rural.

This latter typology was designed with a view to facilitating comparative international analysis amongst OECD member-states. In the case of Ireland,[64] eight out of the 9 planning regions are 'predominantly rural' while the remaining (Dublin) region is 'predominantly urbanised' according to the OECD typology. When the OECD classification technique is applied to smaller territorial units in Ireland utilising counties as 'regions', a striking feature of this typology is that a very small area of Ireland is deemed 'urban' (i.e. with a density greater than 150 persons per square kilometre) particularly in the north west of the country [65].

Dematerializing the rural

Rural or rurality can also be understood as a concept utilized in everyday life, as a lay narrative, a mental construct that helps us to orientate among what is 'visible'. In this way the rural may be described as a social representation of space[66] and becomes shifted from the material sphere of locality to the more dematerialized realm of mental space. This means an explosion in the amount of possible ruralities – stress on the variability and contradiction of rural discourses.

In the context of spatial planning and development, it is of special interest to compare the differences of popular representations between countries. In Britain, the representation labelled as the 'rural idyll' is of special significance and has also been vividly discussed by researchers. The imagined idyll is connected strongly to small villages, socially tranquil landscapes, stability and community.[67] In France the representations of rural are still

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[62] Copus and Crabtree 1995.

[63] OECD 1994: 24.

[64] as reported by McHugh and Walsh 2000.

[65] McHugh and Walsh 2002.

[66] see e.g. Halfacree 1993, 1995.

[67] e.g. Halfacree 2004.

strongly connected with peasantry – the country still represents itself very much as a peasant society,[68] and countryside is mainly a positive representation in all social classes. In Germany the concept of the rural is claimed to be more secondary[69] – e.g. in the regional policy, rurality has often been associated with the national periphery. What is important about these social representations is that they are by human agents used as behavioural resources. The English rural idyll, for instance, is directly connected with human behaviour. Personal preferences have a considerable role in explaining counterurbanisation,[70] and it is argued that there might be no actual evidence that life in some rural area would be somehow safer, more communitarian or even more tranquil than in cities, but still those criteria are used when deciding to migrate from urban to rural areas. Here is one reason why the representational definitions should be seen as complementing rather than replacing locality-based definitions of the rural.

For linking the two kinds of approaches, the material and the mental, Halfacree proposes a model of a rural network[71] with the help of Henri Lefebvre's[72] 'conceptual triad' of spatiality: spatial practises, representations of space and spaces of representation. These three would correspond with *rural locality*, meaning actions and flows facilitating socio-economic reproduction, with *formal representations* of the rural, indicating formal conceptions of space in the professional discourses, and with *everyday lives* of the rural, corresponding to diverse images and symbols of space as directly lived. In the middle of these three components Halfacree places the lay discourses of the rural, the social representations that people encounter in their everyday lives. A rural network could thus be described with the help of a triangle with lay discourses in the middle. Such networks would then come about through everyday geographical practises that bring all the elements together. We are thus talking about a representational struggle around rurality, which is discussed further in connection with the literature review on rural restructuring.

What comes to conceptualisation of human settlements, Halfacree has also made some clear suggestions.[73] He proposes that the rural must be an essential component of any new conceptualisation of human settlement, not as an opponent of the urban but as one dimension among others. Also the conception of the rural as something residual must be refuted – a rural place is not necessarily something that will eventually be transformed into a (modern) urban place. The in-between kind of spaces, *urbs in rure*, should also be seen in a non-evolutionary sense. The search for some kind of 'essence' of the rural as a category is also to be avoided. Rurality may be very different in different places and at different times. There may be good practical reasons for keeping the dichotomous setup of urban vs. rural in classificatory systems, but as a matter of principle one should try to do away with the two-poled image. The urban and rural as lived networks are not mirror images of one another, but components of a system.

Summary

A wide array of notions of 'the rural' has emerged through academic discourses. When rurality has been searched from particular spaces and functions, rural space has been mapped through non-urban characteristics or through elements that have been considered important for rural identity, such as extensive land uses, small settlements or certain

[68] Mathieu & Gajewski 2002.
[69] Laschewski et al. 2002.
[70] Halfacree 1994, 1995.
[71] Halfacree 2004.
[72] Lefebvre 1991.
[73] Halfacree 2004.

behavioural qualities. Some have claimed that it is not possible to conceive a single rural space. Instead it has been suggested that a number of different social spaces overlap the same geographical space. These scholars are interested in the meanings of rurality and interconnections of these meanings with the agencies and structures played out in various spaces.

Some researchers have been undermining the notion of rurality by claiming that rural space plays no role in national and international economy, which rule the game. Some were even ready to dump the rural as an analytical category. Contrary to these ideas, there have been a number of attempts trying to deconstruct the traditional meanings ascribed to rurality, and trying to investigate how the socially constructed rural space becomes increasingly detached from the actual geography of every day life in the rural areas.

The review of approaches for defining rural areas was divided in two parts. The first set maintained the material understanding of the rural and the belief that it is possible to capture rural populations and spaces with sets of indicators. The second set placed it within the realm of imagination, casting in doubt the feasibility of indicators. It is suggested that some lessons offered by the second set can, and should, be used to improve the first set. That is because social representations of rurality are by human agents used as behavioural resources. For example, there may be no actual evidence that life in some rural area would be somehow safer, more communitarian or even more tranquil than that of cities, but still those criteria are used by individuals when deciding to migrate from urban to rural areas.

What comes to conceptualisation of human settlements, the rural should not be seen as an opponent to the urban but as one among many possible interpretations. The comprehension of the rural as something residual must be refuted – rural place is not necessarily something that will eventually be transformed into an urban place. There may be practical reasons for keeping the dichotomous setup of urban vs. rural in some classificatory systems, but this does not mean that reality is urban or rural. The urban and rural as lived networks are not mirror images of one another, but components of a system.

1.3.2 Rural restructuring

In a considerable amount of international research projects, attempts have been made to analyse the main trends in European rural development. Here, the purpose is to review some of the findings on rural restructuring, especially from the perspective of urban-rural relationships. The various definitions of rural are mainly bypassed – rural areas are taken as each writer has decided to delineate them, either explicitly or implicitly. What comes to the division made above between material and imagined ruralities, most of the entries here have mainly been written as if the rural under scrutiny could be fully comprehended. However, it is also useful to discuss how the “dematerialised rurals” fit the literature on rural restructuring and what kind of implications these discussions have for the study of urban-rural relationships.

Towards the post-productivist countryside

In developed market economies, the economic and social changes seem to bring rural areas increasingly towards something that could be called the post-productivist country-side. Some of the main changes associated with this shift of the recent decades include;

the *declining significance of agriculture* in terms of employment; the growing importance of *farm pluriactivity* and quality food products; the increasing significance of *employment* in service industries, manufacturing and high-technology; the emergence of *new users* of rural space, including retailing, tourism, recreation and environmental conservation; the *repopulation* of rural areas especially by the service classes, but also a parallel out-migration in some areas, especially by young people as well as; the increasing differentiation in the quality of life between the 'haves' and 'have-nots'[74]

Another list[75] of the main changes digs to some of them in further detail; the emergence of *environmentalism* as a powerful ethical and political force; the related emergence of *new uses* for rural space and new societal demands in relation to the land and landscapes; the shifting nature of *public support* (from national subsidies to EU-funds, which are being shifted eastwards within the EU) and promotion of *global free trade*.

The extent to which these trends have touched various rural areas varies significantly – different areas respond in different ways to the much broader socio-economic trans-formations such as globalisation of capital, international migration and internationalisation of trade. The increasing state deregulation and privatisation also affect the conditions of the rural localities. Some ten years ago it was stated[76] that a picture of islands untouched by modern trends of time-space compression may still be analogous to some parts of rural Europe, but most parts have become at least partially plugged into national and international economic restructuring. The key question for any territory seems to be: how attractive is the area to capital accumulation under contemporary modes of regulation?[77]

In the post-productivist countryside, much of the capital accumulation shall take place through the commodification/commoditisation of rural areas. This refers to the valorisation of place-specific resources that can be marketed directly or used in the marketing of a territory,[78] or in other words, the exploitation of rural environments to match or create contemporary demands or consumption.[79] Interestingly enough, commodification can also concern the exploitation of rural marginality. Some parts of rural Europe may gain improved status as attractive areas precisely because of their peripheral position. This means that the peripherality associated with certain activities (e.g. economic branches concentrating in major agglomerations) can mean parallel centrality among those seeking rural experience. The very reasons why the areas were not urbanised earlier (distant locations, high altitudes, non-arable land) can thus be turned into assets.

Despite the new perspectives for remote, sparsely populated rural areas, many of them are still sparsely population.[80] Reviews of northern Finland[81] show how a number of major changes have taken place during the post-war period. Still in the 1950s, new farmland was being cleared and new family farms founded through state settlement policies. Then the focus shifted to serving the aims of industrial growth and ensuring a better accessibility to the public services. The last decades, which have connected the major urban centres with the international knowledge based economy, have not seen

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[74] Ilbery 1998.
[75] by Marsden 1999:506.
[76] Cloke and Goodwin 1992:19.
[77] Cloke and Goodwin 1992:26.
[78] Ray 1998, 2002.
[79] Cloke & Goodwin 1992:26.
[80] e.g. European Parliament 1999.
[81] Oksa 1992, Vihinen 2003.

much of spin-off effects in the rural areas. On the contrary, the restructuring of the public services has been rapid at the same time as employment in agriculture has continued to lose its significance. The commodification of rural areas is still far from forming the new backbone of Finnish rural development.

From the perspective of the urban-rural relations, it is of particular interest to consider further selected themes such as the role of local agriculture and alternative chains of food supply as well as the consumption of different ruralities and the search for rural idyll. These issues are related to the discussion about endogenous vs. exogenous development and relations between global and local endeavours: localities as resources of identity formation; mosaic of rural areas and spatial development policies

Role of agriculture and food supply chains

The great mission of the European countryside was for centuries the striving for more food for the rapidly growing population. Clout[82] has well summarized how the industrialisation of the agricultural sector switched the picture to be overproduction for the stagnating population.

> "Europe's countrysides have entered a new phase: throughout the history the imperative has been to produce more food in order to satisfy a growing number of mouths, or to feed the population more effectively. The continent's rural landscapes bear ample testimony to centuries of effort. For many centuries most systems of commercial exchange operated at local scale – countryside provided the town with food. As the cities continued to expand, more farmland had to be created and food had to be carried from more distant locations. As the transport innovations also enabled this, the food economy was becoming increasingly international, unless strict protectivist measures were introduced. The urbanization and industrialization of the Western Europe would have been impossible without continuing improvements in agricultural yield and total production. As surplus 'mountains' of various products started to cause huge expenses, Europe faced the fully new question of how to deal with over-production. Quotas were introduced to encourage farmers to produce only goods which remained in demand. Periodic set-aside and 're-naturalisation' have also been recommended and partly recompensated. The environmentalist agenda as well as the reactions during the severe 'food crises' have also had a major effect in shaping the agricultural production. All this has been far from easy to be accepted by the farmers, who still like see themselves as wise stewards of the resources to produce food. Of course all are not reluctant to search for new kinds of income and have engaged themselves also in off-farm activities."

The agricultural industrialisation and modernisation have also contributed to an increasing detachment of the agriculture from the traditional urban-rural axis, where the city was the marketplace of the food produced in the countryside. In the central parts of early urbanised Europe, the fertile land and long history of intensive urban-rural linkages have kept these areas very agrarian in appearance. Only the customers of their products are mainly found via wider production and marketing chains, as part of the global economy. The situation is interesting as the landscapes that have been formed by agricultural activities the most need the least agricultural workforce in relation to the total population, but continue to belong to the most intensively used agricultural areas.[83] Studies have shown how the share of wheat and milk outputs produced in Denmark, Ireland, the UK and West Germany continued to grow between 1969 and 1981, and how the production of eggs and pig meat, for instance, became more concentrated in France, Belgium, the Netherlands and Italy.[84]

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[82] Clout 1998.

[83] see also ESPON project 2.3.1: maps of agricultural land use intensity and labour use intensity.

[84] Bowler 1985, cit. Ilbery & Bowler 1998.

Even in the peripheral areas with higher shares of agricultural workforce, the production and marketing chains are mainly the same as in central Europe and the linkages with the near by urban nodes are not the most significant. There may be important exceptions to this rule, e.g. in some regions of the new EU member states where small-scale farming on restituted land is not yet/anymore part of the chains of the food industry, but closer to subsistence economy.

The Common Agricultural Policy (CAP) of the European Union has played an important role in the industrialisation of agriculture. However, the CAP is not a monolithic policy but actually a set of policies giving even contradicting messages about the agricultural restructuring.[85] The pursuit for more efficiency has not vanished anywhere but exists in parallel to the quest for multi-functional agriculture.[86] The potential shift from the prevailing agri-industrial model towards multi-functionality in food supply chains could mean that agriculture was brought at least selectively back to the regional economy.[87]

The challenge is thus to reconnect agriculture with the urban and rural, that is, to bring food back to localities and urban-rural settings. This reconnection is certainly likely to be partial and selective. It is dependent on the markets – mainly in the urban areas – and the ability/will of the actors along the food supply chain both in the urban and rural areas to provide the supply. The motivation behind the reconnection can be manifold, for instance the urge for a higher quality of food or the attention to and the respect for the origins of the various products. Also the food security has become an issue induced by the various food scandals in Europe. More attention is paid to the origins of different food products and to the production methods employed, which calls for enhanced transparency of the process. The possibilities and interest of the rural actors to answer the call of the urban population certainly vary, as well as the will of the urban population to pay more for the transparency or the “regional touch”. The added value for both urban and rural stakeholders depends on the functioning of the whole chain.

Another perspective to agriculture in the urban-rural setting has to do with the negative and positive externalities of agriculture. The need to decrease the negative externalities of industrialised agriculture (soil and ground water contamination, eutrification of lakes and rivers, monotony of the landscapes due to specialisation and increased farm size etc.) has been widely recognised in Europe.[88] However, the same does not yet hold true with the recognition of farming in the creation of distinctive places and products in the global economy.[89]

Consumption of different ruralities and the search for rural idyll

In many European countries there has been a shift in both population and economic activity from urban to rural, or at least to less urban environments.[90] Although some rural areas have strengthened their position as production sites, an even stronger trend is the change towards rural areas as arenas of consumption.[91] Waves of commuters, retirees and tourists have created (uneven) demands for wider forms of rural service

[85] see Chapter 2 on EU policies and the ESPON project 2.1.3 for more detailed discussions

[86] Ilbery & Bowler 1998, Bryden 2000.

[87] Marsden 1999.

[88] DG Agri 1997.

[89] Marsden 1999:510.

[90] see e.g. Lewis’ (1998) review on counterurbanisation studies and North’s (1998) on rural industrialization.

[91] The same would actually apply to urban areas – see e.g. Bauman 2000.

activity.[92] Both the urbanites visiting the rural areas and the regular residents can be seen as consumers of the rural, or various ruralities. Where some come to seek for rural experience for a weekend, others express their societal values and lifestyle by deciding to live in rural areas – although their jobs in the urban areas connect them strongly to the world outside of the rural locality.

From this perspective it is possible to argue that with increasing levels of mobility and new uses of the countryside, the significance of the 'rural' has come to be associated less with belonging to a particular place and more with the varying levels of opportunity that rural areas can afford.[93] The 'rural' is an active set of representations based upon competing principles linked to certain styles of living, working and recreation.[94] However, the enhanced significance of consumption as a source of identity would again close the circle: people need to know not only their actual material benefits but also who they are, and here the shared belief in the urban-rural differences continues to gain importance.[95]

Before World War II most leisure-related use of rural areas had little direct social or economic significance for those rural areas. There has thus been a major shift of importance during the last decades, caused by a spectacular rise in participation in leisure activities in all European countries, changes in agriculture, shifts in public tastes or preferences and by technological innovations.[96] Many rural areas have turned to tourism as an alternative development strategy in the face of these changes. The commodification of local cultural resources has indeed helped to strengthen the economic base in large parts of rural Europe – more in some than in others.[97] Even some initial steps can be of great symbolic significance – they can bring a glimpse of hope to an area, which has suffered from ageing and out-migration. However, exaggeration of the scale of tourism development may also be detrimental – mass tourism projects can even alienate the local population from their own territory.

The opportunities opened by the ICT also bring in a new dimension of rural development. However, the actual benefits remain still contested. In Finland, for instance, it was found out those employees most actively working on distance are very urban what comes to residence and sphere of activities.[98] However, even if just a small share of urban residents would choose to work on distance and at least temporarily move to the rural areas, to a second home for instance, the implications for the development of remote rural areas could be considerable. For the rural population, the telecom-services can also offer interesting opportunities. Both tourism and distance work are interesting from the perspective of urban-rural relations. They can create long-distance links between urban and rural localities, extending the urban spheres of influence to the deep countryside.

Commuting is one of the biggest forces of change in the countryside.[99] This is related to increased job opportunities for rural people in towns and cities and to more urban people choosing to live in the countryside and commute to work. As has been discussed already earlier, the aspirations and expectations of the newcomers might pose an unprecedented challenge for the prevailing culture. It may be that even a strong influx of new residents

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[92] Marsden 1998.
[93] Mormont 1990.
[94] Marsden et al. 1993:9.
[95] e.g. Bell 1992.
[96] Butler 1998.
[97] e.g. Kneafsey 2000, see also Butler & Hall 1998.
[98] Helminen et al. 2003.
[99] Gillmor 2003:8.

hardly improves the availability of services – as the commuters can find the services closer to their working places. On the other hand the commuters, as well as part-time residents, may have both the interest and purchasing power to hire local people for various services, such as construction, gardening, housekeeping etc. This can enrich the economic basis but it can also contribute to a clearer division between the well off and less well off.

In more abstract terms, where the new residents, developers, tourists and food consumers provide for new development opportunities, we are also talking about a process of externalisation of consumers' countryside. There is a potential source of conflict, as this can put a great strain on the localities. The possibly debased images of their local culture and environment can create a feeling of dispossession and exclusion. In other cases the images become a new source for defining identity.

Returning to the concept of rural networks[100] (consisting of rural locality, formal representations of the rural, everyday lives of the rural and lay discourses of the rural) presented above is of help when analysing the possible shift away from the productivist era. Various alternatives of future rural networks can be imagined.

The vision of *super-productivism* would be accompanied by formal representations where land is treated solely as a productive resource. Activities of agribusiness would dominate the network, leaving little scope for the everyday life in rural spaces to diverge from the representations of the industry. In the *rural idyll –vision* the rural locality with its spatial practices is consumption-oriented. The formal representation tends to be the rural idyll, upheld e.g. by rules and guidelines of the planning system. The partial mismatch of the everyday lives in relation to this imagery is reflected in battles over developments in rural locations. In the *effaced rurality* the rural is pulled into networks where the rural-urban distinction is ignored. Any talk of networks of rurality is thus problematic – the rural may have presence only through nostalgia, hearsay. *Radical visions* refer to networks of the rural that would involve a move towards less capitalistic life styles and everyday priorities. The rural locality would revolve around decentralised and relatively self-sufficient living patterns. Attendant representations involve the countryside as a diverse home accessible to all.[101]

Localities as resources of identity formation

Much has been written about integrated approach to spatial development, about the significance of inherent resources of localities in providing for development opportunities. The debate around globalisation and global-local relations links with the concepts of exogenous and endogenous development – how far is a locality in the position to induce development. According to Ray[102] the self-identification of a territory is the key of spatial development. Development resources that are indigenous to a locality – combined with local participation of different actors – can provide for endogenous development. That approach "looks inwards to discover, recover or invent the identity of the territory". Sources of this identity or identities are often cultural, historical or physical (landscape / architecture). However, in order to serve their purpose, the constructed identities must fit the local needs and extra-local opportunities of each territory.

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[100] Halfacree 2004.
[101] ibid.
[102] Ray 1999.

Furthermore, the consciousness-raising of a territory is Janus-faced.[103] It looks outwards to 'sell' the area to the extra-local (such as policy-makers and financers), but at the same time gets itself mobilised internally. The consciousness of place may also apply to the extra-local, to the consumers of a certain place-identity. Place identity is not always important just in terms of one's home territory, but also in the knowledge/consumption of other people's territories of belonging. "By celebrating the uniqueness of others, one confirms one's own uniqueness".[104]

The place-connection is a widely discussed topic at present, as globalisation is avidly being theorised. One way of putting it, is the one of economic geography: when the importance of relative position decreases as a determining factor for economical success, the meaning of the properties of places can increase. Locations may gain importance due to natural and cultural assets, especially in the areas where environments providing a good quality of life are especially sought after. Ray touches the quality of life in another way.[105] He builds an analogy of the individual's identity formation and the territorial development initiatives: they are both "attempts to reconstruct an identity, to enable the territory to become a vibrant, creative, successful entity".

If the sense of belonging to a place/places really is as essential attribute, as it has been suggested, it is not that easy to achieve these days, claims Magnaghi (1998). He sees that the modern era ripped our societies off their territories – territory has become a mere technical necessity to support economic activities, in odds with the context of the territory itself, its culture and identity. Sustainability should be interpreted as the activation of positive relationships between the three components of the territory: the natural environment, the constructed environment and the human environment. The emphasis is placed on the issue of the reconstruction of relationships between the community and the environment.

The territorialist approach wants to bring together the inhabitant and the producer both in rural and urban areas. Magnaghi claims, that the Fordist model has broken the ties of local inhabitant-consumer and the producer, so that the people no more know where the light, the food and other necessities come from, where their rubbish goes etc. Policies for activating the re-territorialisation build a new sociality, a new town-country relationship. This is a new kind of chance for the rural areas in the form of valuing the importance of the territory and the environment, through the production of common public goods to be shared by all.

Mosaic of rural areas and spatial development policies

A number of studies, including those aimed at supporting the EU policy making, seem to repeat the same message: a new mosaic of rural regions is emerging;[106] new patterns of diversity and differentiation are emerging;[107] it is increasingly difficult to talk about rural areas as one group, with common destiny. For instance, what comes to the question of decline in agricultural employment and growing diversity of employment in other sectors, European analyses have shown that in some rural regions the new employment has not

[103] ibid.
[104] Ray 1999:262.
[105] Ray 1999:260–261.
[106] e.g. Persson & Westholm 1994.
[107] Marsden 1999.

been able to compensate for the loss of agricultural jobs while in others the employment growth outperformed even urban regions.[108]

The emergence of a new mosaic of rural regions has also been acknowledged in various European policy documents and studies undertaken by the European institutions.[109] As Marsden[110] has put it: we need to be concerned with identifying a rural geography of ”enablement” and ”constraint” in which we seek to explain why people in some areas seem quite capable of responding creatively and successfully to prevailing trends while others do not. Large blocs of rural areas should not be assumed to have similar needs for development.[111] It is claimed that if policies are to meet diverse needs and circumstances, the mobilisation of the local communities, establishment of partnerships of various kinds is essential.[112]

Summary

The review of literature on rural restructuring has shown that in the developed market economies the economic and social changes seem to bring rural areas increasingly towards the so-called post-productivist countryside. The significance of agriculture in terms of employment is declining and the role of service industries is constantly increasing. New kinds of uses of rural space, such as retailing, tourism, recreation and environmental conservation have entered the picture. Most accessible rural areas experience repopulation, but a parallel outmigration by young people in particular continues in some areas. The increasing state deregulation and privatisation also affect the conditions of the rural localities.

In the post-productivist countryside the commodification of rural areas offers various development opportunities. The place-specific resources can be marketed directly or used in the exploitation of rural environments to match contemporary demands of consumption. Interestingly, commodification can also be about the exploitation of rural marginality. The very reasons why the areas were not urbanised earlier (distant locations, high altitudes, non-arable land) can thus be turned into assets, as they provide for “rural discovery” that can be purchased in the form of services. However, in several countries the commodification of rural areas is still far from forming a stable backbone of rural development.

The great mission of the European countryside was for centuries the striving for more food for the rapidly growing population. The urbanisation and industrialisation of the Western Europe would have been impossible without continuing improvements in agricultural yield and total production. Only during the post-war industrialisation of the agricultural sector surplus ’mountains’ of various products have started to cause huge expenses and have lead to introducing quotas to limit over-production. The environmentalist agenda as well as the reactions during the severe ’food crises’ have also had a major effect on shaping the agricultural production.

The agricultural industrialisation and modernisation have also contributed to an increasing detachment of agriculture from the traditional urban-rural axis, where the city was the marketplace of food produced in the countryside. Nowadays most food products find

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[108] Terluin 2003: 327.

[109] e.g. DG Agri 1997, European Parliament 1999, also OECD 1993.

[110] Marsden 1999.

[111] Cloke & Goodwin 1992:34.

[112] Bryden 2000.

their ways to our homes via wider production and marketing chains, as part of the global economy. However, if the call for more attention to the origins of the food products and to the production methods is taken seriously, it calls for increasing transparency of the food supply chains. The challenge is thus to reconnect agriculture with the urban and rural: to bring food back to localities and urban-rural settings.

In many European countries there has been a shift in both population and economic activity from urban to rural, or at least less urban environments. Waves of commuters, retirees and tourists have created demands for wider forms of rural service activity. Where some come to seek for rural experience for a weekend, others express their societal values and lifestyle by deciding to live in rural areas although their jobs in the urban areas connect them strongly to the world outside of the rural locality. Commuting is one of the biggest forces of change in the countryside – and a potential source of conflict as the expectations of the newcomers might pose an unprecedented challenge for the prevailing culture. From the perspective of the locality the possibly debased images of their local culture and environment can create a feeling of dispossession and exclusion.

A number of studies seem to repeat the same message: a new mosaic of rural regions is emerging and therefore it is increasingly difficult to talk about rural areas as one group, with common destiny. The emergence of a new mosaic of rural regions has also been acknowledged in various European policy documents. We need to identify why people in some areas seem quite capable of responding creatively and successfully to prevailing trends while others do not. One should not assume that large blocs of rural areas have similar development needs. It is also claimed that if policies are to meet diverse needs and circumstances, the mobilisation of the local communities and the establishment of partnerships of various kinds is essential.

1.3.3 Conclusions

The review of possibilities to conceptualise and classify rural areas – both in relation to each other and to urban areas – has shown that there is no self-evident point of departure for such an endeavour. If the task is to capture ruralities with the help of indicators, the material understanding of the rural dominates and rural space is mapped through characteristics such as population density, extensive land uses or small settlements. If the ruralities are seen more as social representations, existing within the realm of imagination, indicators do not belong to the basic toolkit. Despite the fluid nature of the dematerialised ruralities, the debate around social representations should try to inform the work with indicators. The meanings of rurality have various interconnections with the agencies and structures played out in various spaces. Social representations are by human agents used as behavioural resources.

What comes to the conceptualisation of human settlements, the residualisation of the rural must be resisted – rural place is not necessarily something that will eventually be transformed into an urban place. The urban and rural as lived networks are not mirror images of one another, but components of a system. It is also important to avoid associating rurality with peripherality or backwardness. One will get a fully different picture of the European space if some definition of rurality comprises criteria on accessibility or standard of living in socio-economic terms, for instance – or if it is does not. The way the explaining factors and the factors, which are to be explained, are organised, is crucial.

The literature review on rural restructuring has shown that in the developed market economies the economic and social changes seem to bring rural areas increasingly towards the so-called post-productivist countryside. New demands related to the interactions between rural and urban areas can be identified, including demand for 'quality' food production, public amenity space, residential property, areas of environmental protection and for the experience of different types of rural 'idyll'.[113] The commodification of rural areas offers various development opportunities, as well as pressures. For the project at hand the related research question is to study the spatial distribution of those opportunities and pressures. This is possible mainly through case studies.

A diverse mosaic of rural regions is emerging and large blocs of rural areas have diverse development needs. We need to identify why people in some areas seem quite capable of responding creatively and successfully to prevailing trends while others do not. It is also claimed that if policies are to meet diverse needs and circumstances, the mobilisation of the local communities, establishment of partnerships of various kinds is essential.

From the perspective of the urban-rural policy-making, the questions that are raised here are: How do the various kinds of urban-rural relations correlate with the degree of "success" (defined e.g. through the main aims of the ESDP) in the rural areas? What has been – or could be – the role of policy in enhancing success in the future? Could a special focus on urban-rural relationships and partnerships be relevant in such policies? The project at hand tries to find at least partial answers to these questions.

1.4 Urban-rural relations

The idea of urban-rural relations implies the need for conceptual clarifications. In addition, the topic must be related to the research front. After a presentation of these matters, a review of governance and partnership in relation to the idea of public interest is presented, which may be of importance when aiming at policy recommendations.

1.4.1 Conceptual remarks

The existence of urban-rural relations implies the idea that there is something that can be called "urban" and "rural". It is the nature, characteristics and functions of the counterparts in a given context that determine their relations. However, "urban" and "rural" are not entities, which would be in existence regardless human practice and particular interests: rather the nature and character of these categories are dependent on how they are defined. By defining the concepts "urban" and "rural" we actually define some major traits of their interconnections.[114]

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[113] Marsden 1998:16.

[114] The ESDP is not specific on what is meant by the concepts of "urban" and "rural". The text of the ESDP implies a notion of a European centre and a periphery. In the policy options "rural" is connected particularly to "small town and medium sized towns", in general terms the periphery, although also the relation between large cities and their countryside is addressed. Historically there is, however, a bond between the most urbanised areas of Europe and extensive farming. Countryside is not equal to periphery. The support of towns in the initial phase of European urbanisation all the way to industrialisation presupposed agricultural surplus, which in almost all cases was accumulated locally. Extensive farming and developed urbanisation is then, consequently, closely linked up in Europe. This means there is a huge need for defining the basic categories as well as the notion of "relationship" in a diversified manner.

In this study, it is assumed that the concepts of “urban” and “rural” can be defined in a variety of ways. Chosen definitions must be operational in the sense that they have to be related to some particular interest of knowledge. In defining “urban” as apart from “rural”, any definition has to reflect the *instrumental interests* underlying the chosen definition. This requirement is enhanced by the fact that empirical evidence in order to demonstrate the clear-cut distinction between the two categories seems to get more and more arbitrary as time goes on. More than being proper names of given settings, “urban” and “rural” seem to be dimensions or characteristics of any given territory. These concepts represent sets of associations that can be attributed to a whole range of different environmental types.

Any relationship is dependent on the counterparts involved, and their respective functions in a given context. Referring to systems theory, one could say that any relation within a given system reflects the internal processes and the dynamics of that system. The system itself is characterised by a certain degree of inertia, which is the structure that constitute the system itself. With respect to urban-rural relations, our point of departure is a distinction between *structural and functional relations.*

Structural properties refer to those characteristics of any physical environment that are comparatively stable over time and in most cases have emerged as a result of human endeavour spanning over centuries of time. Such structural properties are established land-use patterns, settlement structure and the distribution of population. Functional properties refer to the factual use of the physical environment such as various forms of production, consumption and communication. We assume that “urban” and “rural” characteristics of particular territories can be defined according to various structural and functional *properties*. In this sense the two categories can be defined according to for instance population density, land-use patterns, economic activities, and functions in a given system.

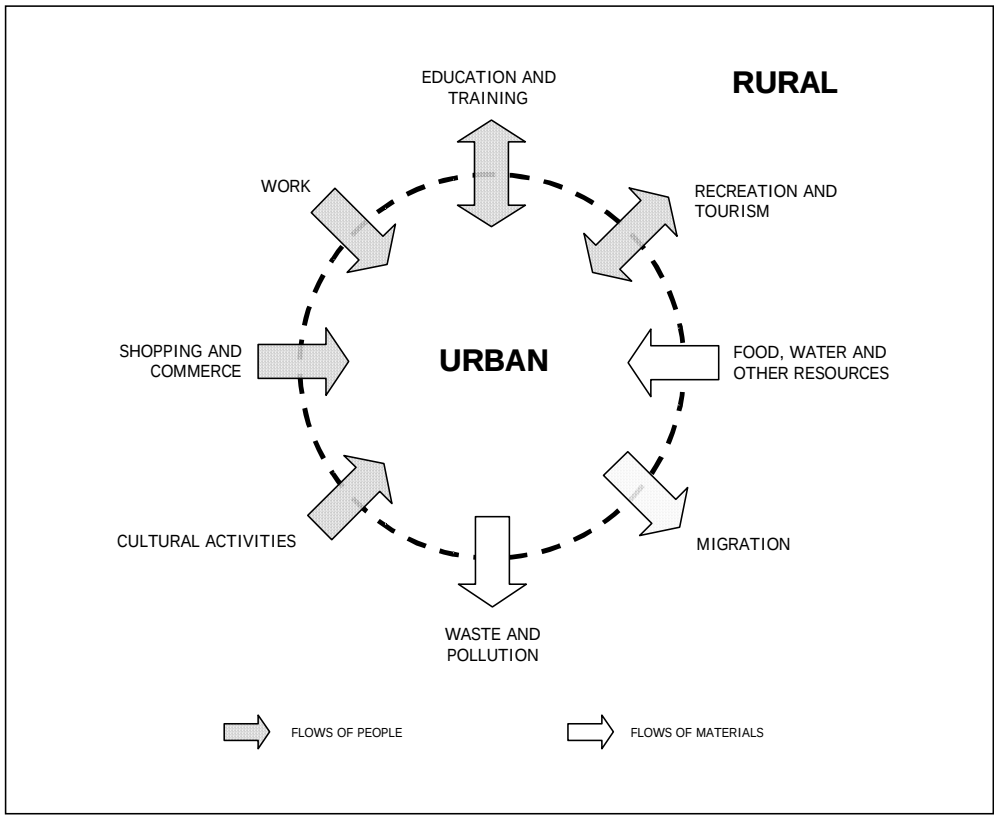
We also assume that urban-rural *relations* can be defined in terms of structural as well as functional relations. Urban-rural structural relations are determined by the way the physical environment is *constituted and shaped* while their functional relations are determined by the way the physical environment is *utilised*. Over time, particular functions of any given setting change as production and consumption patterns change. An effect of this is that also the physical setting is reworked over time. From this point of view, all urban-rural relations are part of a perpetual reshaping process over time. Structural relations are, however, characterised by a certain degree of stability, because the physical world cannot be rebuilt over night. Therefore they provide a comparatively inert context of functional relations. Functional relations on the other hand can be changed over night, given the flexibility of the physical setting to house a multitude of various activities as well as the flexibility of various functions to adapt to various physical settings.

It is possible to identify two distinct phases in urban-rural functional relationships. The first phase occurred when societies of northwest Europe were predominantly rural and cities’ relationships with rural areas were characterised by the consumption of agricultural produce by urban dwellers in exchange for cities’ commercial products. In the second phase, after the Industrial Revolution, the balance of urban-rural relationships began to shift towards an increasing dependency of rural areas on urban economies. New urban-rural relationships are far more complex than the traditional simple reciprocal exchanges between cities and villages and concurrently we seem to be witnessing a third phase.[115]

[115] Davoudi & Stead 2002.

Urban-rural linkages are now moving beyond the single one-way exchanges and demonstrate a more complex and dynamic web of interdependencies which are shaping the fortunes of cities and countryside alike. For example, as Howard Newby argues, "*for the first time since the Industrial Revolution technological change is allowing rural areas to compete on an equal basis with towns and cities for employment.*"[116] It is this recognition of the complexity of urban-rural relationships, which has gained a new political salience both at national and European levels. This focus on urban-rural continuum is justified by the visible and invisible flows of people, capital, goods, information and technology between urban and rural areas.

However, whilst there is considerable literature on both rural and urban development issues, there is much less concerning the linkages between them, particularly in terms of theories and concepts.[117] The same can be said for spatial planning policy at various levels, which has tended to address urban and rural issues as separate policy areas. Whilst rural communities may be facing separate and distinct challenges, as may other specific communities, when it comes to policy formulation and programming, such challenges cannot be addressed in isolation from their wider context. It is this recognition that is the central plank of urban-rural relationships. The need for integrated policy making is the focus of the debate rather than the denial of some of the unique characteristics of and challenges faced by the rural communities.[118]



Graph 1.3:
Main Flows of People and Materials between Urban and Rural Areas in the West of England.
(Source: Nadin and Stead, 2000)

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[116] quoted in Marsden et al 1993:2.

[117] Of the literature on urban-rural relationships, much of this concerns developing countries (e.g. Tacoli, 1998; Funnell, 1988; Preston, 1975).

[118] Davoudi & Stead 2002.

One of the few examples of literature concerning concepts of urban-rural relationships is the work of Preston (1975) who identifies a framework for analysing urban-rural relationships in terms of different types of flows between urban and rural areas: the transfer of people, such as commuting and migration for example; the flows of goods, services and energy; financial transfer through trade, taxes and state disbursements; the transfer of assets, including property rights, allocation of state investment and capital in other forms; the flow of information, including technical information and social ideas.

Urban and rural areas are interdependent and are connected economically, politically, socially and physically through issues such as housing, employment, education, transport, tourism and resource use. Graph 1.3 illustrates some of the main flows of people and materials between urban and rural areas in the West of England.[119] In some cases these flows are predominantly in one direction (as in the case of cultural activities or waste flows) whereas in other cases there are important flows in both directions (as in the case of recreation and tourism).

It is important to stress that links between urban and rural areas are not just physical. There are also economic links, involving monetary flows between urban and rural areas, as well as information flows. It is difficult to quantify many of these flows because many of them are invisible and/or unrecorded. Urban-rural relationships have seldom been analysed in the perspective of functional relations and data is often scarce. This presents

Table1.2:
Key issues for managing the relationships between urban and rural areas

Population and migration	• improving preferences for urban living • protecting greenfield sites from development • encouraging the use of brownfield sites • tackling the isolation of less mobile rural residents
Education and training	• improving education standards in urban areas • improving access to education and training in rural areas • combining provision and use of buildings for educational and other services in rural areas
Recreation, tourism and cultural activities	• promoting joint marketing for main attractions • providing more sustainable transport services and facilities (for public transport, walking and cycling) between main attractions • promoting more sustainable tourism and recreation routes, not only for visitors but also for local residents
Food, water and other natural resources	• promoting self-sufficiency in the use of resources within the region and with near neighbours • promoting local markets for local produce to reduce food miles • promoting water efficiency in homes and businesses
Waste and pollution	• promoting waste minimisation and recycling as ways of reducing the demands for waste disposal
Shopping and commerce	• maintaining and enhancing the position of city-centre shopping areas • reducing the dependence on the car for out-of-town shopping • maintaining rural shops and commercial services
Work	• addressing the demand for new housing in accessible rural areas generated by new urban employment growth • introducing green travel plans for businesses • promoting sustainable transport routes for walking and cycling to work

[119] Nadin & Stead 2000.

a challenge – how to identify and understand the relationships between urban and rural areas more fully. Although the discussion has been on a sector-by-sector basis, there are obviously strong interrelationships between sectors.

What is clear from urban-rural interactions is that interaction between urban and rural areas is often evident because of inadequacies in urban or rural areas and not always because of a need for interaction. For example, the desire to move out of urban areas is often influenced by poor environmental quality, fear of crime or concern about education standards. A second example is the low level of provision of shops, services and facilities in rural areas, which increases their reliance on urban areas for these things. A number of key issues for managing the relationships between urban and rural areas are identified in Table 1.2.

Because many interactions between urban and rural areas involve the movement of people and materials, there is a strong transport component to this dynamic. Consequently there are a number of social and environmental implications, including social exclusion, poor accessibility, lack of affordable housing and poor environmental quality. What is clear in many cases is the need to deal with the inadequacies of urban and rural areas where they exist, rather than promoting heavier reliance between urban and rural areas, which often only exacerbates social and environmental problems. From a sustainable development perspective, there is a strong case for the effective management of interactions between urban and rural areas, which will require cooperation and integration between urban and rural players.

In conclusion, both structurally and functionally determined relations between urban and rural areas are important to consider. Moreover, as structural relations provide a relatively inert context for functional relations and functional relations influence and rework structural relations over time, the interrelations between structural and functional relations must be considered. An example of this is housing provision: by the spatially fixed distribution of public housing, social segregation is easily getting manifest as spatial segregation as well. The spatial implications of functional relations are always present in a more or less tangible way.

Current policies often stress the need to strengthen the interdependence between urban and rural areas but this is not always environmentally sustainable. Policies must be careful not to promote interdependence for its own sake. The impacts of strengthening interdependence between urban and rural areas need to be considered carefully, particularly in terms of issues such as local distinctiveness, social cohesion and transport demand.

1.4.2 European research on urban-rural relations

The early phase of ESPON, i.e. the SPESP (Study Programme of European Spatial Planning) was an initial attempt to address the issue of urban-rural relations on the European level by research. The SPESP paid a considerable attention to urban-rural relations, and the main theme of the summary of the research programme actually dealt with this issue.[120] As a result of the work, the *main trends* affecting urban-rural relations were defined. Listed were the changing nature of economic activities and their spatial consequences, dynamics of innovation and learning, changing demographic profiles, social change and differentiating lifestyles, new basis for culture, identity and citizenship as well as environmental sustainability as a motivating concept.

[120] SPESP (2000).

An attempt to identify types of territories on a scale urban-rural was based on urbanisation rate, rural population density, the degree of contrast in the distribution of settlement size, average distance to any urban settlement, the primacy of the largest city as well as the size of the largest city. A *typology of regions* was elaborated according to which the territory of the EU was grouped in six classes.[121] With reference to *urban-rural relations*, it was concluded that there is an urgent need for data on the flows between the urban and rural areas of a region. This conclusion is certainly pertinent, but it implies a difficulty of scale. How could the internal urban-rural relations on NUTS3-level be rendered on a European level? The structural relations between urban and rural areas was not in focus in the SPESP, which means that this part of the research issue of the study at hand cannot be founded on the results of the SPESP.

The focus of the SPESP was on *partners* involved and the nature of their relationships. A distinction was made between *actually existing functional linkages* between urban and rural areas on the one hand, and on *initiatives to formulate, adapt and implement an integrated policy* on the other hand. Consequently, priority was given to factual activities on the one hand and to regional governance on the other hand. A typology of urban-rural relationships was outlined.[122]

Although this typology indicated functional relations, it is clear that structural relations like land use patterns, settlement structure and population density directly affect the included functional relations. This is actually one of the crucial questions of this study: to analyse the correlations between functional and structural relations in terms of regional characteristics. More particular functional relations have to be dealt with in a set of case studies, which are chosen in a way that all the various regional characteristics will be covered.

In the SPESP, a huge amount of case studies were analysed but the choice of these was not based on a systematic study of regional differences. What was lacking was a regional typology indicating the character of all the various regions in Europe according to their structural characteristics and functional relations on a urban-rural axis. The objectives of the SPESP-study on urban-rural partnerships concerned settlement structure and improved accessibility particularly in regions with relatively high population density. Other objectives were the diversification of the economy in an urban-rural context, conservation and development of natural resources and heritage, as well as the promotion of natural and cultural heritage in economic development strategies.

Urban-rural partnerships were found to be quite different both in form and composition. They could be formal as well as informal, and involve just public actors or various combinations of public and private actors. According to the SPESP, constraints to co-operation and partnership turned out to be a weakly developed sense of common purpose between the various actors in the regions themselves. Four specific policy areas were pinpointed for particular attention: firstly, the accelerating agricultural restructuring and diversification of the economy in rural areas, secondly, mobilising and enhancing endogenous resources not least through valuing natural and cultural amenities, thirdly,

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[121] The six classes were: regions dominated by a large metropolis, polycentric regions with high urban and rural population densities, polycentric regions with high urban densities, rural areas under metropolitan influence, rural areas with networks of medium-sized and small towns as well as remote rural areas.

[122] The typology included: home-work relationships, central place relationships, relationships between metropolitan areas and urban centres in rural and intermediate areas, relationships between rural and urban enterprises, rural areas as consumption areas for urban dwellers, rural areas as open space for urban areas, rural areas as carries of urban infrastructure as well as rural areas as suppliers of natural resources for urban areas.

developing the economies of small and medium-sized towns, and fourthly, promoting sustainable development in metropolitan and other highly urbanised regions.

The SPESP stresses the need to distinguish between urban-rural relationships on the one hand and urban-rural partnerships on the other hand. The focus of the study at hand is of course on urban-rural relations, but the policy implications of these relations concern partnerships as well as other kinds of co-operation and governance.[123]

1.4.3 Governance and public interest

In an analysis of the *World Report on the Urban Future 21*, Bob Jessop scrutinises a current discourse on spatial development and governance.[124] According to Jessop's reading of the *World Report*, cities are regarded as engines of economic growth and key actors in promoting and consolidating international competitiveness. Welfare states are seen as costly, overburdened, inefficient and incapable of eliminating poverty, and overtly oriented to cash entitlements rather than empowerment. Education and informal self-help are seen as the key to survival and sustainability, and cities should develop their stock of indigenous human capital and their local labour market in order to promote wellbeing and competitiveness. The emerging crisis of the national scale of economic, political, and social organisation requires the *resurgence of the regional and local levels* according to the principle of subsidiarity and solidarity. In all this, cities are supposed to play a key role in managing the interface between the local economy and global flows. There is a strong emphasis on partnership and networks rather than top-down national government. Thus, in addition to subsidiarity and solidarity, the report calls for *partnership between the public and private sectors and between government and civil society.*

The focus of Jessops critical remarks is that the report implicitly endorses *neoliberalism* in the ways it describes recent economic and political changes, ascribes responsibility for them and prescribes solutions for the problems they create.[125] That contributes to a new *world* order by sharing a new *word* order. The method implies that the success of the neoliberalistic endeavour depends on promoting new ways of representing the world. Required changes are represented as natural, spontaneous, inevitable, technological and demographic. The idea goes that the very same processes that cause the problems will also solve them: technological change will provide solutions to emerging problems, democratisation will occur, population growth will decline, economic growth will continue and the informal sector will expand to deal with social problems. *They* are objective and inevitable, *we* must adapt to them. In the *World Report*, there is no reference to factual institutions of great power or to popular movements or even to political parties. The only capital identified is human capital. The only political actors mentioned are urban leaders, citizens, and city administrations. The challenges can be met in ways that will reconcile international competitiveness with local autonomy, economic growth with sustainability,

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[123] The investigation of the structure of European Functional Urban Areas (European FUAs) was stressed by the SPESP because the prevailing increase of functional urban regions is supposed to reduce the "traditional dualism" between city and countryside. Therefore, it is necessary to have better links between policies addressing urban areas and policies addressing rural areas. A current problem, however, is that about one quarter of the countries included in the study at hand have got data and research on functional urban regions that would render comparison possible on a European level.

[124] World Commission 2000; Jessop 2002a.

[125] The ideology of n*eoliberalism* encompasses the promotion of free competition, a reduced role of law and state, privatisation, markets proxies in the residual public sector, internationalisation by free inward and outward flows and lower income taxes.

market forces with quality of life, the needs of highly skilled with the economic development of the entire city – under the banner of *good governance*.

The concept of *governance* has got a traditional meaning similar to that of *government*, but it has also gained a more particular meaning, referring to the need to cope with increased societal complexity: increased functional differentiation, the increased fuzziness of institutional boundaries, the re-scaling of spatial horizons, the increased complexity of temporal horizons of action, the multiplication of identities, the increased importance of knowledge and organised learning as well as the self-potentiating nature of growing complexity. The concept of governance has been defined as *"the reflexive self-organisation of independent actors involved in complex relations of reciprocal interdependence, with such self-organisation being based on continuing dialogue and resource-sharing to develop mutually beneficial joint projects and to manage the contradictions and dilemmas inevitably involved in such situations."*[126]

In academic discourse, governance has been hailed as a new social-scientific paradigm and is allegedly a response to paradigm crisis in social sciences. For practitioners, governance is attractive because it gives a fashionable legitimacy to old practices, it may provide a provisional solution to the crisis of state planning and it may offer a solution to the problems of co-ordination in the face of growing complexity.[127] Governance has been comprehended as a response both to market failure and state failure. The essence of *market failure* according to its critics is that the commodification of labour-power also generates basic contradictions, which cannot be resolved through market mechanism. The *state failure* is supposed to imply the failure to realise the state's own political projects within its own operating rules and procedures. In both critiques, the more there is of the state, the less there is of the market. What varies is the positive or negative evaluation of this ratio.[128]

The hierarchy of the state and the anarchy of the market is supposed to be solved by governance in the sense that negotiation around a long-term consensual project can be instituted as the basis for both negative and positive co-ordination among interdependent actors. The key to success would be continued commitment to dialogue and exchange of information. Partners would be locked into a range of interdependent decisions and solidarity. The rationale of governance is allegedly dialogic rather than monologic, pluralistic rather than monolithic and heterarchic rather than hierarchic or anarchic. A commitment to continuing deliberation and negotiation does not, however, exclude eventual failure: governance failure may comprise failure to redefine objectives in the face of continuing disagreement about whether they are still valid for the partners involved.

Potential sources of governance failure are that governance does not introduce a neutral third term, but a new meeting ground for the conflicting logics of capital accumulation and political mobilisation. A second problem concerns the contingent insertion of partnership into the more general structure of public authority. Government and governance mechanisms exist on different scales and success on one scale may depend on what occurs on the other scale. Co-ordination mechanisms may also have different temporal horizons. In addition, the state reserves to itself the right to reshuffle and rearticulate arrangements according to political advantage. Thirdly, the nature of governance as self-

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[126] Jessop 2002b.

[127] ibid.

[128] Jessop 1999.

organisation implies a constant under-provision of knowledge, lack of interpersonal trust, problematic relations between those engaged in communication or simply problem of co-ordination.

In collaborative planning, the idea of governance is applied as a new model, based on the processual aspects of planning. In this view, there are no overarching goals except those ("storylines") defined in the planning process by players involved. The collaboration has no specified moderator except for the "political community" and the theory is explicitly professed contrary to the idea of public interest and the rational pursuit for the accomplishment of that aim.[129] In the broader context of political thought, the collaborative planning theory could be named a neoliberal quest for the abolition of representative democracy.

As in other recent academic writing on spatial development, the collaborative planning theory draws on the concept of *heterarchy*. In the quest for "communication" and "governance" as a substitute for pre-fixed norms and regulation in planning, the concept of heterarchy is much employed in academic discussions concerning European territorial and spatial policy at the moment. The concept refers to an organisational setting characterised by minimal hierarchy and by heterogeneity, and to a process in which a given element is simultaneously expressed in multiple crosscutting networks. The hierarchy of the state and the anarchy of the market are reconciled into a label that is professed as a solution to state failure as well as market failure. The concept has been developed in the context of economic sociology, as a response to the increasing complexity of the firm's strategy horizon.[130]

Heterarchy thus originally referred to an organisational ideal in a very clearly defined context of corporate action operating under the uncertainty of a very limited time horizon. Its application on the management of spatial development complies of course with the neo-liberalistic quest for flexibility, but the spatial context is completely different from the corporate one. In spatial development, the time horizon is not (or should preferably not be) short-term, but long-term, which already the principle of sustainable development requires. Adversely to the corporate context, the organisational setting of spatial development, where the heterarchical mode of governance is supposed to be implemented, is not closed but open and rather unclear. The conceptual frog-leap where heterarchy is brought into a completely new context is rhetorically understandable but poorly argued.

One of the huge issues of our time is the supposedly ongoing *privatisation*, which is a fundamental claim of the neoliberalistic pursuit. This phenomenon concerns changes in the factual use and control of landed property as well as changing modes of how environmental goods are produced and maintained. In property development and planning, privatisation is related to the prevailing trend characterised by *deregulation of markets and decentralisation of decision-making*. Thus it has got a direct relevance for urban-rural relations. The question of privatisation cannot be conceptualised in a reasonable way unless an additional set of concepts such as public interest, public good and public utility are introduced.

In the democratic process of government, the idea of *public interest* is essential as it indicates the extent and power of prevailing opinions among the citizens or residents of a particular territory. The word "public interest" can of course also be proposed by any

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[129] Healey 1996.

[130] Stark 2000.

particular interest as a rhetoric claim in order to influence the allocation of public resources. The rhetoric approach makes sense in a context where politics is defined as *the conduct of public affairs for private benefit* in compliance with (at least part of) the liberalistic tradition. The existence of something that could be called public interest is traditionally refuted on the ground that it is constituted by maximising private interest and therefore it does not exist apart from private interests. Economic theory in general and game theory in particular has, however, concluded that overall optimisation does not necessarily equal the optimisation of all particular interests involved: the total can be more than the sum of its parts. The dispute on the existence of something called public interest is of course fairly academic in the sense that the essence in terms of actors involved concern how public interests change into tangible goods, not whether it exists or not.

Tangible goods can be produced as public goods or private goods. *Public good* is an established concept of economy, and it indicates a good that is non-rival, non-excludable and sometimes non-rejectable. Because of its very nature, it is sometimes thought to indicate a market failure: public goods cannot (by definition) be produced on the market, that is, where *private goods* are produced. *Public utility* refers to an industry supplying basic services to the market and possibly enjoying monopoly power. These services all require specialised capital equipments and elaborate organisation.

According to the definition of *public goods* it should apply to *public space*, because public space is by definition non-excludable. In addition it is (at least to some part) non-rejectable and non-rival. The latter attribute applies at least in theory, despite occasional congestions in public space. (Actually congestion arises from the fact that the non-rivalry principle is applied.) The visual properties of physical environment, that is, *townscape and landscape*, definitely fulfil the requirements for being labelled public good. Townscape and landscape are non-rejectable, because one cannot close one's eyes despite horrific vistas. Other qualitative aspects of everyday life with regard to the *wellfunctioning* and *safety* must be included into the category of public interest as well. Whether goods of that kind should be provided as public or private goods, is a matter of dispute, but in any case *public involvement is crucial to safeguard public interest* when the functionality and safety of spatial development are concerned.

In support of *privatisation*, the rationalising effects of a well functioning market are often underscored. A difficulty is, however, that the production of goods related to land use are by their very nature inclined to bear features of monopoly or oligopoly, that is, free market forces are restricted in the production of earth-bound goods. For this very reason, they are, however, attractive for private producers because competition is imperfect or non-existent altogether, and thereby allowing for a monopolistic price setting. The concepts of public good versus private good make sense to employ in studying the alleged trend of privatisation because in this way factual measures of privatisation can be judged in the context of rational behaviour according to economic theory and the claim for market competition. If privatisation implies *the replacement of public monopolies for private ones,* it does not bear much witness of economic rationality.

In consequence with the arguments presented above, the overall attractiveness of townscape and landscape as well as the smooth and efficient operation of city-regions is in the public interest. In order to achieve this interest, the technical infrastructure and planning functions of regions should be understood as public goods and be provided for by public utility. *Governance* may be an instrument for pursuing tangible aims within the overall context of *government*, where public interest is formulated and the extent and

nature of the provision of public goods and public utilities are defined. This is a concern for land-bounded activities in particular, and therefore of essential importance for spatial development and the factual changes in urban-rural relations.

1.4.4 Partnership, public interest and policy recommendations

As reiterated above, the *World report on the Urban Future 21*, advocated partnership between the public and private sectors and between government and civil society. The ESDP pursues very strongly the idea of urban-rural partnership. On that general level of abstraction, the word partnership must be understood as a political slogan, formulated in the realm of political mobilisation. The positive connotation of partnership implies consensus and openness as well as an open invitation to participate, which is useful when organisations want to lend lustre to different kinds of co-operation. However, the concept of partnership can be given a more particular meaning suitable for analytic purposes. The lexical meaning of partnership indicates co-operation between partners, which are independent and voluntarily involved in the co-operation to mutual benefit. In the context of EU, the advantages of partnership are related to consensus building, promotion of local strategies, facilitation of concerted actions, the access to different skills, promotion of innovations as well as strengthening local identity and competitiveness.[131]

With regard to partnership, urban-rural relations can be studied only as interrelations between organisations, providing that actors must be defined. The territorial affiliation of organisations in urban or rural areas does not by necessity imply that they “represent” urban or rural “interests”, but the aims of different organisations may of course be associated with particular places or territories. Organisations can be classified in a multitude of ways, a common one being according to three types: private sector organisation, public sector organisation and voluntary organisations.[132] A variety of approaches can be applied on organisations. Regardless type of organisation, they can be conceived as

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[131] Westholm1999; Geddes 1998.

[132] *Private sector* organisations build their existence on the doctrine of private ownership, and their activities are as a rule (but not always: e.g. employers’ or trade organisations) directed towards profit making. The assets of these organisations are mainly in the form of capital, and therefore they are not bound by geographical location and not even by the structure of their assets to the same extent as other organisations. *Public sector* organisations usually build their legitimacy on the doctrine of democracy, which implies democratic legitimacy, and their activities are geographically bound. They cannot choose their members and partners as in the case with private organisations. Activities are based on the assumption that they work to promote public interest. When engaged in partnerships, decisions taken by the partners are not subjected to democratic control and responsibility. This raises the question of how partnerships affect public organisations’ abilities to obtain democratic legitimacy. *Voluntary sector* organisations are determined by their members, which join a voluntary sector organisation because they sympathise with the programme or ideology of the organisation. These organisations recruit their members in other ways than by citizenship or employment. It is often difficult to distinguish public from private organisations for instance in the case of so-called *quangos* (quasi-non-governmental or quasi-national-governmental organisations), which derive their legitimacy from both private and public doctrines of legitimacy and are thought to offer new solutions to old problems. They create judicial problems, however, because it becomes difficult to maintain a distinction between private and public laws that regulate their activities. Stenlås 1999; Bozeman 1987; Ahrne 1994; Johansson 1991.

rational systems, as natural systems or as open systems. When partnerships are in focus, organisations can be viewed accordingly.[133] Organisations from different sectors of public life partake in partnership co-operation under very different conditions. Interests and incentives may differ.[134]

There are other institutional forms for social co-ordination than those of market transactions or inter-organisational transactions, i.e. *social networks*, which evolve more or less spontaneously between individuals. The relation itself is more valuable than each individual transaction and ties are likely to be nurtured in order to be usable later on, building on reciprocity and trust.[135] The meaning of social networks for individuals in commanding position is that they have no way to get things done outside their own power domain except by using their ability to trade or exchange services with those in similar positions.[136] Partnerships could therefore be studied according to the way board members' networks evolve: how networks structure power relations within partnerships, how they deviate from formal norms, and how they set informal norms and facilitate or block successful partnership building.

Based on interviews with those involved in partnership four sets of strategic dilemmas have been identified.[137] Firstly, there is an issue concerning *co-operation vs. competition*. How can interpersonal trust and open communication be maintained in the face of the many opportunities that exist for self-interested competitive behaviour? An excessive commitment to co-operation and consensus could block the emergence of creative tensions and conflicts. Secondly, *openness vs. closure* is not unproblematic. Closure may lock in members whose exit would be beneficial or block recruitment of new social partners. Openness may also discourage partners from entering into long-term commitments. Thirdly, the issue of *governmentability vs flexibility* implies problems as governmentability requires the capacity for effective guidance while flexibility implies the capacity to adapt to changed circumstances. Reducing complexity through operational rules is a precondition for governing a complex world, which needs to be balanced against the recognition of complexity in mobilising actors and resources. Fourthly, the issue of *accountability vs. efficiency* is important: how to serve the public interest as well as deliver private benefits? Public-private arrangements run the risk of allowing the exploitive capture of public resources for private purposes. How much is marketised economic performance as opposed to addressing problems of social conhesion?

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[133] In a *rational systems* perspective, partnership would be regarded as a rational system producing rational outcomes by implementing decisions produced by its board or prescribed by various action plans. Questions formulated from a *natural systems* perspective would concern people involved, professional identities, informal relationships and modes of interaction. In an *open system's* approach, the focus would be centred on the relationship between the partnership and its environment in terms of dominant coalitions, dominant members of the board and the agendas of the mother organisations. Panebianco 1987.

[134] According to the *exchange theory*, organisations adapt to their environment by inducing other organisations to bias their actions in a desired direction by offering them resources that they need, and success is dependent of the exclusiveness of the resources provided. *Organisational adaptation* is the issue of the *contingency theory*, which claims that the forms which organisations take are contingent on the situation in which they currently find themselves. According to *organisational ecology*, the ecological paradigm is transferred to organisational theory. Organisations are seen as occupying niches in their environment. A recent theory is the *transaction cost theory*, which originates in economy and attempts to explain the presence of different forms of organisation, which is connected to the need to reduce the costs of transaction. New forms of co-ordination can be recognised in terms of institutionalised norms and practices for informal co-ordination. Alexander 1995.

[135] Putnam 1993.

[136] Stenlås 1998.

[137] Jessop 1999.

The issue of partnership is related to the idea of good governance, which has been spelled out by the European Commission.[138] The principles of *good governance* include a set of general principles: openness, participation, accountability, effectiveness and coherence. The five principles are supposed to reinforce those of proportionality and subsidiarity, and EU initiatives should be checked systematically with regard to whether public action is really necessary, if the European level is the most appropriate one, and if the measures chosen are proportionate to the objectives. Partnership is obviously a form of participation and thereby a constitutive element of the EU's interpretation of good governance.

The idea of partnership should not, however, blur the fact that the essential rationale of good government is to *promote public interests*, which actually is a fundamental objective that should not be jeopardised by e.g. participation, providing that the risk is there. The positive connotation of partnership is related to the idea of pursuing a win-win situation, where all parties involved do gain. From the point of view of policy recommendations, the idea is primarily that the *public should gain*, that is, *public interests should form the basis of any public policy*. If private interests gain as well, that is very fine indeed. Consequently, *policy recommendations should indicate the foreseeable allocation of gains among all partners involved.*

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Country-cases of urbanisation

Because of the huge diversity of urban systems in Europe as well as degree and history of urbanisation, the cases of eight countries are presented in the following. The selection includes the populous parts of central Europe (U.K., France, Germany, the Netherlands), the Mediterranean region (Italy), the ultimate periphery (Finland) as well as the former socialist countries of eastern Europe (Poland, Romania).

the UK[139]

Britain was one of the first countries in the world to undergo mass urbanisation. 34 percent of the population of England and Wales was already living in urban areas at the time of the first Census in 1801. The proportion had risen to 54 percent by 1851 and reached 78 percent by 1901. Thereafter the growth of urban municipalities has been only marginal, rising to 80.8 percent in 1951 and dropping slightly since then. Data based on administrative areas is of limited validity in the context of the burgeoning sub-urbanisation of the 20th century, and therefore counts have been made of the population physically defined as urban areas. The census put the urban share at 89.6 for Great Britain as a whole in 1991. Since 1951, it is very unlikely that any significant level of net rural-to-urban migration has occurred, which means that with regard to the last 50 years the emphasis must be on the changing distribution of the already urban population.

A second fundamental point is the stability of the settlement system. The vast majority of the basic nuclei around which the country's urban system has evolved have been in existence as settlements for over a thousand years. The Town of Country Planning Act of 1947 did not only serve to freeze the inherited physical pattern of settlement, but it placed a virtual prohibition on the physical extension of the smallest settlements in the countryside. Rural-urban land conversion has never returned to the peak levels recorded in the 1930s. In recent years, around half of all new house building has been taking place on recycled urban land.

Forces affecting the British urban system since 1950 include: Counter-urbanisation, which means population redistribution down the urban hierarchy, peaked in the 70s and has since then been a clear dimension in terms of overall population change and especially internal migration. De-industrialisation has involved a massive shake-out in manufacturing and mining employment.

- Urban employment de-concentration reflects the effects of large-scale de-industrialisation, new location patterns and housing preferences.
- Decline of employment in traditional rural industries is partly due to long-term decline in the farm-related population.
- Net immigration from outside the UK has emerged as a major element of national population growth (over 50 percent) in contrast to the net-emigration of the 50s.
- A socio-economic transformation, in particular rising female participation in the work force, and changes in the household composition.
- Improvements in transport and telecommunication permits greater flexibility offer the potential for more economic activity away from a fixed workplace.
- The rise of the conservation movement brought to an end mass clearance and redevelopment in British cities during the 70s and has steadily been increasing its influence on the planning of more rural areas as well.

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[139] Champion 2002.

These forces are supposed to have been produced major changes to the national settlement system in terms of place characteristics as well as in the functional relationships existing between and within the separate units that make up urban Britain:

- The reinforcement of the North-South divide within Britain, such that London region is often considered "another country".
- More marked variations between urban regions within macro regions, with faster relative population growth for certain types of towns (resort, retirement, universities, high-tech industry, business services).
- Gentrification of neighbourhoods in the inner parts of big cities, and small-scale redevelopment elsewhere.
- Long-term transformation of inner city areas from white working class areas to ethnic minority areas.
- More general economic decline and net domestic out-migration from inner city areas prompted by the changing geography of work.
- Strong increase in number of jobs in the suburban and outer areas of large conurbations.
- Massive growth in cities and towns lying beyond the green belts of the major metropolitan areas, which are developing their own growth dynamics aided by proximity to transport nodes.
- Rapid growth of the more rural districts that comprise the countryside, particularly in the most accessible areas around cities and towns, but also smaller urban centres and rural settlements in regions relatively remote from the major metropolitan centres, added by a rural gentrification.

Britain has been consistently in the grip of counter-urbanisation since 1951 albeit varying in its intensity over time and space, accelerating in the 50s and the 60s and then falling back substantially in the 80s. Strong decentralisation of population was, however, taking place within the Functional Regions (FR) in the 80s as well: cores lost population while rings gained people and outer/rural areas recorded an even higher overall rate of growth. This tendency was found at all size hierarchy. Population change rate displayed a very negative relationship with FR size, but there is no similarly strong growth-size relationship for the rings and outer rural areas. The largest FRs are distinctive in that, despite high losses from their cores, their outer zones did not appear to benefit proportionately. In particular, there was a large net shift of families (aged 30–44, and 1–15) from the cores to the rings of all types of FRs, and major spill-over from the dominants to other types of FRs. The outer and rural areas of all FR types were found to have recorded net gains of all age and sex groups in nearly all cases. There seems to be, however, no simple spill-over from one level to the next, but each level of the hierarch seems to receive net in-migration from all levels above it and losing net migration to all levels below it.

The age group 16–19 years are particularly prone to net migratory movement up the urban hierarchy, moving to the bright city lights. The highest proportion of down-hierarchy moves are for the retired and the self-employed (most commonly near retirement age), while the lowest ones are for students and unemployed. Non-white populations do not fit the general pattern quite to the same extent as whites, which may in part be attributed to their youthful age structure. Among various socio-economic characteristics of people of net out-migration from Britain's major conurbations, professionals and managerial occupations were over-represented.

London is a class of its own as it was back in surplus in the 80s and built very strongly on this in the 90s. Till 1999 it captured almost one-quarter of the UK's total population growth according to the official estimates. Since the 70s, the UK has switched from net loser to net gainer of international migrants, with the main beneficiaries being the conurbations in general and London in particular, which added over 100 000 a year to the UK population. The total volume of net migration loss from the conurbations to the rest of UK was at just over 90 000 a year for 1991-99, and official population projections indicate the same tendency of continuing population de-concentration, but a gain for the con-urbanised England.

At a national level, two clear tendencies are then obvious: the North-South drift and the urban-rural shift. The urban North has proved the weakest element while the rural South has grown the fastest. The London metropolitan region and the rest of the South are becoming increasingly intertwined as long-distance employment de-concentration from the core has followed the earlier residential exodus. The South is distinct in capturing the majority of the UK's increase in high-skill work, reflecting London predominant, global role. The increasing scarcity and rising price of housing in the London region forms a powerful deterrent to in-migration from the rest of the UK, and the same factor is a major stimulus for the outward movement of families in search of cheaper housing.

The green belts designed to restrict the lateral growth of the largest cities have forced their overspill populations to relocate further away than would otherwise have been the case, while the tightness of development controls generally has provided an extra centrifugal push into more remote rural areas.

France[140]

The origin of French urbanism goes back to Roman times, but the present day settlement structure in of medieval origin. An accelerated urbanism started during the Industrial Revolution in the 19th century. The diffusion of industrial technology was, however, uneven within the country with a dividing line (from Le Havre to Marseille) dividing the industrialised North-East from the less industrialised South-West. The average annual growth rate of the urban population during the 19th century was only about 1 percent in France whereas it was the double in the UK. The decline of urban growth started before the end of the eighteenth century, and this was allegedly linked to the agricultural prosperity of the country at the time. The urban population only exceeded the rural population around 1930, compared to 1850 in the UK and 1880 in Germany.

After the Second World War, urbanisation in France was intense. The growth rate of the urban population increased cyclically reaching a maximum of 1.8 percent in the 60s, and declining afterwards. From 1954 to 1975, the annual average growth rate was almost 1.5 percent per year, but dropped to less than 0.5 percent between 1975 and 1999. The overall urbanisation rate grew from 54 percent in 1950 to 73 percent in 2000. Measured in terms of daily urban systems, the country's level of urbanisation reached 76 percent at the end of the last century. The cyclical aspect of urbanisation relates to the post-war baby boom and the following decrease in fertility starting from the mid-60s.

People living in urban areas at the local level have been de-concentrating since 1975. This process started a bit earlier in larger cities. The process started with the decrease of the population in urban centres and an increase in their suburbs and rural peripheries. The share of the urban population in the peri-urban ring is still increasing. It increased from 17 to 21 percent in the 90s. When differentiated according to the urban centres, traditional suburbs and the outer ring, the demographic evolution remains very consistent since the migration turnover in 1975. The further away from the centre, the higher is the average growth rate. During the 90s, a slowing down of the urban sprawl was observed. Since 1982, the negative population change of urban centres has become less important and lately turned positive whereas the growth rates of suburbs and of the outer ring are decreasing. At the end of the last century, there was a convergence towards a mean growth rate in all the parts.

De-concentration tendencies may be attributed to the encouragement of clever housing estate traders, to the rejection of the urban way of life or a marked preference for country lifestyles. The spatial distribution of new housing around the main urban centres indicates, however, a strong attachment to these centres. De-concentration correlate with a rise in spatial standards of housing. France is a country where the main stage of peri-urbanisation occurred rather late during the 70s and 80s, but the process of urban sprawl has allegedly had a more profound impact than in the case of Spain or Italy. The French state maintains a strong indirect effect on urban sprawl through its general housing and transportation policies.

With about 10 million people, Paris is the largest European city and remains enormous as the head of the French territory with a legacy of political and administrative centralism. A ratio exceeding 7 between the population size of the first and second city has remained unchanged for at least two centuries, and this is allegedly the only example of an urban system with such a strong primacy among the large developed countries.

When the question of urban concentration is considered in terms of (the restricted definition of) urban agglomerations, the historical data show a trend of increasing concentration since at least 1950, with a clear reversal from about 1975 onwards. But if the notion of *aires urbaines* (corresponding to functional urban areas) is used, the result is quite different and there is clearly a tendency of increasing concentration of urban population. Although larger urban agglomerations seemed to grow less rapidly than the smallest ones, when observed in the context of daily urban systems the trend is in the favour of the large urban centres.

Basic manufacturing activities including steel industry and mechanics were booming first in the 50s, followed by the automobile industry, aeronautics and electrical supplies in the 60s. In a second phase of development, the electronic industry and tertiary sector provided most of the new employment whereas retail activities were losing jobs. Foreign immigration became an important factor during the first decades after the war. After the mid-70s, the demand for low-skilled jobs practically got extinct, the economy slowed down and

[140] Pumain 2002.

new jobs required higher-skilled labourers. Agriculture was deeply transformed from family based poly-cultural products towards more specialised and business oriented farming. The share of services in total urban employment was less than 50 percent in 1954. Currently the figure is around 70 percent. Jobs in the manufacturing of final consumption goods have decreased less than jobs in basic industries. The retail trade sector has lost its importance compared to public, business and financial services.

Paris has maintained its advantage in the transformation process while the situation between other cities has not changed much. Within a centre-periphery framework, a first growth impulse that occurred in regions along the west and south of Paris during the 60s was linked to public support of industrial decentralisation. A second diffusion of development impulses from the centre towards the periphery occurred hierarchically, and was set in motion by public policy designed to modernise and develop a list of eight designated *"métropoles d'équilibre"* (Lyon, Marseille, Lille, Toulouse, Nantes, Bordeaux, Nancy-Metz, Strasbourg) in 1964.

Since the middle of the 60s a relative and sometimes absolute decrease in population and an absolute loss in the degree of their specialisation is significant to most cities of the northern and eastern regions of France. Despite active policy measures, continuing streams of out-migration are indicative or these regions where the level of education and female participation are among the lowest in the country.

The booming South or the attraction of the sun-belt has been reinforced by the in-migration of hundreds of thousands of people from Algeria during the early 60s. Cities, which had an academic tradition and a bourgeois society like Montpellier or Toulouse, were favoured. Smaller and more industrial towns with a working class society like Nimes and Béziers were relatively neglected. Another interesting trend with strong spatial implications is the development of technopolises, which indicate the strong links between high tech industries and research institutes.

When population redistribution through migration is considered, mobility continuously increased in France between 1964 and 1975m and then slowed down. Long distance migration is mainly associated to change in profession whereas short distance migration is more frequently related to marriage and births. The highest mobility rates are observed for population in their 20s. The overall mobility level is of the same magnitude as in Other European countries, i.e. some 10 percent changes in housing per year.

Two major regional shifts have occurred since the 50s. First, the region of Paris drew as much as 25 percent of the population increase through migration in the 60s, but lost some of its attractiveness in the 70s, which may be interpreted as a centre-periphery reversal in spatial terms. Paris has, however, kept a positive migratory balance for the mobile age group (age 20–29). The largest losses were primarily people in retirement age, and secondary, families (age 35–39). The second shift was the reversal of attraction of Northern and North-east France. At the same time regions of the south and west have become increasingly attractive. In the 90s, 5.5 million people changed their places of residence. Only 15 percent of interregional migration contributed to an effective modification of the spatial distribution of population. In the case of cities and towns, the ratio between net migration and total migration (measured in numbers of in-migrants plus out-migration) was some 10 percent. The lion share of migration from one city to another is simple substitution where in-migrants come and occupy the position left by the out-migrants.

The spatial pattern of social groups in migration flows almost entirely follows the spatial pattern of social categories in urban agglomerations. If migrations reproduce the spatial division of labour, they reinforce the segregation by age groups between cities. Migration tends to reinforce the aging of cities whose populations are already older on average, especially along the Mediterranean coast. Dispersed nodes in the urban network are rejuvenated in the process. A distinction has to be made between migrations according to age, which are selective, and migrations according to occupation, which are more adaptive.

The diminution of the mean size of households, the increase in the number of second homes and in new building stock in the urban outskirts, are contributing to development in the urban fringe. The general participation of women in the labour force, longer life expectancy, the growing instability of couples, structural unemployment or the proliferation of less stable modes of employment may also cause a growing demand for new housing. The expansion of built-up areas depends more on the spread of journeys and on the accessibility of cities than upon their demographic growth. The possible impact of new technologies on spatial development is much discussed. It seems that among location factors, a good connection to information and communication technology (ICT) was less important than the price for renting offices and accessibility to a central position. ICT plays an important role for the organisation at work but not as much for location. There is no evidence of a substitution of physical transport of people for telecommunication. The contrary prevails: the more people own telecommunication tools, the more they move.

Germany[141]

Germany is a relatively young national state. Before 1871, Germany was largely regarded as a linguistically and culturally defined community with strong regional identities. This has resulted in an extraordinarily wide variety of regional city types in terms of historical heritage, function and size. The legacy of the historically based territorial organisation is present in the federal structure of Germany (Länder), which provides relatively positive prospects for Länder capitals. Despite the post-war transformations, the urban system of Germany today is based on two epochs: the initial period of medieval urbanisation, and the period of industrialisation of the 19th century.

The relation between rank and size of the larger German cities indicate an almost ideal distribution. The urban systems of the Eastern and Western parts of the country are, however, neither functionally nor spatially balanced, and Berlin with a population of 3.5 million inhabitants cannot be regarded as a prime city yet. The cities of West Germany show a relatively even distribution between Hamburg in the north and Munich in the south. There are two areas with an exceptional concentration of cities, one along the river Rhine and the other from west to east along the zone between the low mountain range and the North German lowlands. In East Germany, the urban agglomerations are more concentrated in the south. The settlement structure displays more pronounced regional disparities between rural areas and urban agglomerations than in West Germany.

The structure of larger urban agglomerations in Germany is typically either mono-centric (Berlin, Hamburg, Munich) or polycentric (Rhine-Main, Rhine-Neckar, Rhine-Ruhr conurbation). The larges conurbation (Ruhr) has more than 11 million inhabitants and consists of several fused but differently structured city regions (Bonn, Cologne, Düsseldorf, Duisburg, Essen, Dortmund).

Industrialisation corresponded with the increase in urbanisation. The proportion of population living in cities with at least 100 000 inhabitants amounted to 4.8 percent in 1971, but increased to 21.3 percent in 1910 and reached 31.6 percent by the beginning of the Second World War. Rural population declined in municipalities of less than 2000 inhabitants. Consequently, the intensive industrialisation corresponded to spatial concentration. The urban growth pattern was caused by natural population growth, urban coalition and particularly migration gains.

West Germany

After the war, West Germany received more than 10 million refugees and expellees between 1945 and 1950 from the areas east of the Oder and Neisse rivers and from other East European states. In the census of 1950 a total of 20 percent of the entire population were refugees. The spatial distribution of these people was characterised by regional disparities. The rural areas of Schleswig-Holstein, eastern Lower Saxony and eastern Bavaria attracted most of these people. Due to war damage, a substantial part of the urban population was evacuated to rural regions during the war. The population of large cities decreased by more than 3 percent despite the fact the total population of West Germany increased between 1939-1950 from 40 to nearly 50 million.

During the 50s, the de-urbanisation of the war period was followed by a new round of urbanisation, accompanied by reconstruction. Many displaced persons and refugees were resettled within the country. After the erection of the Berlin wall in 1961, there emerged a shortage of unskilled labour, which was alleviated by guest workers from the Mediterranean countries. The immigration figures for the period 1968-73 was 2.4 million. In the early 60s, foreign immigrants moved to southern Germany, then to metropolitan areas of West Germany, and eventually to the northern Germany and West Berlin. Despite the inflow of foreign migrants to Germany, the population stagnated during the period between 1970-1987. By the late 80s, the situation changed again due to the dramatic political events at the time. In 1989, nearly 400 000 persons moved from East to West, and many ethnic Germans from eastern European countries came to Germany. By 1996, the latter category totalled 2.6 million. Controlled resettlement assured an even redistribution within the country.

It is estimated that from 1970 to 1990, West Germany was transformed from an industrial to a service-dominated economy. The proportion of the workforce in the secondary sector rose from 43 percent in 1950 to 48 percent in 1970. During the 70s and 80s, de-industrialisation gained momentum beginning with heavy industry. By 1991, the population of the secondary sector declined to 40 percent whereas the tertiary sector had risen from 33 percent in 1950 to 43 in 1970, and 56 percent in 1991. Rural areas also lost large numbers of agricultural workers resulting in a decline in the percentage of the primary sector from 25 percent in 1950 to 5 percent in 1980.

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[141] Gans & Kemper 2002.

The post-war urbanisation is signified by distinctive phases. During the first period till 1950, the population was relocated from destroyed cities and urban agglomerations to more sparsely populated regions. This de-urbanisation was followed by re-urbanisation caused by the subsequent recovery where urban agglomerations and urbanised regions gained population through migration. In 1970–87, industrial activities were de-concentrated and the tertiary sector expanded in large cities. Urbanised regions showed a marginal over-all gain of population, and also rural regions showed some increase whilst urban agglomerations began to stagnate. From 1987 to 1990, the population increase in the country was evenly distributed. Population of the intermediate sized city regions grew faster after 1961 than other city categories. A comparison between the population shares of various types of regions (agglomerations, urbanised regions, rural regions) show a remarkable stability, which is supposed to be a general feature of the West German urban system as a whole.

Despite the stability, relocations occurred within the different groups of regions. The de-urbanisation in the 40s and urbanisation in the 50s were accomplished by corresponding shifts between cores and suburban rings. In the 60s, the growth for core cities fell behind the growth in suburban areas. In the 70s and early 80s, core cities lost in population, and large cities faster than smaller ones. West Germany is therefore characterised by sub-urbanisation after the 60s, and later by inter-regional de-concentrations of de-urbanisation. Intra-regional de-concentration with population losses in the core cities and gains in the suburban zones have shifted to losses in the agglomerations overall while rural regions gained population.

Internal in- and out-migration in West German Länder after 1980 show an initial phase (1980–83) of intra-regional as well as inter-regional de-concentration, typical of the counter-urbanisation process. During the late 80s, the pattern changed and the migration balance now turned negative in urbanised and rural regions while in-migration exceeded out-migration in metropolitan areas. Gains in metropolitan areas were not uniform, however, and re-urbanisation trends were significant to southern Germany. The years after were characterized by a more even gain in all the regions of West Germany.

The transition from an industrialised to a post-industrial society seems to be accompanied by spatial de-concentration. De-concentration occurs at two levels, intra- and inter-regionally. While sub-urbanisation has been documented in detail, the more recent inter-regional de-urbanisation and polarisation reversal deserve particular attention. A group of explanatory factors relates to economic restructuring and a new regional division of labour. There seems to be proportionally more employment opportunities in many of the rural areas in the secondary sector than in the metropolitan areas. This corresponds with the thesis of a new spatial division of labour, which is partially responsible for counter-urbanisation. Routine work has been shifted to rural areas, or to other countries with low wages.

There is also a process of re-industrialisation, where advanced technologies based on flexible economics of scope locate themselves in regions, which offer a combination of good accessibility and high quality human capital and amenities like the southern parts of West Germany. Residential preferences for low-density housing, more rural residential areas and attractive landscapes are also responsible for de-concentration. The relation between production-related and environment-related migration obviously changes during the life course. It seems, however, that in recent times more people are trying to combine both factors in their choices of location for work, housing and family life. Migration relates also to the business cycle as there is a general positive relationship between the growth rate of the GDP and the degree of internal migration. Inter-regional de-concentration is made possible by strong investments in infrastructure, and centre-periphery models do not necessarily possess much explanatory power.

East Germany

From 1939 to 1950, the number of inhabitants in Easy Germany increased by 1.6 million, corresponding to an increase of 9.6 percent in population. From then on until the unification in 1990, the country lost population annually. Emigration was never replaced by fertility. The effects of the war, i.e. de-urbanisation between 1939 and 1950, corresponded to the trends of the West. In the second half of the 50s, the population redistribution turned into urbanisation because cities with more than 100 000 inhabitants registered the smallest losses of all settlement sizes. After 1961, the urbanisation process gained momentum with regard to settlements with over 20 000 inhabitants. After 1970, the total population of the country declined but core cities registered an increase, and larger cities were favoured until the opening of the border in 1989. It seems as if the post-war population redistribution pattern in East Germany, i.e. weak de-concentration 1950–70 and concentration since then, can be ascribed to the initial economic conditions after the war, contrasts in the settlement structure between the south and the north, and on the political and economical system of the country.

The East German government endeavoured to reduce the country's economic dependence, particularly on the West Germany. An international port on the Baltic coast and large-scale industrial projects were established. Not only were the regional disparities reduced between south and north by these projects, but also the urban-to-rural migration. Development in central places was supported by the government in order to even out regional imbalances and to improve the supply of goods and services in sparsely populated rural areas. The decrease in regional disparities until the mid-70s was less associated with development plans than with centrally controlled economic planning. District (Bezirk) administration played a pivotal role in the centrally controlled economic planning. The aim of these districts as functional areas was the minimisation of transport cost, which gave rise to economic specialisation and the creation of regional mono-structures. Existing regional centres did not become district centres because they represented a non-socialist civil society.

In the 70s, regionally balanced development was abandoned because the re-establishment of industries in rural areas turned out to be economically unviable. The government started the promotion of population centres by favouring the concentration of investments in cities, in district capitals and in Berlin. The positive relationship between settlement size and the balance of migration within the country indicate step-wise migration from small municipalities through county and district capitals to East Berlin as the capital. The living conditions of the rural areas degraded relatively to those of the cities. Berlin recorded migration gains from all over the country. Smaller district capitals also experienced exceptionally high growth rates due to in-migration from the district, but also stagnation or decline took place. With regard to emigration during the 80s, large cities and district capitals lost most. It seems as if emigrants assumed that their needs could not be met within the country because the cities represented the highest standard of living.

The conditions of the united Germany show that Berlin has got a rather unbalanced composition of business services. It is over-represented in employment in science, education, art and the media whereas it has shortcomings in finance, insurance, legal services and wholesale trade. Similar features can be traced in Dresden and Halle/Leipzig. In the West, the situation is more balanced, but some degree of specialisation prevails, and Germany, therefore, has several regional metropolises each specialising in certain areas, but no one completely dominates the urban system. The population of West Germany increased by almost 3 percent from 1989 to 1991. The influx applied to metropolitan as well as rural regions, and big cities as well as small settlements. Even cities in old industrial districts gained migrants. In this sense re-urbanisation turned out to be a temporal phenomenon linked with the political upheaval in Eastern Europe at the time.

Urban development in East Germany during the 90s occurred differently. At the beginning of the 90s, all regions recorded migration losses and these were particularly high in the rural regions. From November 1989 to March 1990 about 370 000 persons or 2.3 percent of the total population left the East. In 1994 it was still 168 000 persons, but the growing counter migration from the West started increasingly to offset earlier migration losses of the East. The following years densely inhabited suburban counties in the agglomeration areas and the urbanised regions started to show a positive migration balance while core areas and rural regions lost population. The period after 1995 is marked by strong intra-regional de-concentration tendencies with suburban areas gaining significantly more migrants than had been seen in the West before. Tax reductions have promoted investments in the suburban rings of core cities. In contrast to the West, rural regions lost population through internal migration and medium-sized core cities recorded losses as well.

West Germany had by 1992 returned to its regular internal migration patterns of intra-regional and inter-regional de-concentration. Rural regions also started to gain population again, and peripheral regions slightly faster than more densely populated counties. In both parts of the Federal Republic, an intra-regional de-concentration process has been observed after the mid-90s. In East Germany, a larger percentage of the new buildings are blocks of flats than in the West, and many of them were built by West German investors due to tax regulations. Many of these complexes are now empty and not in use at all.

In conclusion, it seems as if movement towards post-industrialism is linked to moderate forms of de-concentration. Despite all of the political upheavals of the 20th century, the German urban system has remained remarkably stable. If current population trends continue, east-west demographic differences will deepen. According to forecasts, the West will register population gains until 2015. Losses in the East will hit urbanised regions with old industries and sparsely populated rural areas. The West will follow the trend of de-concentration and the rural regions will record the highest population gains. In the East, only suburban rings of metropolitan areas will have rising population figures whereas the big cities will show the highest decrease. The structure of the population will age, in particular in the cities of the East. By contrast, in many West German urban agglomerations the current pattern of higher average age in the core cities and young suburban populations will

change to the opposite, and the proportion of immigrants and their descendents will rise. In both parts of Germany, economic growth is more concentrated to the south.

Italy[142]

The origin of urbanism at the Italian peninsula has a history of three millennia, and the Antique legacy is still strong although the current settlement structure bears strong evidence of medieval resettlements as well. The Italian urban system is highly heterogeneous, and the processes of urban diffusion are for this reason very different in the various regions. Italy is subdivided into 20 regions and four macro-regions, which are the North West, the North East, the Centre and the South, also known as *Mezzogiorno*. The intermediate administrative level is the province (107 units) that includes the main city (*capoluogo*) and the administrative hinterland. The basic administrative unit is the *comune*.

During the period 1951-99 Italy's population grew from 47.5 million to 56.7 million. In 1951 there were 24 cities with more than 100 000 inhabitants, a figure that nearly doubled by 1991 (46 cities), including 25.5 percent of the Italian population. During the same period Italy has experienced significant growth and has become one of the most important industrialised nations. In the same period, Italy was also transformed from a country of out-migration into a country of in-migration. The massive interregional and interurban migration from the poorer southern areas to the North (mainly Milan and Turin) ceased as well.

The urban form of the Italian cities shows strong uniformity in the periphery (high rise housing), functional and social heterogeneity in the peri-central quarters with a mix of building types, and heterogeneity in the rings with the coexistence of apartment houses, single family housing, industrial buildings and the remains of farm buildings.

Milan, Turin and Genoa form the industrial triangle of Italy. Inter urban, core-hinterland and intra-urban mobility have greatly affected the economic and social geography of the three metropolitan areas. In stark contrast with the wealthy North is the *Mezzogiorno* that in terms of resources as well as social, political and economic organisation constitutes the less developed part of Italy. The characteristics of *terza Italia*, i.e. the central and North-eastern part of Italy is that it has never experienced Fordist development based on big industry and on large metropolises. This region is marked by the presence of a dense urban network formed by medium sized cities (former medieval *comuni*) with a tradition of autonomy and handicraft skills. In this area there was a new socio-economic organisation based on a flexible work force and family firms, and specialisation in sectors like textile, fashion, furniture, shoes, ceramics and mechanics. This variety of economic and social organisations corresponds to different models of production of urban space and of urbanisation processes in terms of concentration and de-concentration as well as in terms of centralisation and decentralisation.

At the regional and provincial levels, the concentration process increased throughout the period from 1951 to 1999, but after 1981 the rate of increase slowed down considerably. During the period 1951–71 seven regions increased their concentration, all of them in North or Central Italy except for one, and three of them including the three main Italian metropolises. After 1971, the regions that experienced concentration were now facing de-concentration. The majority of the Southern regions increased their population concentration at a lower but continuous pace. At the level of *comune* the concentration increased continuously until 1971 and has since then stabilised.

Analyses of Italian regions show the complexity of de-concentration processes in the various Italian regions. These are the result not only of the inherited urban network, but also of the impact of industrial Fordism and the rural exodus towards the main cities. The correlation between population growth and size of settlement is very different in the North, the Centre and the South. In the North, the counter-urbanisation processes are stronger and they started earlier. In Tuscany the de-concentration process is not as important as in Piedmont, and in the South there is a continuation of the concentration processes even if their rythms are not as strong as during the seventies and the eighties. In the large cities of the North, net migration cannot compensate for the huge losses in terms of natural balance, while in the South, a part of the population growth is due to the positive natural balance.

When investigating the metropolitan areas (*Genova, Milano, Napoli, Roma, Torino*) of Italy, the cores showed strong growth between 1951 and 1971 but lost population since then. The five cities gained 2.4 million inhabitants during 1951–71, but lost one million over the next twenty years. By contrast, the rings showed a continuous pattern of growth. After 1981, however, the rings were not growing sufficiently to compensate for

[142] Petsimeris 2002.

the losses of the cores, which indicates factual de-urbanisation. The decline of the Northern metropolitan areas slowed down, however, during the 90s. The decline is also affecting the majority of the cities with a population of more than 100 000 inhabitants. At the same time there is an increase of population in the outer suburban areas, the linear conurbation of *Via Emilia*, along the eastern and western coast and the regions of flexible economy.

There are neither processes of re-urbanisation in terms of growth in the cores of the large metropolitan areas nor has there been a turn-round in terms of an increase in the population of the remote rural areas and the small settlements. The medium sized cities that experienced most growth during the 70s and 80s were mainly those belonging to the metropolitan areas. Urban de-concentration does not mean decentralisation. There is rather a selective centralisation of function in the metropolitan cores accompanied by a process of socially selective in-migration and working class out-migration: an important increase of managers and huge decline of employees and blue collars.

The Netherlands[143]

In the year 1500, the Netherlands consisted of 17 provinces that had emerged from the Roman Empire. New towns grew up along the Dutch waterways during the Middle Ages, and from the 13th century onwards, Dutch fishing, shipping and trading showed rapid growth. The Eighty Years War (1568-1648) led to the independence of the Republic. Already on the 16th century Amsterdam took a leading position as the most important financial and trading town of Holland. At the end of the century, colonial expansion started.

In 1622, almost 60 percent of the Dutch population, which numbered 400 000 people, lived in cities. This was something quite exceptional even on a global scale. By then, 33 cities already existed. In 1670, Amsterdam had a population of approximately 200 000 people, which corresponded to about half of the total population of the country. In certain areas even the countryside was urbanised and especially the Zaan region near Amsterdam developed into an important industrial area. Foreigners were attracted by Dutch prosperity, and in 120 years between 1580 and the beginning of the 18th century about half a million immigrants settled in the Republic. At the same time a corresponding number of people was emigrating to the colonies or started working on ships. During the 17th and 18th centuries Amsterdam and Rotterdam, and to a lesser extent, The Hague and Utrecht, expanded strongly. A pattern of several large towns, a number of medium-sized towns, and many small towns emerged. In 1849, more than 40 percent lived in these towns. By 1930 this percentage had risen to 65.6, but it gradually dropped to just below 53 percent in 1970.

An important factor for the post-war migration and urbanisation in the Netherlands is population growth. Between 1950 and 2000, the population increased from 10.11 million to 15.86 million people, and the population density increased from 309 persons in average per square km in 1950 to 468 in the year 2000. The post-war period showed an emigration surplus in the Netherlands, which peaked in 1952. Immigration has risen since 1960 with a small decline in the 80s. By 1990, the country had approximately 640 000 foreigners, which equalled 4.3. percent of the total population.

The larges population concentration has always been in the west of the country, where the four larges municipalities are located: Amsterdam, Rotterdam, The Hague and Utrecht. Interregional moves show that people move to the west of the country. The agricultural province of the North and South-west are normally confronted with a surplus of people wishing to move away. The eastern and southern parts of the country fluctuate generally around the neutral line. If density in the west becomes too high, sprawl from the Randstad to the next ring may take place, but this is just a case of ongoing urbanisation with the Randstad still as the functional socio-economic heart of the Dutch economy.

Strict land-use zoning has favoured concentration in the bigger agglomerations while suppressing unlimited expansion of villages in the western part. This has lead to a poly-nuclear structure of the western part of the country marked by intense network connectivity between the medium-sized and large cities in a circular form as the green belt around the Green Heart of the Randstad. Along with measures of deregulated land-use planning and a larger responsibility for local authorities, a more selective dispersal of settlement patterns has been foreseen. Places located on accessible infrastructure links may become the fastest growing places in the near future.

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[143] Nijkamp & Goede 2002.

Finland[144]

Being the utmost periphery of Europe, Finland got urbanised very recently, and the post-war structural changes in the economy and settlement patterns are dramatic by any standard. At the end of the Middle Ages, the area had only six towns, all of the located by the coast. The urbanisation of inland Finland started only in the 17th century. The country was one of the last to get industrialised. In 1940, the proportion of population working in primary production was still 64 percent, which dropped to 13 percent by 1980. The lateness and speed of change are exceptional, and was accompanied by fast urbanisation as well as immigration to Sweden in particular. 63 percent fo the population lived in cities in 1995. Around the end of the 60s and early 70s, migration trends changed away from urban agglomerations to smaller-sized towns. Around 1977 large cities started to lose population in absolute terms, but gained momentum again in the 80s. A new migration wave emerged from the north to the south, and intra-regionally, from rural areas to regional centres. At the same time regional convergence increased. Internal migration within municipalities led to sub-urbanisation and the development of new sub-centres within cities. In the 90s, the volumes of migration decreased and most migration gains of the urban regions occurred in the adjacent municipalities of urbanised districts. In conclusion, the Finnish urbanisation could be described as still being in its initial phase.

At the turn of the millennium, Finland witnessed a dramatic decrease in birth rates in combination with strong migration. The main migration stream was directed to regions of knowledge-based production and to administrative centres of the south, a process that has been accomplished by significant losses in several of the smaller towns. Net migration losses were particularly severe in industrial towns and in provincial centres. In 1996, only nine out of 85 functional urban regions experienced migration gains.

Migration has widened the gap in income between regions, and it is more selective than before having an increased influence on the population of areas losing people. The economically active population seems to get more and more concentrated within the country. Young people tend to prefer growth centres and birth rtes are deceasing in peripheral regions.

Because the options of work and place of residence are increasing, it is becoming important for regions to improve their images in order to attract different educational and occupational groups. In areas of great population loss more females than males leave the area, which has got a significant impact on birth rates.

The smallness of the country and its dependency on foreign trade makes it vulnerable to internationally caused swings in the business cycle. Various phases of the business cycle influence the volume of migration in a way that booms cause migration to cities while slumps have the opposite effect. The impact of the very strong economic depression of the early 90s was enhanced intra-urban migration, but on the national level a migration from urban to rural areas, while the trend was reversed during the late 90s.

Because of selective migration, Helsinki, Tampere, Oulu and their neighbouring municipalities are the only true growth centres in the country. Forecasts indicate that Helsinki (together with Lisbon) will be one of the fastest growing capital regions of Europe. Even university cities like Turku, Jyväskylä and Joensuu are losing highly skilled people. Unemployed who moved during the boom period improved their chances of employment by nearly 50 percent compared to those who stayed where they were. Men's success in getting jobs depends on the region of destination, while the size of the labour market seems to be more important with regard to female employment.

The state policy is to increase the balance in migration nation-wide by establishing a national growth centre network of 30-40 regional centres in order to promote the interaction between the countryside and the cities. The goal is to have at least one regional centre in each county. The welfare concept, which indicated regional "fairness" is, however, losing ground, and many administrative centres in rural areas that used to rovide welfare services are now in difficulties.

Poland[145]

The first groups of settlements in Poland date from the 10th century. Although originally tribal, they were transformed into the seats of a strongly integrated military, political and ecclesiastical organisation imposed by the ruler. There centres underlay the original boroughs subsequently developed into urban nodes. A dense

[144] Heikkilä & Järvinen 2002.

[145] Rykiel, Z. & Jazdzewska, I. 2002.

network of towns developed during the period of internal colonisation from the 12th to the 16th century, and most of them exist still today. The direction of emerging settlements was from the southwest to the northeast. This succession was caused by two forces shaping urban development in Central Europe: one is the declining gradient of development decreasing in intensity from the Rhine valley towards the east, the other was the decreasing number of mineral resources and fertile soil from the south to the north.

The capitalist transformation of the original feudal network formed the second phase of urban development, lasting from 1796 to 1914 during the period of the divided Poland. The re-integration of the Polish urban system after the restitution of the statehood in 1918, formed the third phase, which can be divided in the post-war period, the communist period and the capitalist period after 1989.

The definition of the term "town" in Poland is an entirely legal matter, depending Royal Charter or later governmental regulations. A population size of roughly 1000 has been regarded as the lower size limit of towns, while non-agricultural villages up to 5000 inhabitants can be found throughout the country, especially in metropolitan areas and in the south. Polish urban agglomerations were regional rather than national centres since their hinterlands coincided more with the regions in which they were located.

The development of the Polish urban system after the Second World War was dependent on two macro-structural processes. One was the reintegration of the urban system after the interim stateless period of the 19th century. The other one was a significant shift of the national boundary towards the west after the war. The standard prime city structure was, therefore non-existing at the time. The shift triggered a movement to the western parts of the country. Poland's urban population increased from 38.4 percent in 1950 to 61.9 percent in 1998.

Centralised plans were adopted until the mid-80s. Political cycles overlapping with planning cycles seem to have been more important in the post-war development. The contradiction between the expectations for planned development on the one hand, and the aspirations of the people in improving their living standards on the other hand was manifest in urbanisation (i.e. provision of housing) versus industrialisation. The level of industrialisation kept pace with urbanisation in the south, but not so in the north. This is supposed to have been a basic factor behind many of the revolts.

For political and ideological reasons, large metallurgical complexes were developed near large urban centres of national culture and religious importance. Because the communities in these cities strongly opposed the new regime, the aim of the development was to improve the local social structure of the cities. Centralisation involved an increase in bureaucracy, which was one of the reasons for urban growth in regional centres. These centres never attracted ideologically meaningful concentrations of the workers class, and therefore industrial development of these places was an important ideological objective in order to increase the share of the workers class.

Nationalisation of commerce in the late 40s resulted in the complete collapse of the economic base for small towns. Industrialisation was the only way in which development could be achieved. Attempts to stimulate their economies were a permanent feature of government policy, but with various results. It was only after the restoration of local self-government in 1990 and the revival of the local economic initiatives that small towns began to prosper again.

The massive migration of people to the largest cities, especially Warsaw, resulted in an urban crisis. To solve the problems of the housing market, the government simply applied bureaucratic restrictions on the migration of people to the cities. These restrictions worked socially selective in two ways. Informally, people that were not allowed to register formally in a city would live there illegally or register in the suburban zone, which produced a constant statistical overrepresentation of *de facto* population growth of small suburban towns. Formally, people "indispensable for the functioning of the city" gained access. The selection depended on the social stratification in the communist society and was largely independent of income. The administrative restrictions on migration to cities resulted in the reduction of out-migration from the city simply because those who succeeded in getting to the city were unlikely to leave.

Generally speaking, Poland was closed for foreign emigration, but the Polish-West German agreement of 1975 made it possible for Polish citizens to reunite with relatives in Germany. This hampered to some extent the growth of cities in Silesia.

Few traces of counter-urbanisation are available. The landscape in itself does not provide a variety to cause a significant degree of counter-urbanisation. The large disparities between urban and rural living conditions that persisted for a long period were responsible for mainstream migration up the urban hierarchy rather than down. In the 90s, rural-to-urban migration has started to decline as a result of industrial re-structuring, which is accompanied by a slow but permanent increase in urban-to-rural migration.

Since the war, there has been no period where prime cities dominated the urban system. From the late 50s until the mid-70s both large and middle-sized towns developed rapidly and thus this period resembles the advanced prime city stage. The early intermediate city stage is supposed to have begun in the mid-70s and lasted till 1980. The towns that gained new administrative functions shifted up the urban hierarchy: eight new large and sixteen middle-sized towns appeared while thirty small towns disappeared. The population of small towns declined and migration to them decreased. After 1980, economic cries, social unrest and the Martial Law of 1981 caused a rapid decrease in migration to large and middle-sized towns while small towns began to increase. Since 1993, net migration to the three size categories started to decrease. The process of migration from one hierarchical level of urban areas to the next seems to relatively easy, resulting in the establishment of functional urban regions. This tendency is clearly related to improvements in the transportation system and thus to the diminishing of the friction of distance.

While mainstream migration in Poland was directed upwards the urban ladder, sub-stream migration down the urban hierarchy has been composed of four parts:

- migrants that failed in the metropolitan or large urban labour market. migration to small satellite towns within large urban agglomerations,
- migration to specialised centres, and
- random moves related to family relations.

Sub-stream migration has been, however, locally oriented. It occurs in a wider spectrum of urban hierarchies and represent more traditional patterns of migration. Some of the long-distance sub-stream pattern may be a result of kinship links following the post-war resettlement pattern.

Romania[146]

The urban system of Romania originates in already in the Hellenistic period. The most prominent Transylvanian towns date back to the 12th and 13th centuries. Today, the Romania urban system has 266 towns in total. Because of arbitrary criteria still in use, distinguishing rural settlements from towns remains a challenge. Due to the effects of the two world wars, the pace of urbanisation in the first half of the 20th century was extremely slow. At the end of the communist period in the late 80s, over 50 percent of the total population lived in towns.

If one compares the capital city to the rest of the Romanian urban system, there are two distinct sections in the hierarchy: a number of undersized cities in the order after the prime city obviously lag behind while the intermediate cities appear to be relatively oversized. as a result of the demographic explosion that occurred in county-seats and certain specialised centres after 1968. The lower part of the hierarchy consists of a relatively small number of small towns that appear undersized.

The urban system's regional configuration needs to be defined to determine the geographical confines of functional subsystems within the hierarchy. Seven levels of urban development have been distinguished. Apart from Bucharest, first-rank cities serve as gravity points in Romania's historical provinces (Iasi, Cluj-Napoca, Timisoara, Constanta, Craiova). In addition, two other big predominantly industrial cities (Brasov, Galati) serve as gravity points outside the historical spheres of influence of the other large cities. Second-rank cities include the county-seats with more than 150 000 inhabitants. The remaining county capitals are classified as third-rank cities. Fourth-rank towns generally have more than 30 000 inhabitants, and the rest are smaller. The smallest category of towns marks the transition from rural to urban settlements, and they are insufficiently developed to polarise activities in the areas that they are supposed to serve.

Administrative centres are extremely oversized compared to second-rank cities. Bucharest of over eight times larger than the second-rank city (Ploiesti). The gap between the first and the second-ranking town in all regional systems seems, however, to be narrowing. Regionally, urban systems differ in terms of their complexity and in terms of their distinct levels of urbanisation and growth rates.

While interwar urban polarisation had centred around the tertiary sector, it was the industrial sector that was given priority after the Second World War, and it outgrew the commercial, cultural and social sectors in these centres. During the period 1950–65 the development of county-seats as the first growth poles, became apriority task. After 1968, the country opted for a closed, self-sufficient economy, with an industrial sector capable of producing everything. Large industrial units were built in county-seats and intermediate-sized towns.

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[146] Ianos 2002.

A third period between 1980 and 1989 was marked by the industrialisation of small-sized towns and rural settlements. The massive investments that were made in the urban economy after 1970, brought about radical changes in the structure of activities, and implicitly in the relationship between towns and the surrounding countryside from where they derived their labour force.

According to census data of 1992, over 50 percent of the economically active population in half of Romania's towns worked in the industrial sector. The farming population dominated in eleven towns only. The share of commercial activities was only 8.5 percent in the urban system as a whole, and education, culture and the arts had a share of 5.5 percent. At the beginning of the 90s, it was the large enterprises with over 1000 employees that prevailed, providing jobs for approximately 70 percent oft he total work force, dominantly in machine-building factories and chemical works. The dismemberment of the CMEA system and the embargo imposed on Iraq, followed by Yugoslavia led to Romania's industrial decline. The industrial sector is no longer a major binding force between towns, and they are likely to decline steadily while the tertiary sector seems to be recuperating.

The sudden downfall of the political regime in 1989 meant the development of new self-control mechanisms to replace the old utopian ones. The abrogation of the restrictive law that had controlled migration movements was the cause of the first turbulence in the urban system. After 1970, large towns had been closed to people seeking permanent residence, except for people with specialised competencies. The large cities were the principal beneficiaries of this abrogation. In 1991, population shifts began to slow down, but not in large cities, county-seats and some industrial towns where the inflow of people continued. Legalised abortion has dropped the natural increase, which has had a significant impact on the entire urban system, which occurred with the mass migrations of the German population.

The Land Law enacted in 1991, had both direct and indirect effects on towns and the urban system as a whole. Part of the retired population, originating from the countryside, would periodically or permanently return to their native villages to work the plots of land reappropriated to them. Peasants who live in the neighbourhoods of towns also received land. This brought down commuting to les than one-third, because commuters were the first to lose their jobs as the managers would argue that they had a source of income. These factors considerably reduced the negative impact of industrial restructuring for townfolks.

Recently, people have started to leave the towns to settle in the countryside: cross-country data indicate a decrease in urban population since 1996. The economy is in transition from a centralised system to a market driven one. This means a restructuring is taking place in the urban as well as in the rural economies. The Land Law has resulted in the creation of new jobs in agriculture through the parcelling out of land. Approximately one-third of the owners live in towns.

The tough industrial restructuring has led to a labour surplus. Failing industries have reduced the means for these families to survive in town and therefore those that own land tend to return to their native villages. The urban-to-rural migration reflects altered urban-rural relations that have changed dramatically. All categories of towns witnessed the steep decline of net migration rates in 1997-98. Negative values have been recorded in all cases, and for the first time since the war, rural settlements are gaining population. These migration patterns have affected towns in the southern and eastern parts in particular. In 1999, rural net-migration reached 2.7 percent.

In conclusion, an entire cycle of urban evolution could be identified. First there was a prime city phase centred around the capital city during the first part of the 20th century, followed by a shift in importance to the regional centres, then to the inter-mediate and small towns, and finally to the revitalising countryside.

2 Policies with relevance for urban-rural relations

This chapter focuses on the sensitivity of various policy frameworks and initiatives towards urban-rural relations. The first subchapter reviews a series of EU policies, communications and initiatives. The purpose is to highlight aspects that would improve possibilities to implement policy aims contributing to sustainable development of urban-rural relations. The second subchapter on national policies serves to highlight the expectations of the policy makers from urban-rural sensitive policies. The third subchapter shows the perspective of the regional and local actors, their expectations and experiences from implemented urban-rural initiatives.

The Chapter 2 is based on the Working Documents of the Workpackage 4[1]. The material for the second and third subchapter was collected through a questionnaire survey where respondents were project partners, ESPON contact points or other interested parties that kindly volunteered to reply[2].

2.1 Current EU policies affecting urban-rural relationships

Over the last 40 years various EU policies, communications and initiatives have directly or indirectly affected the development of rural and urban areas across Europe. Successive Treaties have increased the influence of territorially significant sectoral EU policies. These policies and their impacts on spatial development have been subject to numerous, well-documented critical analysis and studies. However, little attempts have been made to study their influence on urban-rural linkages[3]. Drawing on the ESDP, the following EU policies can have serious territorial impacts, including impacts on urban and rural dynamics:

1. Urban policy
2. Agricultural and rural policy, particularly the Common Agricultural Policy
3. Regional policy, particularly the Structural Funds with their Priority Objectives
4. Community Initiatives, and in particular INTERREG, LEADER and URBAN initiatives
5. Article 10 Urban Projects, and in particular UPP and TERRA Programme
6. Transport Policy, particularly the Trans-European Networks
7. Environment policy, especially the Urban Environment and Environmental Action Programmes
8. Spatial policy as it has been emerging in the context of the ESDP

As the territorial impact assessment of various EU policies is a wide topic, it is certainly not possible to produce an in-depth analysis of the urban-rural impacts in the context of

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[1] Authors: Simin Davoudi, Michelle Wishardt, Trevor Hart and Kevin Thomas; full versions of the Working Documents are available at: http://www.hut.fi/Units/Separate/YTK/research/ur/wp4/

[2] For the list of respondents, see the subchapters.

[3] Davoudi & Stead 2002.

the ESPON 1.1.2. project. That would require a comprehensive discussion on how the EU policies are applied and implemented. This involves not only actors from the EU institutions, but also numerous national and regional actors. However, for avoiding detrimental effects as well as to emphasising positive impacts and possible synergies of the EU policies on the urban-rural relationships, in the spirit of the ESDP, key strengths and weaknesses of the policies can be highlighted. This is done in the review below. Based on the review as well as the empirical findings in this study, a series of policy recommendations is discussed in Chapter 6.

2.1.1 Urban Policy

The EU has no separate competence for urban affairs mainly due to the application of the principles of subsidiarity. It is generally thought that urban problems are best solved at a local or regional scale. Even the mandate given by Maastricht Treaty for action on 'town and country planning' is subject to the unanimity rule and the principle of subsidiarity, which means that EC intervention into urban affairs needs particular justifications. Such justifications have been developing in the last decade and has led to the development of an urban agenda in the EU based on the development of:

- An urban environmental agenda
- Programmes developed under the ERDF which are *specifically* targeting at urban areas

Some of the key policy developments and actions undertaken for the promotion of an urban agenda and their implications for urban rural relationships are outlined below.

The Green Paper on Urban Environment (1990)

The urban environmental agenda was first initiated through the publication of *The Green Paper on the Urban Environment*[4] in 1990. It emphasised the crucial role of cities in European's civilisation and opposes the suburban sprawl of post-war urban development, inspired by the principles of the Charter of Athens. It makes three recommendations for future urban development:

- "Avoid strict zoning in favour of mixed uses of urban space, favouring in particular housing in inner city areas
- Defend the architectural heritage against the uniform banality of the international style, respecting rather than limiting the old
- Avoid escaping the problems of the city by extending its periphery; solve its problems within existing boundaries" (p.30).

Many of these recommendations, if implemented successfully, would enhance the quality of life in cities and hence contribute to the sustainable management of the various flows between urban and rural areas. However, the strong emphasis on keeping the boundaries of urban areas intact and 'solving' urban problems within the confine of urban territories (presumably as defined by administrative boundaries) will do little for better understanding of urban-rural relationships and the development of integrated policy solutions.

The Green Paper also proposes the guidelines of a Community strategy for the urban environment and identifies possible areas for action based on two themes:

- One internal to cities (their physical and spatial arrangement)
- One connected to the external impact of cities (the uncontrolled pressure of urban activities on the environment at large)

[4] CEC 1990.

The latter theme is a positive addition, which will provide the opportunity for policy makers to extend their attention to the city-region and to focus on the impact of policies which are predominantly designed for urban areas on rural communities. This has been further emphasised through proposing the following actions:

- Improving the physical structure of the city through urban planning, urban transport, protection and enhancement of the historical heritage and of the natural areas within cities
- Reducing the impact of urban activities on the environment through urban industry, urban energy, water and waste management

Towards an Urban Agenda in the European Union (1997)

In 1997, the Commission adopted a Communication entitled *Towards an Urban Agenda in the European Union*[5]. It dealt with three key issues:

- Challenges facing Europe's cities
- Current actions at EU level related to urban development
- Directions for the future

Once again, the communication acknowledged the crucial role of cities in Europe and underlined the changing socio-economic context faced by all European cities. It identified the existing areas of action at the EU level related to urban development and proposed directions for the future.

The essence of this Communication was the emphasis on imbalances in the European urban system. It highlighted the need for "greater cohesion within the Union and sustainable development leading to a lasting improvement in the quality of life of citizens". However, actions related to urban-rural relationships and partnerships were restricted to very few aspects. Moreover, although the 1997 Communication has taken the urban agenda of the EU one step forward, the second part of the document – which catalogues those existing EU programmes that have an impact on urban areas – merely reiterates the existing measures without highlighting their strengths and weaknesses.

Sustainable Urban Development in the European Union: a Framework For Action (1998)

This Commission's Communication goes a step further to make EC policies 'urban sensitive' and to define a 'framework for action'. Many of its observations were similar to those in the Green Paper 1990 and the 1997 Communication. The 1998 Communication[6] aimed at better coordinated and targeted Community action for urban problems. In an attempt to identify interactive urban social and environmental issues, a set of interdependent policy aims were also identified including:

- Strengthening economic prosperity and employment in towns and cities
- Promoting equality, social inclusion and regeneration in urban areas
- Protecting and improving the urban environment towards local and global sustainability
- Contributing to good urban governance and local empowerment

The Communication identified several initiatives relevant for the development of an EU urban agenda including the *Draft European Spatial Development Perspective* (ESDP), which emphasises the need for balanced and polycentric urban development. Its 'Framework for Action' lists 24 specific actions

[5] CEC 1997.
[6] CEC 1998.

Urban Forum (1998)

The Framework for Action was discussed with a wide range of actors at the Urban Forum, which was convened in 1998 in Vienna. The follow-up *Response of the Expert Group*[7] proposed a series of recommendations for action by the Commission as a 'facilitator'. Amongst their recommendations were a series of actions to be taken in order to facilitate more a integrated policy development at the EU level with regards to urban issues.

The Forum brought also a number of more explicit considerations on urban-rural policy issues, such as:

- The need to promote a 'network support space' for medium-sized and small cities necessary to attract exogenous investment and promote local enterprise, including the supply of a wide range of services such as higher education systems and technological know how
- The need to cover common issues such as those facing "mixed" industrial-rural towns competing with a regional metropolis, or agricultural areas marginalised by a large industrial-services metropolis
- The proposal to let the CAP contribute to funding and planning in rural areas in relation, for example, to agri-environmental measures for green belts or corridors in peri-urban areas.

As a reaction to the 1998 Framework for Action it has been stated that such "considerations require reframing the notion of 'urban' to include the urban-rural interdependency and relationships with an emphasis on concepts such as 'ecological footprint' and 'city-region'"[8].

2.1.2 Agricultural and Rural Policy

The development of rural areas in the EU has been significantly influenced since the introduction of CAP in 1958. In expenditure terms the CAP is the most important policy of the EU amounting to around 54.6 % of the EU budget in 1998. The CAP is consequently one of the most bitterly discussed EU policies, because of the level of resources involved and the economic and social interests at stake.

The initial objectives of the CAP as defined by the Treaty of Rome includes:

- Increasing agricultural productivity
- Ensuring a fair standard of living for the agricultural community
- Stabilising markets
- Assuring the availability of supplies
- Ensuring that supplies reach consumers at reasonable prices

This clearly shows that the CAP was initially designed as a policy for an economic sector (agriculture) and its active population, rather than a policy for rural areas. As it has been argued[9], "Whilst the CAP has been the most significant European policy affecting rural areas, it has not been seen as a rural policy". However, following a series of successive reforms, initiated in the 1990s, the focus of the CAP has shifted from the previous dominance of sectoral market measures to a concern for a more integrated and sustainable agricultural and rural development policy.

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[7] DG Environment 1998.

[8] SPESP 2000.

[9] Buckwell 1997:170.

Reforms of the CAP and implications for urban-rural dynamics

The first deliberate attempt towards a transition from an agricultural policy to a rural policy came through the Commission Communication *The future of rural society*[10] which identified the need for "real rural development strategies" based on an integrated vision. Inspired by earlier work carried out by the Council of Europe, the Commission referred to three problems facing rural areas: the pressure of modern life, rural decline, difficulties of very marginal areas and the reduced significance of agriculture in rural economy. More importantly, the Commission concluded that problems in rural areas cannot be dealt with through sectoral policies alone. This call for an integral vision on rural development was reflected in the 1988 reform of the Structural Funds and in the creation of Objective 5b and the LEADER Community Initiative.

Later, an influential report by MacSharry, the then Agriculture Commissioner, published in 1991 on *The Development and Future of the CAP*[11] also led to further reform of the CAP. Amongst the new measures, the following are most relevant to the issues of urban-rural relationship:

- The implementation of new measures to limit agricultural production (quotas, set-aside of arable land, etc)
- The introduction of so-called 'accompanying measures' to encourage:
- Restructuring of farms and early retirement
- Forestation of agricultural land
- An agri-environmental action programme aiming at less polluting farming practices

Following the *Agenda 2000* agreement, the 1992 reform was further developed into a specific rural development policy which became the 'second pillar of the CAP. The financial support came from the changes in the Structural Funds. Amongst the measures introduced by the 1998 reform at least three were particularly important in moving the CAP towards a rural development policy and hence, increasing its potential influence for holistic policy development in rural areas in their regional context. The reform:

- responded to the objectives of EU rural development policy which are to create a stronger agricultural and forestry sector, to improve the competitiveness of rural areas and to maintain the environment and preserve Europe's rural heritage,
- approved a new generation of the Community Initiative LEADER, under the Structural Funds, to promote job creation and exchange of know-how on rural development issues, and
- extended 'agri-environmental measures' to 'green the CAP'.

Agri-environment measures

In preparing for Agenda 2000, the Commission moved towards an integral perspective on rural development. In *Rural developments: situation and outlook*[12] the link to European environmental policy was emphasised by presenting agri-environmental measures as a "new agricultural policy instrument". This offers payments to farmers who, on a voluntary and contractual basis, provide services to protect the environment, the natural habitat and the landscapes, to maintain the countryside by less intensive farming practices, and to manage land for public access and leisure activities.

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[10] CEC 1988.
[11] CEC 1991.
[12] CEC 1997.

The agri-environmental programmes submitted under these measures vary substantially in terms of their environmental priorities, national practices and climatic conditions. However, overall the policy has generated a widespread success and has led to an increase in its budget, with more precise targeting and better integration of agri-environmental measures with other complementary measures. These will be undertaken as part of a new generation of rural development and promotion of better co-ordination between different rural sectoral policies. However, the environmental measures still account for only 3% of the CAP budget, and only 1% of the EU15 territory is being ecologically farmed, of which 75% are receiving EU assistance.

The Rural Development Programme

In 1996, the Commission organised the Cork conference on rural development and developed ideas for the achievement of a sustainable and coherent rural development policy, based on regional needs and potential, with farming policy at its core. The 'Cork declaration'[13] promoted integrated rural development across Europe and put forward a ten-point rural development programme, urging all policy makers to support it through co-operation and partnership. Three of the proposed measures are particularly relevant to urban-rural dimension, namely: integrated approach, diversification and sustainability.

The latest CAP reform, following the Agenda 2000 programme, builds on the conclusions to the Cork conference and aims to establish a new framework to maintain a living countryside and to protect Europe's rural heritage, making rural development the second pillar of the CAP along with market stabilization and environmental payments. In the coming years, it will be vital for many rural regions to adapt their agriculture in time to new market conditions and to diversify their economies. The key question is whether the decline of traditional agriculture is to be compensated for by the emergence and expansion of new economic activities, on- and off-farm.

From CAP to an integrated
and 'territorialised' rural development policy

> "While the decade of the 1960s was essentially spent in putting in place the main structures of the CAP, the period since the early 1970s has been a time of almost constant adaptation and amendment… in the 1980s … the focus of Community support for rural areas (also) began slowly to change away from a narrow agricultural one to a broader front which recognised the existence of other roles for country-side resources…. In the 1990s the process of change has continued with a major overhaul of the CAP in 1992 and the increasing use of the Structural Funds and various initiatives such as LEADER"[14].

It is expected that the process of moving from a sectoral CAP to an integrated rural policy will reinforce the ties, which link agriculture to the rest of the local community and open the prospect for the "regionalisation" and "re-territorialisation" of rural policy through regional development programmes emphasising endogenous development and partnerships[15]. However, some argue that the process of change from a CAP to an integrated Common Agricultural and Rural Policy has been very slow. This means that in

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[13] http://europa.eu.int/comm/agriculture/rur/cork_en.htm .

[14] Rogers 1997: 165.

[15] Moseley 1997.

the coming decade two diverging systems are likely to coexist: an intensive, high input-high output system of farming focused on food quantity; and an extensive, low input-low output system of farming focused on sustainability and food quality[16].

2.1.3 Regional Policy

The EU structural policy is the only major EU policy area, which targets resources on a geographical basis, and consequently, has a direct spatial impact on the development of the EU territory and the urban-rural relationships. Regional policy attempts to influence the distribution of economic activity and social welfare between regions in order to address uneven development. In other words, its purpose is to promote economic and social cohesion and reduce disparities between the EU regions.

Structural Funds

One of the key instruments of the EU regional policy is the Structural Funds which includes:

- European Regional Development Fund (ERDF)
- European Agricultural Guidance and Guarantee Fund (EAGGF)
- Financial Instrument for Fisheries Guidance (FIFG)
- European Social Fund (ESF)

Out of the four Structural Funds, the ***EAGGF*** is most directly related to rural development issues. It is composed of two sections, the Guidance section and the Guarantee section. Within the framework of European economic and social cohesion policy, the EAGGF supports rural development and the improvement of agricultural structures. Its fields of application are:

- Investment in agricultural holdings;
- Aid for the setting up of young farmers and vocational training;
- Aid for early retirement;
- Compensation for less-favoured areas;
- Agri-environmental measures;
- Processing and marketing of agricultural products;
- Development and optimal utilisation of forests;
- Development of rural areas through the provision of services, support for the local economy, encouragement for tourism and craft activities.

The Guidance Section of EAGGF funds horizontal actions across the EU regions. These actions include measures mentioned above. The most significant measures in terms of rural development and urban-rural relationships are measures that: target the adaptation of production, marketing and processing structures for agriculture and agricultural products; provide assistance in improving product quality, farm viability and competitiveness; and, encourage farmers to diversify their activities, in particular, by rural tourism, craft activities and the manufacturing and sale of farm products.

The new regulatory framework for EAGGF funding foresees the development of a strategy for all European rural areas in so called Rural Development Programming Documents. This seeks to move a range of EAGGF-funded measures beyond the “good agricultural practice” into a higher level by taking specific, regionally defined environmental objectives into account.

[16] Ilbery and Bowler 1997.

The ***FIFG*** is another significant Structural Funds in terms of rural development in areas where the economy is dependent on fisheries, notably the coastal areas. FIFG aims at achieving a sustainable balance between fishery resources and their exploitation, and seeks to strengthen the competitiveness of the sector and the development of areas dependent upon it. The existence of the FIFG within the Structural Funds and the additional eligibility of Fishery Dependent Areas under the regional fund supports the possibilities from an a sectoral policy into an integrated policy for coastal areas.

Structural funds vs. various urban-rural aspects

Integrated regional development and institutional capacities

From the perspective of urban-rural linkages it is of interest whether the development strategies of the Structural Funds are considered appropriate: are they based mainly on infrastructure spending and external capital which sometimes neglect the essential role of endogenous resources in regional development[17]. Whilst it is acknowledged that in the case of lagging regions, the initial step of any development programme is likely to be the provision of physical and social infrastructure in order to make regions attractive to productive investment and retain population, it is argued that "most of the less favoured regions lack the particular institutional, entrepreneurial and social traditions which characterize areas of growth – traditions which are not easily captured by simple policy initiatives such as those proposed by the Commission"[18]. Moreover, the conditions for success in economic development are not easily transferable from one region to another, and plans are not always rooted in an in-depth analysis of the local economy[19].

Institutional capacity building and partnerships

On the more positive side, the strategic approach to regional development promoted through the programming approach has encouraged a growing interest and practice in strategic thinking and planning where it did not exist or was declining, and encouraged a clear 'learning process' in regional development planning among local and regional authorities in the EU[20]. This approach has had a particularly beneficial effect on local institutional practices in the UK, where regional governance and strategic planning was weak[21]. "Reorientation of European regional policy has communicated itself to regional and national policy-makers who have adopted, to varying degrees, the techniques of programming and partnership"[22]. The emphasis on partnerships in the preparation and implementation of regional development programmes have fostered better institutional co-operation in economic development between public and private sectors, economic development specialists and NGOs[23].

Regionalism

The EU regional policy has fostered regionalism and the emergence of an active European regional lobby attracted by the prospect of EU funding. Moreover, the EU has supported

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[17] Blacksell & Williams 1994; Hannequart 1992.
[18] Amin & Tomaney 1995:23.
[19] Kearney 1997.
[20] Bachtler & Turok 1997.
[21] Martin 1997.
[22] Buzelay 1992: 69.
[23] Bachtler & Turok 1997; House of Lords 1997.

the exchange of experience between local and regional authorities and transnational, cross-border and interregional cooperation, in particular through the Community Initiatives (see next section). There has been a proliferation of trans-regional associations, inter-city networks, transnational and Euro-regions[24]. The systematic requirement for evaluation of regional development programme has introduced a new dimension into the practice of regional authorities[25].

However, it should be noted that the programming approach demands complex and cumbersome administrative procedures and requires specific skills from the parties involved. Also, the renewed interest in regional strategic thinking has been undermined by the competitive bidding mechanisms for funds allocation. In terms of regionalism, the lack of objectivity of the area designation process has been blamed for creating arbitrary geographical boundaries.

Rural dimension

Prior to the latest reform of the Structural Funds, two of its Priority Objectives were devoted to rural areas: Objective 5a and 5b. Objective 5a aimed at the structural adjustment of agriculture and was applied *horizontally* outside Objective 1 regions. Within these regions an integrated approach was followed. This meant that the horizontal measures were considered within the regional programme. Objective 5b was *regionally* applied. The regional approach allowed financial allocations to be targeted on those regions which have specific problems. It also allows for several of the Community structural funds to combine their resources.

Later, rural development programmes (in Objective 1, 5b and 6 areas) were added to the structural measures referred to above. A link between agricultural structural policy and a broader territorial approach was initiated for the regions targeted by Objectives 1 and 5b of the structural funds. This integrated approach was applied to all these regions, incorporating the various measures under the different structural funds into a single framework, i.e. the EAGGF's Guidance Section (see above). Amongst these measures, the followings are most likely to have had a positive impact on strengthening urban-rural interrelationships:

- Conversion, diversification, reorientation and adjustment of agricultural production potential including non-food agricultural products
- Measures to achieve diversification especially those providing multiple activities or alternative incomes for farmers
- Renovation and development of villages and the protection and conservation of the rural heritage
- Encouragement for tourist and craft investment, including the improvement of living accommodation on agricultural holdings
- Protection of the environment, maintenance of the countryside and restoration of landscapes
- Agricultural and forestry technological research and development

As mentioned above, the reform of Structural Funds led to the amalgamation of a number of Priority Objectives including the incorporation of Objectives 5b into Objective 2. Whilst this may represent a better integration between urban and rural policy and funding

[24] Kearney 1997.

[25] Lagrange 1997.

issues, some argue that, “The removal of the Objective 5b areas from the Structural Funds allocation process and the joining of problem rural areas with their urban equivalents in a revamped Objective 2 must cast serious doubts on the ability of rural areas to get a fair share of the available resources”[26].

2.1.4 Community Initiatives

Community Initiatives (CIs) were set up in 1989 as special financing instruments for structural policy proposed by the Commission itself, as a means of confronting specific problems affecting the EU as a whole. They are complementary to the *Community Support Frameworks* and the *Single Programming Documents* negotiated between the Commission and the Member States on the basis of regional or national development plans required for ERDF support. Two distinctive characteristics of CIs are their trans-national and inter-regional character and their bottom-up approach to implementation.

For the 2000–2006 period, the Commission proposed to reduce the number of Community Initiatives from 13 in 1993 to 4, concentrating whilst their efforts and strengthening the way they complement the Priority Objectives. These include:

- *Interreg III*: cross-border, trans-national and interregional cooperation (funded by the ERDF)
- *Urban*: regeneration of urban areas in crisis (funded by the ERDF)
- *Leader+*: rural development (funded the EAGGF-Guidance)
- *Equal*: fighting against discrimination and inequality in access to work (funded by the ESF)

As regards the degree of influence on urban and rural development, the first three are the most relevant ones and will be reviewed below.

INTERREG

In 1990 two Community Initiatives were adopted: INTERREG, which initially aimed to prepare regions in border areas to adapt themselves to the new situation created by the Single Market, and REGEN which aimed to fill in some of the missing links in the trans-European networks for transport and energy distribution in the Objective 1 regions. INTERREG is financed under ERDF and administered by DG Regio. National and regional or local authorities in the Member States (and third countries) are responsible for implementing the initiative nationally/regionally. So far, there has been three INTERREGs.

INTERREG II combined the functions of INTERREG I and REGEN. It had three distinct strands with a total budget allocation of ECU 3,519 million in 1996. These were as follows:

- Interreg II A (1994–1999): cross-border co-operation.
- Interreg II B (1994–1999): completion of energy networks.
- Interreg II C (1997–1999): trans-national co-operation in the area of spatial planning, in particular management of water resources (actions on flooding and drought)

Interreg IIC has clearly been a relevant Community Initiative in terms of the development of spatial planning at the EU level and strengthening of urban-rural linkages. Its key objectives were to:

- promote a harmonious and balanced spatial development of the territory of the EU

[26] Rogers 1997: 167.

- foster transnational co-operation within a common framework in the field of spatial planning by the Member States, regions and other authorities and actors in such a way that development priorities are defined for adjoining transnational areas
- contribute to improve the impact of Community policies on spatial development
- help Member States and their regions co-operate on a pro-active approach to common problems, including those linked to water resource management caused by floods and drought

Transnational co-operation programmes under Interreg IIC, aiming at developing concrete projects in the field of regional and spatial planning, were based on the framework of the ESDP, i.e. an integrated long term strategy for the development of the territory of the Community. As expressed in the NWMA guidelines for project promoters:

> ".. the ESDP and Interreg IIC represent two sides of the same coin: the principles and theoretical background of European territorial development policies are covered by the ESDP, whilst Interreg IIC represents the operational side, the testing ground to put the ESDP principles into practice. The combination of the two should produce a dynamic synthesis, where theory and practice complement each other through an interactive process of constant self rearticulation"[27].

Interreg IIC programmes were a first experiment of developing transnational integrated spatial strategies in large co-operation areas as advocated in the ESDP. The different transnational areas have concentrated on different fields of action (priorities), covering various policy options of the ESDP.

In April 2000, a new phase of the Interreg initiative, ***INTERREG III***, was designed to strengthen economic and social cohesion throughout the EU by fostering the balanced development of the continent through cross-border, transnational and interregional cooperation. Interreg III is made up of 3 strands:

- *INTERREG III A*: cross-border cooperation between adjacent regions aims to develop
- *INTERREG III B*: transnational cooperation between national, regional and local authorities aims to promote better integration within the Union through the formation of large groups of European regions.
- *INTERREG III C*: interregional cooperation to improve the effectiveness of regional development policies and instruments through large-scale information exchange and sharing of experience (networks).

Interreg III follows more closely the ESDP approach in terms of:

- Geographical integration of policies at European-wide and transnational level
- Horizontal co-operation and partnership between sectoral policies
- Vertical co-operation and partnership between the various tiers of government (and with other economic and social partners)

Many of the Interreg III's priories for action address the issues of integrated territorial development and within that context the strengthening of the functional and spatial links between urban and rural areas.

Key examples include:

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[27] NWE Joint Technical Secretariat 2003.

Under Interreg III A:

- Promotion of urban, rural and costal development;
- Developing SMEs including those in the tourism sector;
- Developing local employment initiatives;
- Assistance for labour market integration and social inclusion;
- Initiatives for encouraging shared use of human resources, and facilities for research and development, education, culture, communication, health and civil protection;
- Measures for environmental protection, improving energy efficiency and renewable energy sources;
- Improving transport, information and communication networks and services, water and energy systems;
- Increasing cooperation in legal and administrative areas;
- Increasing human and institutional potential for cross-border cooperation.

Under the Interreg IIIB:

- Elaborate operational spatial development strategies on a transnational scale, including co-operation among cities and between urban and rural areas, with a view to promoting polycentric and sustainable development;
- Promote efficient and sustainable transport systems and improved access to the information society;
- Promote the environment and the good management of cultural heritage and of natural resources, in particular water resources.

The current INTERREG Programme clearly acknowledges the significance of rural development in the European regions and stresses that there is a need for urban-rural and inter-rural co-operation to provide a decent level of services and to solve common problems.

Those directly involved in INTERREG programme have requested a strong theme on urban-rural interdependencies in the priorities and measures of the operational programme of the Atlantic Arc Area, for example. Their recommendations include:

1. The Operational Programme of the Atlantic Arc Area recognises the importance and specificity of rural/urban interdependency issues;
2. The following objectives are included in Measure A. 1. 'Urban Grid, network of cities et urban/rural interdependencies':
    - Elaboration of global and integrated strategies that contribute to a balanced development of urban and rural areas at a regional level;
    - Foster the establishment of partnerships between urban and rural areas that would help in ensuring a more efficient land use planning and an improvement of the quality of life in both areas.
3. The following types of activities be inserted in Measure A-1:
    - To get a better understanding of the relationship between urban/rural areas;
    - to exchange good practices and experiences in addressing specific urban/rural interdependencies issues.

The following example from INTERREG IIIB (Atlantic Area) illustrates the current interests amongst professionals to develop a better understanding of urban-rural relationships by using the resources available under INTERREG.

Example: Urban and rural interdependencies and the Atlantic Area

Given the significance of urban-rural relationships in many regions of the Atlantic Arc/Area, a General Assembly of the Atlantic Arc Commission held in Oviedo in 2000 established a *Rural and Urban Interdependencies Working Group* in order and highlighted the following key points:

- Urban and rural interdependence is an issue of common concern across different regions and sectors and it would undoubtedly benefit from an exchange of good practices and an integrated policy approach towards rural/urban issues.
- Structural, economic, social, cultural and political reasons behind the search for better urban-rural linkages are different from region to region. However, it is noticed that innovation and experimentation is underway in making better connections between rural and urban areas.
- There is considerable interest in establishing specific institutional arrangements aimed at jointly managing problems linked to the rural/urban dimension, notably as far as the methods and the importance of reaching consensus among the different urban and rural interests are concerned.

These were followed by a series of potential activities including:

- Define territories or sub-regions embracing urban-rural linkages, and creating institutional capacity for integrated policy responses within those territories. This includes explicit consideration of the most effective planning institutions, instruments and procedures for making links between urban and rural areas
- Ease pressure on accessible rural areas from urban economic development and general counter-urbanisation trends
- Respond to the needs for better joint urban-rural management of environmental resources, energy, waste, tourism and cultural resources both within the region and trans-nationally
- Look at the implications of changing patterns of retail and commercial services and the changing role of small and medium sized towns in providing facilities and employment in rural areas
- Assess the significance of accessibility for economic development and quality of life, the challenge of reducing high levels of dependence on private transport in rural areas, and the potential of ICT for service provision
- Provide a relevant analytical framework in order to get a better understanding of rural/urban interdependency issues to assist decision makers
- Analyse the linkage between perceptions about the quality of the environment, cultural and recreation facilities in both urban and rural areas and how this affects the need for travel and migration between the two; especially the effect that poor urban quality has on increasing pressure for housing and recreation in accessible rural areas;
- Fight against social exclusion in both rural and urban areas
- Better understanding of the gateway functions of communication nodes at the regional, national and international scales and implications for local urban-rural relationships.

The LEADER Initiative

The Community Initiative LEADER (a French acronym for 'Liaison Entre Actions de Développement de l'Economie Rurale') aims to stimulate rural development initiatives by helping rural associations, local authorities and rural action groups to devise innovative strategies for local development. It also helps local people acquire the skills that are needed for establishing integrated strategies based on realisation of local potentials. LEADER also promotes trans-national co-operation and the exchange of relevant information and experience through a European rural development network. Rural localities in Objective 1 and 5b areas were eligible for funding.

LEADER is an example of an integrated territorial approach for rural areas. It aims at bringing together local actors in order to design a development strategy based on a bottom-up approach and to allow the exchange and transfer of good practices. The aim is to empower local actors through exchange of experiences and to enhance territorial development.

After an experimental period in 1991, the initiative witnessed a growing success. The number of local action groups (LAGs) raised from 217 during LEADER I (1991-1993) to more than 900 during LEADER II (1994–1999). These local action groups developed their own strategies. Rural tourism had the major share of resources with initiatives to develop small businesses and crafts. The emphasis on local partnerships marked a significant step away from the 'top-down orthodoxy', which prevailed in many member states' rural policies[28].

The success of LEADER I and the quadrupling of the resources allocated to LEADER II served to broaden LEADER's scope. However, the decentralisation of the implementation of the LEADER programmes has led to a considerable increase in the amount of administrative tasks. Moreover, the project approach has been changed into a more comprehensive programming approach, which also includes a change in financial procedures. To some extent, the more formalized approach has somewhat watered down the original bottom up approach.

However, the LEADER network has proved particularly useful for facilitating the exchange of experience and know-how at the European level. This last aspect appears to be one of the most interesting results of the LEADER Initiative. Equally important, and more delicate, is the issue raised by LEADER of what specific administrative and financial procedures should be followed to best promote the bottom-up approach, and so consolidate the democratic process of elaboration of local rural development.

A third generation of LEADER programme (called LEADER +) was designed for the period 2000–2006. This rural development initiative continues to develop integrated rural development strategies on the basis of local needs with a view to facilitate the exchange and transfer of experience and know-how as well as to encourage inter-regional and transnational co-operation. In terms of urban-rural relationships, however, the LEADER is still based on a narrow territorial limit where only small towns are eligible for funding. This clearly prevents the development of links between larger towns and rural areas.

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[28] Moseley 1997: 204.

The URBAN Initiative

The Urban Initiative supported by the ERDF within the framework of the Structural Funds was launched in 1994. Its aim was to extend and improve co-ordination of EU contributions to the implementations of various urban policies drawn up at national or regional level. Its key objectives are to:

- Support schemes of economic and social regeneration including projects of renovation of infrastructure and environmental improvement
- Promote the design and implementation of innovative development models for the economic and social regeneration of urban areas in crisis
- Strengthen exchanges of information and experience on sustainable urban development in the European Union.

Priorities for action were focused on innovative projects, which form part of a long term strategy for urban regeneration addressing issues such as: renovation of the built environment; local employment initiatives; improvement in education and training systems for excluded social groups; developing more environmentally-friendly public transport systems; encouraging the introduction of more efficient energy management systems and the use of renewable energy; and development of the potential created by ICT.

Many of these action priorities share similar objectives to the ones that are considered as influential in managing the urban-rural relationship in a sustainable way. However, these considerations have remained implicit and the emphasis has continued to be on urban areas with little reference to their hinterland.

This compartmentalisation in policy terms is exacerbated by the geographical focus of the Initiative. Where the LEADER Initiative is geographically limited to rural areas and small towns, the interventions of the URBAN Community Initiative are limited to the built up areas of towns and in particular the deprived inner city areas.

2.1.5 Article 10 Pilot Projects and Innovative Actions

The ERDF finances innovative actions and pilot projects (under Article 10 of the ERDF Regulations), aiming at exploring new approaches to economic and social development that encourage cooperation and the exchange of experience between actors in local and regional development. Eight areas of action and co-operation were adopted. Of particular relevance to territorial development and urban-rural dynamics are the Urban Pilot Projects and the TERRA programme.

The ***Urban Pilot Projects*** (UPP), launched between 1989 and 1993, aim to support innovation in urban regeneration and planning within the framework of the broader Community policy for promoting economic and social cohesion. UPP, which fund pilot actions and innovative measures, has enabled the Commission to use a small proportion of ERDF resources to fund projects that pilot innovative ways of tackling problems of urban disadvantage and unemployment. UPPs are guided by the following principles:

- Addressing a theme of urban planning or regeneration of European interest
- Being innovatory in character and offering new approaches
- Having a clear demonstration potential with transferable lessons
- Contributing to the development of the region in which the city is located

During 1990 and 1993, a total of 33 Urban Pilot Projects in 11 Member States were implemented. A number of these have been sustained beyond the Article 10 funding period and others have acted as catalysts for further regeneration in the targeted areas. In 1997, the Second Phase of the UPPs was also approved and 26 Urban Pilot Projects were selected for funding during 1997 and 1999. The projects have mainly fallen within one of the following themes:

- Economic development projects in areas with social problems
- Areas where environmental actions can be linked to economic goals
- Revitalisation of historic city centres
- Exploiting the technological assets of cities

Although the guiding principles of the pilot projects allow the extension of actions beyond the physical boundaries of cities and into the city-region domain, based on the main themes it seems that that the city-region aspect has hardly been addressed through the projects. The main focus has been on cities.

The ***TERRA programme*** was launched in 1996 to promote trans-border networks of local and regional authorities especially in the areas of the European Union whose specific territorial features make them more fragile. This programme seeks in particular to find new approaches and integrated solutions to cope with the specific characteristics of these areas. The programme encourages local and regional authorities to view the problems affecting them in a European context enabling knowledge to be pooled and exchanged and common solutions found through co-operation. TERRA seeks to encourage spatial planning as a key tool for sustainable economic development and job creation in the European Community.

15 projects covering 13 member states were selected for funding during the period 1997 to 2000. Each project forms a network of a small number of local authorities and partnerships in the EU who share specific geographical and/or structural features, which have been classified in one of the 5 following thematic areas:

- Coastal areas
- River basins
- Areas suffering from erosion or desertification
- Rural areas to which access is difficult
- Areas with endangered natural and cultural assets

The programme promotes in particular:

- An approach to land-use and management based on long-term objectives that comply with the partners' various legislative norms
- A global, multisectoral approach that is attentive to the interdependence of the various sectoral policies and their territorial impact and ensures that they are linked in an integrated strategy
- A concerted geographical approach based on contiguous areas or areas with similar characteristics that can be improved through preventive, corrective or guidance measures that are innovative and/or demonstrative

It is clear from the list above that TERRA has a strong emphasis on integrated multi-sectoral approach to policy development and implementation. Furthermore, its thematic rather than geographical approach allows projects to be developed which go beyond the boundaries of urban or rural areas and focus on shared challenges and opportunities.

2.1.6 Transport Policy

The achievement of a balanced relationship between urban and rural areas could be said to rely heavily on measures taken in the field of transport and other infrastructures. The Common Transport Policy seeks to reconcile the need for mobility – the very raison d'être of transport – with the imperatives of safety, respect for the environment and social responsibility. This was summarised under the concept of 'Sustainable Mobility', which is now the keyword for the EU approach to transport policy.

From the outset, transport policy was specified in the Treaty of Rome as an area of Community competence, unlike environmental or regional policy. During the first decades of the EC, European policy in the field of transport was based on a twofold approach focusing on *liberalisation* and *harmonisation.* Liberalisation primarily concerned the opening up of national markets to competition. Attention to harmonisation has resulted in a body of standards and regulations which currently applies in the European Union to iron out disparities and enable transport undertakings to compete fairly with one another.

Between 1975 and the early 1990s, European contributions to infrastructure development were channelled through the ERDF and Cohesion Funds. ERDF credits for transport infrastructure amounted to 16 billion ecu for the period 1975–1991. The loans of the European Investment Bank (EIB) also co-financed infrastructure project (14 becu between 1982 and 1991). In the 1980s, more than one-third of the total budget of the EIB was devoted to transport and telecommunications infrastructure[29]. Finally, loans from the European Coal and Steel Community supported the construction of specific infrastructure projects such as the TGV tracks in France and Spain (1.2 becu 1987–1991).

The Green Paper on the impact of transport on the environment

This marked a turning point towards an integrated EU Transport and Infrastructure Policy and indicated a new concern for 'sustainable mobility'. The Green Paper provided an assessment of the overall impact of transport on the environment and outlines proposals for a Common strategy for 'sustainable mobility' which "should enable transport to fulfil its economic and social role while containing its harmful effects on the environment"[30]. Particular problems identified by the Green Paper include:

- Operational pollution of air, water, and soil and noise pollution
- Accidents and impact on human health + Risks inherent to the transport of dangerous goods in case of a transport accident
- Degradation of urban and natural zones through congestion and land use consumption

Regarding the latter, it is stated; "Transport infrastructure has a permanent and often irreversible impact on the environment in terms of land-use and land intrusion". The impact on land use varies according to the scarcity of land (not the same impact in rural areas than in urban areas). Impact on urban areas: obstacles to pedestrians; physical isolation of communities; create barriers; disrupt commercial and social activities. Influence on the urban and suburban landscape, the architectural and social homogeneity of cities, reduced available spaces for other land use and green belts. Impact on natural areas: possible disruption or destruction of natural habitats and landscapes[31].

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[29] Banister et al. 2000: 59.

[30] CEC 1992a: 5.

[31] CEC 1992a:26.

White Paper on the future development of transport policy in the EU

In 1992, the Commission published a Communication of the Future development of the Common Transport Policy[32]. It identified serious imbalances in Europe's transport system:

- Increasing saturation of transport networks. Between 1980 and 1994, total traffic within the EU increased at a rate of 2 % a year, and cross-border traffic by 2.4 %.
- An unbalanced distribution of traffic between the different modes of transport. The different modes of transport exhibit unequal degrees of saturation. The roads are under greatest pressure, and understandably, since road freight transport more than doubled between 1970 and 1995.
- Regional imbalances. There are bottlenecks or congestion "black spots" in some areas of the EU, while some peripheral regions of the EU, on the other hand, are still poorly connected to the rest of the EU network and thus to the main economic centres of the Union.
- Damage to the environment, with increasing levels of atmospheric pollution. 20 % of Europeans suffer unacceptable levels of noise pollution from road traffic.

Two of the key measures introduced to correct these imbalances were:

- The establishment of Trans-European Networks, to enable citizens to travel and businesses to deliver their goods without hindrance or risk from one end of the Union to the other.
- The integration of transport systems. by linking up networks it would become possible to switch part of the transport flow from the roads to less polluting or underused modes: rail, inland waterways or short sea shipping.

The Maastricht Treaty and The 'Trans-European Networks' programme

The 1992 Communication highlighted incompatibilities between national transport systems (inadequate interconnections, missing links and bottlenecks...) and proposed to develop a trans-European Transport Network "within a framework of a system of open and competitive markets, through the promotion of interconnection and inter-operability of national networks and access thereto". It must "take particular account of the need to link island, landlocked and peripheral regions with the central regions of the Community"[33].

The TENs programme marked a turning point for the elaboration of a comprehensive Common Transport Policy encompassing more than the deregulation and harmonisation of transport services at European level. A new Title on Trans-European Networks (TENs) was introduced in the Maastricht Treaty in 1992. The first article of Title XII states that, "to help achieve the objectives referred to in Articles 14 and 158 and to enable citizens of the Union, economic operators and regional and local communities to derive full benefit from the setting-up of an area without internal frontiers, the Community shall contribute to the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures" (Art. 154).

In promoting the TENs, the EU sought to address the problems for urban centres in which "the overall efficiency of the Community's transport networks…is increasingly determined and indeed threatened by the growing concentration of traffic on a certain

[32] CEC 1992b

[33] CEC 1992b:152

number of routes, modes and destinations with which the present organisation of the networks is finding it increasingly difficult to cope. Examples include the unbalanced development of the Community's ports…congestion on roads leading to the newly opened regions of Easter and Central Europe, particularly at border crossings, and, more generally, at major motorway nodes and urban centres".

Transport policy & urbamn-rural relations

Much of the trust of the Common Transport Policy is aimed at increasing accessibility to peripheral rural regions and reducing congestion of 'bottlenecked' urban areas. For instance, one of the arguments for implementation of the TENs has been, in the context of the EUs overall objectives, to 'reduc(e) the disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas'. However, the transport policy cannot be said to address explicitly the relationship between urban and rural areas. The following concepts have been used to illustrate the role of transport policy in shaping regional development and urban-rural relations[34]:

- The 'corridor effect': a corridor "has the effect of channelling traffic through the region, but without bringing substantial potential benefits to the region". A new infrastructure link can improve the accessibility between regions but not within the region if there are no (or few) linkages between that link and sub-regional/local networks. In under-developed regions, new links between major metropolitan areas bear the risk of sharpening the metropolitan/ non-metropolitan division in regions.
- 'Shadow effects': a new transport infrastructure link may divert traffic away from more traditional routes and modes, in central or in peripheral regions, thus contributing to the declines of certain parts of these regions.
- In the peripheral regions, the corridors and shadow effects will reduce the effectiveness of an infrastructure-led policy of regional development.

2.1.7 Environmental Policy

Although the Treaty of Rome imposed no environmental obligations on member states, environmental policy was to become an important body of EU legislation, binding on all member states. It was also to be the first sector of EU policy to impact directly on the land-use planning function of planning authorities[35] through the 1985 Directive on the Environmental Assessment of Projects, which was integrated into domestic planning law. It has subsequently become a successful sector of EU policy with more than 400 pieces of legislation having been produced.

The Amsterdam Treaty states that, Community policy on the environment shall contribute to pursuit of the following objectives:

- Preserving, protecting and improving the quality of the environment
- Protecting human health
- Prudent and rational utilization of natural resources
- Promoting measures at international level to deal with regional or worldwide environmental problems.

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[34] CEC 1992b:152

[35] Williams 1996: 185

Moreover it describes the Union's objective as "to promote economic and social progress and a high level of employment and to achieve balanced and sustainable development". This commitment represents a change from an early interest in sustained growth to an interest in sustainable growth, and from regulatory and remedial to a preventative approach to tackling environmental problems.

In the application of these objectives, there are three key principles that guide the EU environment policy. They are recognised by Article 174:

"Community policy on the environment shall aim at a high level of protection taking into account the diversity of situations in the various regions of the Community. It shall be based on the *precautionary principle* and on the principles that *preventive action should be taken*, that *environmental damage should as a priority be rectified at source* and that *the polluter should pay*."

The EU has adopted a mixed approach to implementation, relying primarily on regulatory environmental standards but also including voluntary schemes, market tools and more recently flexible pollution trading permits under the Kyoto agreement. Another way that the EU seeks implementation of its environmental objectives has been through co-ordination with other policies. The Community strategy aims at introducing a horizontal approach to environmental policy by integrating it into all Community policies. It identifies energy, transport, and agriculture as priority sectors. These sectors are at the same time key sectors for spatial planning and development. But, in spite of the efforts to integrate environmental considerations into other policy areas, the process has been slow.

Urban-Rural Implications

The implications of the Environmental Policy of the EU for urban and rural areas are significant, if rather different. Some aspects of the policy clearly are targeted mainly at the rural and in particular agricultural activities of, rural areas, others at the energy consumption and industrial activities of urban areas. Apart from reducing the environmental impacts of one that may indirectly affect the other, there is little that directly affects the relationship between the urban and the rural.

The Biodiversity Strategy of the Community[36] refers explicitly mainly to rural areas although it implicitly touches important urban-rural linkages. The strategy provides a framework for addressing objectives of sustainable use of biodiversity across the territories that do not constitute "protected areas". The strategy defines a number of relevant territorial concepts including ecological corridors and buffer zones and rural areas that constitute an important factor for combining economic objectives with nature and landscape conservation.

Among the policies with an explicit urban focus, there are a series of Directives aiming at combating air pollution, focusing on the sources of emissions (vehicles, large-combustion plants and power stations) and on the monitoring of air quality. The directives can have direct impacts on activities in certain mostly urban or industrial areas (e.g. mobility restrictions in case of overcoming ozone thresholds). Combined with "emissions registers" and air quality mapping, these instruments can have an impact on spatial planning policies. With regard to the management of waste, the question of liability for contaminated land has become a crucial issue for urban brown-field site regeneration and urban planning[37].

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[36] CEC 1998

[37] Williams 1996: 193

Some further environmental policies that implicitly consider both urban and rural areas can be found in the domain of water pollution. Several Directives related to surface waters and groundwater have had an impact on agricultural practices and waste water treatment, i.e. on the spatial development of both urban and rural areas. Also the Community Action Programmes on the environment have mentioned the need for integrated regional management plans among their objectives.

2.1.8 Spatial Policy

Although many EC policies have had a spatial impact, there has been no explicit or homogeneous spatial strategy for the EU, partly because the EU does not have a formal competence in spatial policy. However, a spatial policy agenda has emerged under both the impetus of the Commission and of some proactive member-states, in addition to a series of initiatives of the Commission including studies of the European territory and experiments in cross-boundary planning. 'European spatial policy' is still at its very beginnings and is not a formal process[38].

The Commission's publication of Europe 2000+ in 1994 made a few tentative steps towards recognising the relationships between urban and rural areas. Notably, it discussed the role of small and medium-sized cities and their role in providing administrative and other basic services to surrounding areas, especially rural areas[39].

However, it was the publication of the ESDP[40] in 1999, which gave the notion of urban-rural relationships a new salience. The ESDP has an indicative, not prescriptive approach, and is not a legally binding document. It does not give a new competence to the EU – it is a policy framework for better co-operation between Community sectoral policies and between Member States, their regions and cities.

The ESDP's key objectives include:

- A balanced and polycentric city system and a new urban-rural relationship;
- Securing parity of access to infrastructure and knowledge;
- The prudent management and development of the natural and cultural heritage

The ESDP should help to promote greater effectiveness of Community policies through inter-sectoral co-ordination in an integrated spatial approach. This requires the Commission to work on the spatial impact of Community policies and to further develop horizontal co-operation. Many of the policy options requiring co-operation at the European, and particularly the transnational level, are dependent upon complementary policy implementation at the regional and local levels, from small towns in rural areas to large metropolitan regions, in a bottom-up approach.

A number of INTERREG partners have already set cross-border projects within integrated spatial development frameworks. The ESDP encourages the development of similar frameworks of co-operation. Examples of common spatial development strategies include: Oresund region in Scandinavia; Euro regions along the German-Dutch border and in the Saar-Lor-Lux region.

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[38] Williams 1996; Nadin 1999

[39] CEC 1994

[40] CEC 1999

ESDP and urban-rural relationships

The ESDP highlighted the functional interrelationships of urban areas with their surrounding countryside and the need to move away from the compartmentalisation of policies. It also pointed to the danger of regarding urban-rural linkages as homogenous and universal across Europe and noted that the development patterns and prospects in rural areas may differ greatly from one area to another. Hence, it recommended that spatial development strategies must take into account local and regional conditions, characteristics and requirements.

The ESDP called for a re-evaluation of the relationships between city and countryside, based on the integrated treatment of the city and countryside as functional and spatial entities with diverse relationships and interdependencies. More importantly, it strongly argued for the development of 'urban-rural partnerships'. It pointed out that opportunities offered by urban areas are often complementary to rural areas and, towns and cities should be seen as partners and not competitors.

The following actions promoted by the former Committee of Spatial Development echoes these concerns, and clearly indicates the central role played by the ESDP agenda in the pursuit of a better understanding of urban-rural interdependencies and the need for more effective urban-rural partnerships:

At the regional level:

- Improvement of accessibility by linking regional transport systems with national/ international hubs;
- A contribution to the development of an integrated transport infrastructure;
- Action programmes for the preservation of settlements in rural areas which are affected by reductions in population and set-side schemes;
- Strategies for the sustainable development of landscapes and the evaluation of the landscape potential for exploiting renewable energy resources;
- Development of landscapes and ecosystems with regional and European significance;
- Co-ordinated land use plans which incorporate wise management of water resources;
- Programmes for the conservation and expansion of the common cultural heritage.

At the local level:

- Common strategies for economic diversification aimed at the development of city co-operation and city networks;
- Adoption of planning concepts for sustainable urban development, including amongst other things the promotion of multi-modal transport concepts and a reduction in the need to travel;
- Urban and rural partnerships to develop sustainable innovative spatial development strategies for the cities and their surrounding countryside; and
- Action programmes for the protection and conservation of the urban heritage and the promotion of high-quality architecture

2.1.9 Summary

It is clear that something that could be called an urban-rural policy of the European Union does not exist. The various sectoral policies may, however, include some aspects that have relevance from the point of view of urban-rural relations.

First of all various sectoral policy documents may show a certain degree of sensitivity towards considering urban-rural relations. The review of sectoral policy documents has shown, that such sensitivity is not easily visible. The documents include few references to their potential effects on urban or rural areas and very little attention is paid explicitly to effects on urban-rural relations. The most references were found – quite unsurprisingly – in agricultural and rural policy and regional policy documents. The implementation of the Community Initiatives has also developed some urban-rural sensitivity. However, the policy aims of the ESDP are still mainly waiting to be concretised in actual policy measures.

The actual impacts of the sectoral policies on urban-rural relationships are another matter, but it is very difficult to measure those impacts. The policies with major budgets have certainly better possibilities to influence the spatial development than the policies lacking such funds. The Common Policies on agriculture and transport as well as the Structural Funds are thus critical in this respect.

Also the clever adoption of various EU policy documents can foster commitment to some general principles – even if the policy fields would be outside of the Community competence. The Community Initiative Interreg, for instance, has been active in promoting the ESDP aims, but its emphasis on strengthening urban-rural relations has also been welcomed by the actors that are supposed to operationalise that aim.

The future development of the Common Agricultural Policy is of patricular interest from the perspective of urban-rural relations, as it both incorporates issues of rural development and constitutes the highest share of the Community expenditure. If the CAP continues to develop towards an increasingly territorialized development policy, the funds are likely to be distributed among territories that encompass both urban and rural areas. In the development of such a policy framework the question is, what kind of added value attention to urban-rural aspects can bring to territorialized (rural) development policy.

2.2 National policies affecting urban-rural relationships

In order to examine the existence and nature of urban-rural policies in different European countries, a questionnaire survey was undertaken during the first half of 2003. The objective of the questionnaire was to *collect examples of current national and regional policies in Europe that address the issue of urban-rural interdependencies directly or indirectly*[41].

As a short overview of the different foci of the analysed policies, the following can be said:

Denmark and *Austria* share similar concerns for the protection of the countryside from urban sprawl. Denmark actually wishes to increase the independence of rural areas. This is also the case in *Germany*, to a certain extent. Here the idea is to build up infrastructure to link smaller centres with one another. The focus is on a policy of 'decentralised

[41] The questionnaire was sent to all members of Trans-national Project Group working on ESPON Project 1.1.2 in early February 2003. Respondents were asked to provide at least two policy examples. Given that most of the team members have responsibility to provide information for more than one European country, it was envisaged that a full coverage of EU (27) would be provided. In cases where it was not possible to cover a specific country, the questionnaire was sent to selected ESPON Contact Points via the project's Lead Partner. As can be seen in Table 2.1, there are still major gaps in terms of country coverage.

Table 2.1: Questionnaire Responses on Urban-Rural Policy

Project partners	Countries covered	Title of policy
ECPs	Denmark Austria Switzerland	• Urban and Rural Zoning: The Planning Act (URZ) • Sectoral Planning (Salzburg) (SPS) • Grundzüge der Raumordnung Schweiz (GRS)
NIRSA	Ireland	• National Development Plan (NDP) • Ensuring the Future – A Strategy for Rural Development (ETF) • National Spatial Strategy (NSS)
SEFEMEQ	Italy	• Environmental defence and territorial development for overcoming territorial imbalance (Brescia Province) (TPIB) • Territorial plan of the Province of Chieti • Territorial plan of the Province of Siena (TPS) • Territorial plan of the Province of Napoli
CURS	Finland	• Working Group on Urban-Rural Interaction (WGURI)
TAURUS	Germany	• Joint regional planning Berlin-Brandenburg (JRPBB) • Policy for Regional Planning (PRP) • Joint programme for the improvement of the regional economic structure (JPI)
ÖIR	Bulgaria Hungary Slovenia	• Policy for strengthening the economic structure of declining rural areas (DRA) • Policy for Granting Urban Status (PGUS) • Strategy of Regional Development of Slovene (SRDS)
OTB	Netherlands	• Spatial Diversity (SD)
CEG	Portugal Spain	• Reduction of the Asymmetrics and Promotion of the Regional Dynamics (RAPRD) • Interventions of the Central Administration Regionally Deconcentrated (CARD) • Regional Development Plans for Objective 1 regions (O1R)
CUDEM	UK	• Urban White Paper (UWP) • Rural White Paper (RWP)
Total	**14**	**23**

concentration' and 'territorial cohesion'. The *Netherlands* has a policy of demarcation of rural and urban areas. This is being up-held, but some measures are relaxed to allow urban dwellers better access to rural areas for leisure and recreation. In the *UK* provision of services for rural areas is an issue, so is restricting development of the 'urban fringe' and developing towns to compete with larger urban centres.

In *Ireland* the concern relates to preventing mass movements of rural populations to urban areas. The policies entail stimulating the development of smaller urban areas/ towns to hold rural communities together and distribute population growth more widely.

In *Italy* there is a desire to foster interdependency and regulate settlement patterns in rural and urban areas. Also diversification of rural employment is seen as a means of retaining rural populations. In *Bulgaria*, strengthening rural communities by diversifying employment is also central to their policy. Using SMEs to interlink rural and urban areas is also being promoted. *Hungary* is encouraging rural areas to apply for town status. This is considered to be a mechanism for facilitating rural development. In *Portugal*, a key issue is improving the accessibility of rural areas. The same applies to *Slovenia*.

While some replies mentioned policies, which had been in place for thirty five years or more, policies which focused on urban-rural relations (URR) were relatively recent: *most had been developed and adopted in the last five years*. The oldest is that adopted in Hungary twelve years ago, but it has a somewhat administrative – rather than functional – emphasis. More recent examples are to be found in Bulgaria, Slovenia, Finland, Germany and Ireland. The latter has the most recent policy and is the one that is most closely focused on managing functional relationships.

The agencies which had *initiated* URR policies were *mostly national governments*. Only one third was initiated at regional/ provincial level. The predominance of national level initiation suggests a limited potential for policy formulation at regional level, or it may simply reflect the traditional importance of agricultural policy in URR policy debates and the dominance of national governments and the EU in determining agricultural policy.

In no country was the *responsibility for implementing* policy solely the privilege of national government. Rather, a *partnership approach* involving national, regional and local level agencies in some combination was predominant. Some complex bodies were found to be responsible for implementing URR policies, the most complex being the one found in Portugal, where a combination of municipalities, enterprise associations, regional and local development agencies and local tourism bodies jointly implemented URR policy in the Alentejo Region.

In some cases private or *voluntary sector* involvement was mentioned. Ireland, in its rural development strategy (Ensuring the Future) and Slovenia (Strategy of Rural Development of Slovenia) sought to involve the voluntary sector. Five URR policy sets made specific mention of a role for the *private sector*; two Italian provinces (Brescia and Siena), one of the Irish URR policies (National Development Plan), the Bulgarian Declining Rural Areas policy, and the Slovenian Regional Development Strategy all specifically included the private sector.

2.2.1 The level of attention to urban-rural relations in national policies

In most policies the concerns for making links between urban and rural areas or addressing urban-rural interdependencies were a *major* issue, but still in nearly half of the policies such concerns were considered *subsidiary* to the main objectives of the policy. Based on the collected material, a number of reasons for the lack of specific attention to urban-rural relationships (URR) in national policies can be identified.

Firstly, there is little understanding about the exact nature of urban-rural interdependencies among policy makers and professionals. Whilst it is acknowledged that developing links between urban and rural areas is an important part of making policies for regional and sub-regional levels, little is known about the dynamics of these relationships. Secondly, urban – rural linkages continue to be seen as a simple linear process of rural food supply to urban dwellers and urban supply of manufactured goods to rural population. Such a perception of urban-rural interdependencies is far from the existing complex flows of people, goods, capital, information and services, which criss-cross the boundaries of urban and rural areas. Thirdly, the urban-rural dichotomy continues to prevail people's perception of urban and rural areas.

The most common aim for the policy sets concerned seeking '*balanced regional development*'. Sixteen percent of the policies emphasised prevention of sprawl merging

Table 2.2: Brief description of the policy

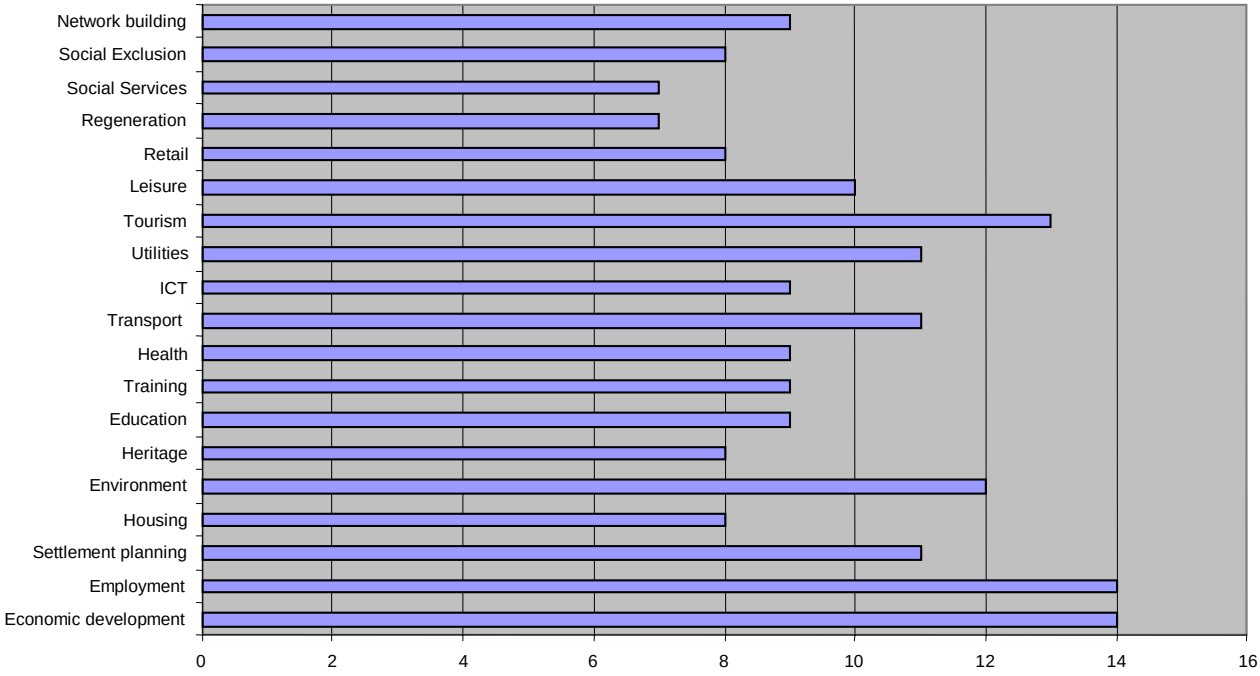
Country	Policy	Summary	Aims and objectives	Instruments and measures	Key spatial concepts
Denmark	Urban and Rural Zoning: The Planning Act (URZ)	The Act is to synthesise the interests of the country. Specifically *urban-rural zoning* is to avoid urban sprawl for economic reasons and protect rural areas for aesthetic reasons.	Stop the sprawl of urban into rural, create a clear boundary between the two with complementary, but specific functions. Develop services for the hinterland from the cities.	National Reports for Spatial Development, regional plans, municipality and local plans.	Rural districts defined as areas outside urban zones. Also sub-divided; rural areas in proximity to urban centres, rural municipalities and sparsely inhabited areas.
Austria	Sectoral Planning (Salzburg) (SPS)	A *spatial planning policy* to limit industrial development and housing to certain areas and to avoid urban sprawl.	Define a polycentric development model with four layers; regional, secondary and supplementary centres and those with most limited development.	For the last category a binding limitation on habitation of 15% per ten years. Connection of rail terminals to specified industrial areas.	Peri-urban policy, polycentric-axial development model.
Ireland	National Development Plan (NDP)	Plan designed to underpin the development of a *dynamic competitive economy* (2000-2006)	Fostering balanced regional development and broader social and economic aims.	To be delivered through three Operational Programmes and two Regional Programmes, Cap measures and the Peace Programme.	Gateways – urban growth centres to complement the existing urban centres and to drive development throughout both Regions.
	Ensuring the Future – A Strategy for Rural Development (ETF)	Address the issues of *economic and social underdevelopment* in rural areas and improve the conditions and role of smaller urban centres.	Promote rural employment, counter migration and depopulation and meet the needs for public service delivery in rural areas.	Implementation through the National Development Plan and Regional Operational Programmes.	No comment
	National Spatial Strategy (NSS)	Strengthen the 'drawing power' of *areas outside* of Dublin, bringing people, services and employment closer together, reducing congestion, etc.	Promote strategically located places as part of an 'all-Ireland network' which will energise the potential of rural and urban areas. Balance activity between over and under developed areas.	Support the development of key 'hubs' and 'gateways' to connect rural and urban areas. National transport framework to facilitate connections.	Potential, critical mass, gateways, hubs and linkages. Also complementary roles (eg towns to act as 'local capitals' providing services to rural areas.
Italy	Environmental defence and territorial development for overcoming territorial imbalance (Brescia Province) (TPIB)	Creation of *interdependency* through certain sectoral policies, especially environmental protection, water and soil defence.	To organise the territory as a polycentric settlement system and ensure participation.	Introduce a permanent conference of municipalities 'mountain communities.'	Subsidiarity, polycentricity, sustainability, infrastructures accessibility, environmental protection and conservation.
	Territorial plan of the Province of Siena (TPS)	A *strategic plan* to regulate the possibilities of development in rural and urban centres.	To assure the permanence of the traditional rural landscape structure.	Establishment of high level services and sustainability of local services.	As with TPIB above.
Finland	Working Group on Urban-Rural Interaction (WGURI)	Comparison and interaction of urban-rural policies	Creation of new kinds of links between the urban and rural areas	Spreading information through reports, seminars and internet.	No comment

Germany	Joint regional planning Berlin-Brandenburg (JRPBB)	To lead the development of linkages between Berlin and Brandenburg into a sustainable and balanced future perspective.	To establish equivalent living conditions. To make the urban areas attractive for inhabiting, restore existing assets of buildings and renew brown field sites. Limit land consumption and reduce impact on nature, but develop the landscape spatially.	Treaty between ministries, joint programme and plan for regional development, territorial impact assessment and adjustments in the separate plans for urban land use of both B'burg and Berlin.	Decentralised concentration (system of central towns on few hierarchical levels) disburden the agglomeration zone and improve the development perspectives of 'disadvantaged zones'. Sustainable development, protection of the environment, land use management and location policy.
	Policy for Regional Planning (PRP)	To encourage the 'ideal development' of the territory.	To reduce the differences of economic development and infrastructure supply and maintain sustainability.	Territorial impact assessment (legally instrument).	Decentralised concentration, and sustainable development.
	Joint programme for the improvement of the regional economic structure (JPI)	Funding of *regions* (mainly rural) that are *lagging behind*.	Establish and maintain jobs to equalise living conditions across regions.	Investment assistance and support funding. Also some pilot projects.	Regional economics; export-basis theory, territorial cohesion, decentralised concentration, hierarchical system of central towns.
Bulgaria	Policy for strengthening the economic structure of declining rural areas (DRA)	Improvement of efficiency of agricultural economies, *diversification* and better links between urban and rural.	Creation of opportunities for versatile activities and alternative income generation, development of urban-rural partnerships, reduction of migration and preservation of rural communities.	National plan for development of agricultural and rural areas, regional and local plans for development, land use and spatial development plans.	Integrated development, economic diversification, sustainable development, environmental protection, land use management, peri-urban, rural, urban-rural.
Hungary	Policy for Granting Urban Status (PGUS)	Rural communities now able to apply for *town status* and thereby obtain better financing.	Obtaining urban status allows for more services and so improve centre-periphery relations.	Legal application by municipality.	Peri-urban, centre-hinterland.
Slovenia	Strategy of Regional Development of Slovenia (SRDS)	Stimulate development of *regional centres*, sharing functions between them, forging urban-rural partnerships.	To ensure differences between regions do not increase and preserve minimum density of settlements.	Improvement of the infrastructure and thereby the competitive position of the region.	Polycentric development of the network of cities and other settlements.
Nether-Lands	Spatial Diversity (SD)	Safeguarding an *unspoilt countryside* and the demarcation of areas. Keeping urban and rural physically apart.	Make a clear-cut division between urban and rural areas.	Restrict development in rural areas, but invest in high quality recreational space and accessible nature reserves.	The 'green heart' and the 'buffer zone'.
Portugal	Reduction of the Asymmetrics and Promotion of the Regional Dynamics (RAPRD)	*Confront the asymmetries* in life conditions between depopulated interior and densely populated sub-areas of the country. Also alter the agricultural basis, sustain water provision and increase rural tourism.	Increase influence of irrigated field area, raise capacity of agro-industrial transformation and new accessibility, diversify regional productive base.	Innovative actions in agro-industry, support actions for the tourist industry , reconversion projects of the airport infrastructure of military base.	Combat physical desertification and de-population, integrated development, multiple objectives, irrigated field, economic diversification, managerial agriculture, deep rural area.
	Interventions of the Central Administration Regionally Deconcentrated (CARD)	*Relieve congestion* in urban areas and improve accessibility in remote areas.	Promote sustainable and balanced development in the region and improve competitiveness.	Improvement of road and port systems, implementation of rail changes.	Accessibilities, territorial equity.
UK	Urban White Paper (UWP)	The use of physical means, spatial planning etc. to improve *quality of life* in *declining urban areas*.	More restriction in the development of the urban fringe, supporting rather urban regeneration programmes.	Traditional planning system measures, boosted by recent national planning guidance.	Urban renaissance, neighbourhood renewal
	Rural White Paper (RWP)	Guidance on issues facing *rural communities* and the countryside. A framework for policy at the national level and a programme for action at the local level.	Promotion of a living, working, protected and vibrant countryside, with good services, diverse economy and ability to voice its concerns.	Health, education, transport and housing programmes and £2.6 bill to rural programmes and £100mill to market town regeneration.	Rural proofing, countryside indicators, reducing development pressure.

of rural and urban land and another 16 % mentioned the maintenance of viable rural services and economies as the main aim of the policy set. There is an interesting contrast here between those restrictive polices, which seek to use rural protectionism to contain unwanted urban growth (and therefore help make urban development more compact and sustainable), and those, which seek to promote the attraction and quality of life of rural areas. Not at all surprisingly, the latter approach is more typical of places suffering rural depopulation (e.g. the Irish Strategy for Rural Development, ETF, but also the UK Rural White Paper), whilst the former is more common where urban-rural migration is a bigger problem (e.g. the UK Urban White Paper, and Berlin-Brandenburg joint regional planning).

2.2.2 Key themes and expected effects of the policies

The key themes addressed by policies are shown below in Graph 2.1. No dominant thread of thinking is readily apparent, but there is a tendency for economic policy objectives to assume a greater significance than other objectives.



Graph 2.1: Key themes of the analysed policies

A greater number of policies have a concern for promoting economic development, employment and key growth sectors (tourism) than are concerned with provision of key social assets, such as housing and retail services. However, in some cases – UK and German initiatives, for instance – there is explicit recognition that what is needed is a comprehensive approach, simultaneously addressing a wide range of social, economic and environmental actions. Economic development is mentioned in four fifths of the policy sets, making it, together with employment policy, the most important single sector of policy. Tourism/ recreation is mentioned in two thirds of the policy sets and tourism has clear economic and employment implications for urban-rural policies. It could be said that the economy and jobs represent the most influential element in the urban-rural policy sets examined.

However other issues remain important, with, for instance two thirds of policies referring to environment and nearly that many mentioning settlement planning, transport and utilities the next most mentioned elements. The latter two are unsurprising, given that the twin aims of retaining economic viability and protecting distinctive rural environments are traditionally key characteristics of so many rural policy sets and settlement planning is the most obvious spatial planning intervention to help achieve the twin aims.

The most often quoted *expected effect* of URR policies involves improving the relative attraction and viability of rural areas to reduce urban-rural disparities and to reduce rural dependency on urban service provision and labour markets. The Danish Urban and Rural Zoning policy, the Hungarian PGUS and the Rural White Paper in England are all examples of that. The closely related aims of increasing urban-rural complementarity, balance and interdependency are sought by some of the policy sets, including those of the Irish National Spatial Strategy and the JRP for Berlin-Brandenburg. Also favoured by some is the pursuit of multiple links between urban and rural areas. For example the Bulgarian DRA policy seeks links in terms of economic links, company networks, land-use co-operation and other complementary functions, whilst the Slovenian SRDS covers linkages of transport, telecommunications, regional development and 'communal infrastructures'.

There is an interesting contrast between policies seeking greater dispersion from an overcrowded capital (from Dublin in Ireland) and those seeking to contain or return growth to cities (the English Urban White Paper and Sectoral Planning Salzburg). In Portugal rural depopulation has resulted in policies to promote rural infrastructure to support employment growth and investment. Interestingly, the Netherlands Spatial Diversity plan represents an unusual policy aim to make green spaces surrounding cities more accessible to urban populations for recreation, suggesting urban restriction policies may have been too strict in the past. At the same time the English Urban White Paper seeks to strongly resist growing development pressures at urban peripheries to promote more harmonious URR.

The majority of policy sets in the survey had received no serious *evaluation* attention. In the case of Urban and Rural Zoning in Denmark, the evaluation had found that rural population decrease through improvements in rural services had not been countered in the way intended. The response to this finding has been a switch in policy towards 'softer' planning regulation designed to encourage diversification of former farm land and buildings. In the case of Sectoral Planning Salzburg a self-evaluation had found a continuing move from rural areas to main cities, suggesting policy was ineffective. New approaches, such as housing subsidies for rural housing are now being considered. The PGUS policy in Hungary found limited success in promoting the supplier role of towns for their hinterlands, and 'more robust policy' is proposed, as yet unspecified.

A partial evaluation of RAPRD, Portugal, was 'not encouraging' and the administration and funding elements of the JPI in Germany had been evaluated, but the results are not known. The most striking finding here is the majority of policy sets for which no evaluation is yet intended. This suggests that, *despite the urgency, newness and largely experimental nature of URR policy sets, measurement of their effectiveness is not seen as important by the implementing authorities*. Apart from making it more difficult for this study to come to conclusions about policy effects, this seems to indicate an extraordinary complacency about URR policies right across the EU.

Table 2.3:
Effects expected from the implementation of the policies

Country	Policy	Expected effects on urban-rural relationships
Denmark	URZ	Local centres have been developed to provide a range of services for their 'hinterland' and so make rural areas independent of many services found only in larger cities.
Austria	SPS	Reduction in settlement growth of the municipalities and the channelling of demand to the capital and regional centres. Exact impact unspecified.
Ireland	NDP	Measures are designed to distribute growth more widely through the regions, relieving pressure on Dublin and supporting rural development. Improving infrastructure of disadvantaged regions should increase socio-economic cohesion between urban and rural areas.
	ETF	To put in place a strategic framework for rural development and ensure balanced and sustainable development rather than contribute to URR per se.
	NSS	By drawing attention to the complementarity of roles.
Italy	TPID	Countering the reduction of agricultural employment with new types of rural development.
	TPS	Creating an inter-urban network system and a services network, while respecting the environment.
Finland	WGURI	It has become a reference point that it increasingly difficult for the regional development actors to fully ignore. Hence indirect effect. New kinds of links have been created and will get legitimacy through benefit to each population. Rural areas in weaker position than urban.
Germany	JRPBB	Joint regional policy implemented to balance the impacts of all structural dynamics and flows between the urban (agglomerated, metropolitan) zone and the rural (surrounding, sub-urbanised) zone by planning activities.
Germany	PRP	Attention is given to all spatial types and their interdependencies, but especially on urban or agglomerated areas and their relationship with the suburbanised surroundings.
	JPI	Urban rural disparities to be addressed by funding and the supply of infrastructure and interventions in the labour market.
Bulgaria	DRA	Create new links between urban and rural areas; economic links, company networks (SMEs in towns and countryside) land-use co-operation and the promotion of complementarity of functions while preserving the identity of rural and urban communities.
Hungary	PGUS	Impacted through developing the supplier role of towns in terms of employment, health and education provision, transport and social services.
Slovenia	SRDS	Improving traffic, telecommunication, regional development and communal infrastructures. Establishing linkages between urban and rural communities.
Nether-Lands	SD	Restrictive policy has become more relaxed, focusing on access to rural by urban, so city citizens can use green spaces.
Portugal	RAPRD	Generally by promoting economic and social development, tourism, implementing the 'irrigation global system' and improving accessibility between urban and rural areas.
	CARD	Improving transport and therefore accessibility increases the opportunity for URR and for employment crossing the two areas.
UK	UWP	By reducing commercial, employment-related development pressures on the urban fringe it is expected that URR will be more harmonious.
	RWP	Some re-balancing attempted by strengthening towns to compete with urban areas. Also focusing on maintaining a viable countryside by restricting development into certain areas.

There is, of course, an *inherent difficulty* in seeking to uncover national policy approaches to managing urban-rural relationships through a survey, which focuses on specific policy documents. Much national policy is represented by substantial accretions of layers of policy, built up over time, and specific policy documents operate within this enveloping context of policy. So, in the UK for example, the Urban and Rural White Papers need to be seen in the context of national thematic policy guidance and of regional planning strategies. Much of this subscribes to doctrines of protection of the best agricultural land and rural environments, managing physical development through establishing settlement hierarchies, and the pursuit of sustainable development. In this context, Ireland perhaps represents an interesting case in that it has recently comprehensively reviewed and overhauled its spatial planning system. This has enabled it to develop a system which adopts approaches which resonate with the framework provided by ESDP and to recognise key contemporary issues – including the issues of the development pressure facing its capital city and the continuing problem of rural depopulation.

2.3 Urban-rural initiatives in Europe

As shown in the previous chapter, there are limited numbers of policies which focus on the links between urban and rural areas in European countries. However, across Europe many local authorities and voluntary sectors are engaged in activities, which cut-across the boundaries of urban and rural areas and aim at developing beneficial relationships between them. In the UK, for example, there are no less than 40% of all English local authorities which are partners in at least one urban-rural initiative. In order to map and explore such activities in different EU countries, a questionnaire survey was conducted during the first half of 2003. The objective of the questionnaire was to *collect examples of urban-rural initiatives / projects / actions which involve joint working of local authorities (with or without other partners) in urban and rural areas*[42].

Respondents were asked to provide at least two examples of urban-rural initiatives. Given that most of the team members have responsibility to provide information for more than one European country, it was hoped that a full coverage of EU (27) would be provided. In cases where it was not possible to cover a specific country by the TPG partners, the questionnaire was sent to selected ESPON Contact Points via the project's Lead Partner. Altogether 13 completed questionnaires from 9 countries were returned.

The initiatives have been *set up through various routes*. These can be grouped into five categories. Some have been initiated by the *national or regional governments*, such as the Strategic Planning Guidelines for the Greater Dublin Area in Ireland, which is a government-supported regional project. Others have emerged out of bottom-up *co-operation of municipality* such as Development Council for Vedsyssel which is a co-operation of nine rural and urban municipalities in North Jutland in Denmark. A third group are those which have been promoted by a *major city* aiming to link with its hinterland. City of Gyor in Hungary provides a good example of a city deciding to form an alliance with its surrounding region. A fourth group belongs to those initiatives which have been triggered by the availability of *EU funding* such as Sustainable Recreational Use of Natural Assets in Ireland, which was a demonstration model developed under the EU TERRA Programme.

[42] The questionnaire was sent to all members of Trans-national Project Group working on ESPON Project 1.1.2 in early February 2003.

Table 2.4: Questionnaire Responses on Urban-Rural Initiatives

Project partners	**Countries covered**	**Initiatives**
ECPs	Denmark	• Development Council for Vendsyssel with specific reference to the initiative 'Sustainable Rural Districts' (DCV) • FYNTOUR (FYN)
NIRSA	Ireland	• Strategic Planning Guidelines for the Greater Dublin Area (SPGD) • Sustainable Recreational Use of Natural Assets (SRUNA) • Dublin Waste Management Strategy
CURS	Finland	• Probotnia(PB)
OIR	Bulgaria Hungary Slovenia	• Specialised programme 'Creation of Thematic Park "Poleto (The Green Field)"' (CTP) • Initiative for strengthening of inter-municipality co-operation in the city of Gyor (GYOR) • Regional Development Programme of South Primorska (RDSP)
CEG	Portugal Spain	• Integrated study of Mobility and Systems of Transport in Municipalities of the Association of Medium Tagus (ISM) • Dynamization and Tourist Development of Alqueva (DDA) • Strategic Plan Osona XXI (OSO)
CUDEM	UK	• Town and Country Compacts (TCC)
Total	**9**	**13**

Finally, the survey shows that promoting joint working between urban and rural areas is not confined to the formal governmental institution and can take place through the initiatives of *other organisations* such as the UK Local Government Association which has been promoting the Town and Country Compact, and the R&D Departments in Finland which promoted Probotnia.

One of the earliest initiatives is the Danish Development Council for Vendsyssel which has been operating since 1992. Indeed, a third of the initiatives were set up in the mid to late 1990s. It seems that the number of urban-rural initiatives has been on the rise in recent years and half of all cases were established in the early 2000s, with the most recent one being the Creation of Thematic Park in Bulgaria, which started in 2003.

It is clear from the respondents that many initiatives benefit from financial resources provided by local, national or EU institutions or a combination of these. It is important to note the role of EU funding in promoting urban-rural partnerships. For example, the two Portuguese examples (ISM and DDA) receive a considerable amount of EU funding from Structural Funds. Similarly, SRUNA initiative in Ireland receives EU funding under Article 10 TERRA Programme.

2.3.1 Primary focus, aims and activities of the initiative

In line with the national urban-rural policies, most of the reported urban-rural initiatives are also heavily focused on economic development with a strong emphasis on asset integration and joint marketing, balanced growth and economic diversification. Another major concern which was mentioned by a large number of initiatives was spatial integration and its related issues including physical accessibility and maximising the role of towns as

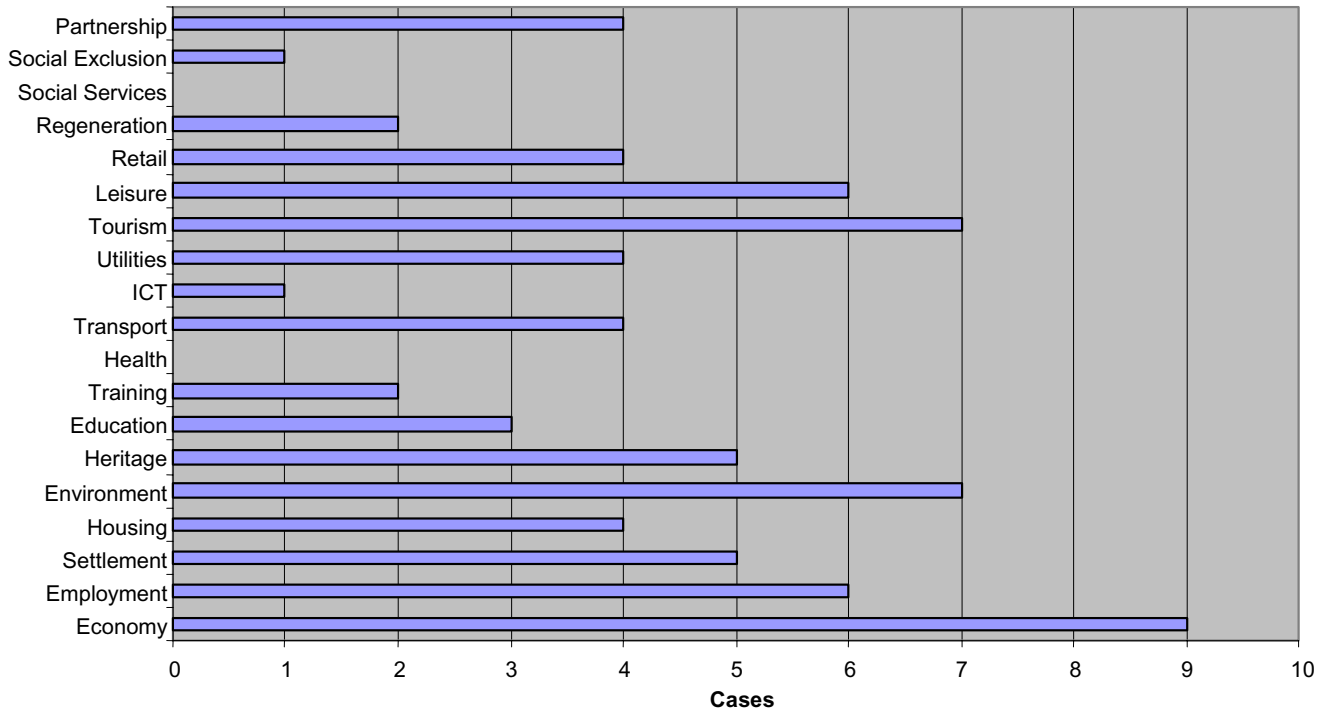
Table 2.5: The main characteristics of the initiatives

Country	Initiative	Start and end date	Brief description	Aim and objectives	Measures and instruments
Denmark	DCV	1992-	DCV is a co-operation of 9 rural and urban municipalities in North Jutland.	Division of labour to be created between cities and rural districts leading to interdependency based on provision of complementary services.	Service ideas, such as support for entrepreneurs, car-sharing schemes for people in rural districts and development of educational facilities and cultural life.
	FYN	1996	A regional umbrella organisation to promote and develop tourism in the County of Fyn.	The long-term promotion and protection of natural and cultural assets.	No comment.
Ireland	SPGD	1999-2011	A government supported regional project, which attempts to guide the rapid growth and building activity in Dublin and the Mid-East Regions.	Balance the growth of the Metropolitan Area with a concentration of development into major centres in the Hinterland. These 'development centres to be located on existing transport corridors and separated by 'Strategic Green Belts'.	Legislation (Planning and Development Act 2000) and infra-structural projects to be funded by local authorities.
	SRUNA	1998	Develop a demonstration model in planning which will facilitate the sustainable recreational use of natural resources.	Apply the principles of Agenda 21 to this rapidly expanding city region. To encourage participation of the socially excluded.	No comment.
	DWM	1998	Integrate a mix of policy measures to address the growing waste problem in the best interests of the region.	Reduce, recover and recycle waste, reduce the amount going to landfill sites.	Civic and amenity centres, Bring centres, Composting plants and thermal treatment plants.
Finland	PB	2001-	A joint project of two R&D departments financed by the state at the regional level.	Increase co-operation and exchange between urban and rural actors, to achieve increasing welfare and a 'good regional atmosphere'.	Studies to assess needs of urban and rural populations and provide information. Marketing support for small rural enterprises to allow them to sell their products in the main urban centres.
Bulgaria	CTP	2003	The protection, rehabilitation and development of areas of outstanding characteristics, identity and recreation potential.	Create in and around Sofia a complex area for leisure, recreation and sport which is ecologically and environmentally sound.	Working out a structural scheme for functional zoning and a master plan of Sofia and its region.
Hungary	GYOR	2002-	A decision by the city of Gyor to form an alliance with the surrounding region to overcome mistrust	Promote co-operation in the development of infrastructure and service facilities and land-use (for work and residence).	Currently developing a legal framework of co-operation and a joint policy with the consent of the local authorities.
Slovenia	RDSP	2001	A broad based programme including spatial planning.	Economic development of the region which respects the environment and cultural heritage.	Municipal economic and regulative instruments, but partnership between private and public sectors encouraged.
Portugal	ISM	2002-2003	A project started by the municipalities and funded by the EFRD and Transport departments	Diagnose and define strategies for a more effective transport system	Too early, will be implemented after the study project is completed.
	DDA	2001	A diversification project to promote tourism in the region.	To co-ordinate actions which will develop tourism as a sustainable economic activity.	Through the Centre of Innovation and Tourist Initiatives of Alquera.
UK	TCC	1999	A study project to assess the current scale of joint working between rural and urban areas and investigate the most effective methods and models.	To analyse what activities may contribute to a more reciprocal relationship between urban and rural areas and make recommendations for the future.	Support from the Countryside Agency (an important national pressure group) and the Centre for Urban and Regional Studies at the University of Birmingham.

service centers. However, a closer examination of the stated aims and objectives of the initiatives reveals a number of variations within what might be seen as a universal emphasis on economic development and spatial integration. For example, there is a clear distinction between those initiatives that are operating within the context of metropolitan areas with a growing economy and its subsequent development pressures (such as SPGD in Dublin) and those which are operating in the context of predominantly rural areas with limited access to large urban centres (such as DCV in Finland). The former is focused on managing rapid growth, whilst the latter is concerned with encouraging growth.

Within the first category, a further distinction can be made with regard to the scope and geographical scale of the initiatives, which range from spatial planning and settlement strategies at the regional level (such as SPGD in Dublin) to single-sector economic development projects (such as CTP in Bulgaria). SPGD provides a clear example of a state-supported strategic regional project, which aims to guide the rapid growth and building activity in Dublin and Mid-East Regions to achieve a balanced growth in the Metropolitan Area. A wide ranging settlement and spatial planning programme has been proposed to concentrate development in major centres within Dublin's hinterland with proximity to existing transport corridors and separated by Strategic Green Belts. CTP is also concerned with rapid growth but aims to maximise its potential by creating a Theme Park around Sofia, which would serve as a leisure, recreation and sport facility, but in such a way that is least damaging to the environment.

Respondents were asked to note what policy areas were covered by the initiative. The results are summarized in Graph 2.2. *Again, economic development policies scored very high followed by tourism and environmental policies. Social services and health have not been considered in any of the initiatives*.



Graph 2.2: Policy areas covered by the initiatives

In order to achieve their aims and objectives, the initiatives have used a variety of measures and instruments ranging from legislative measures to capital investments to promotional activities and marketing. In Ireland, for example, the Planning and Development Act, 2000, has provided the legislative framework for the implementation of the policies aiming at balanced development of the Greater Dublin area. The City of Gyor in Hungary is also developing a legal framework to form an alliance with rural areas in its hinterland. In Denmark, under the Sustainable Rural Districts scheme, the DCV initiatives uses measures such as car-sharing schemes for people in rural areas to facilitate the use of urban services for rural population. In Finland, the Probotnia Initiative provides marketing support for small rural enterprises to help them sell their products in the main urban centres. Joint marketing initiatives are also used to promote tourism at the level of the region as part of the DDA initiative in Portugal.

2.3.2 The nature of the initiatives vs. urban-rural relationships

When asked whether building urban-rural relationships was a major, subsidiary or incidental part of the project, 6 said this was a subsidiary aim and 6 that it was a major aim (though 2 of these were questionable), with none suggesting that it was incidental. This is obvious since the survey was specifically directed towards urban-rural initiatives.

Tables below summarise the key strengths and weaknesses of the initiatives as expressed by the respondents.

Strengths	**Comments**	**Initiatives**
Common vision	• Seeking solutions to problems together	DCV
Integrated actions	• Recognising the need to ensure co-operation • Allowing the development of an integrated mobility • Possibilities for rural municipalities to develop their economy and social integration	DWM ISM Gyor
Complementary activities	• Local players recognise that the area as whole has more attraction than its individual parts	Fyn
Balanced development	• Achieving balanced development of activities in Sofia and its surrounding area • Coherent objective on settlement forms	CTP SPGD
Weaknesses	**Comments**	**Initiatives**
Limited scope/ boundary	• Greater Dublin does not cover many rural areas with land available to waste disposal • Emphasis on cooperation with suburban municipalities may reduce the benefits for the rural edge • Too much emphasis on the 'urban' with limited acknowledgment of urban rural interdependencies	DWM Gyor
Lack of awareness of URR	• Too much emphasis on the 'urban' with limited acknowledgment of urban rural interdependencies	SPGD
Lack of awareness of URR	• Too much emphasis on the 'urban' with limited acknowledgment of urban rural interdependencies	SPGD
Inadequate and short term resources	• Uncertainty about the continuation of initiative after completion of TERRA • Weak financial capacity	SRUNA DDA

Table 2.6: Strengths and weaknesses of the Initiatives

2.4 Conclusions

Features of the policies and initiatives at different geographical levels

Most of the ***sectoral policy documents of the European Union*** include very few references to their potential effects on urban or rural areas. Very little attention is paid explicitly to effects on urban-rural relations. The most substance was found – quite unsurprisingly – from agricultural and rural policy and regional policy documents. The implementation of the Community Initiatives has also developed some urban-rural sensitivity. However, the policy aims of the ESDP are still mainly waiting to be concretised in actual policy measures.

Although there is an inherent difficulty in seeking to uncover ***national policy approaches*** to managing urban-rural relationships through a survey which focuses on specific policy documents, the European sample of various policies has proven to be useful in understanding the expectations of the policy makers.

Among the proposed URR sensitive national level policies, the main themes that have been promoted seem to be: a) improving the relative viability of rural locations vis-à-vis more robust towns and cities, b) building stronger links, complementarities and interdependencies between urban and rural places and c) restricting either urban or rural growth to advantage either rural or urban places.

Also the review of ***urban-rural initiatives*** at lower tiers of government has provided information on how policies should be improved and helped in recognising policies which can be proposed for wider applications. Key features of the initiatives can be summarised as follows:

A majority of the projects was involved in trying to develop interdependence between urban and rural areas through building complementarity of services and the marketing of products. With regard to the practical details, in most cases local authorities were the key partners. Funding was drawn mainly from national sources, but there was some EU support and limited regional backing. When asked to list the strengths of the initiative, about half noted that at least urban and rural municipalities had started to talk and that the project had required active partnership between the two. A couple of others pointed out that a common point of interest had been found, for example tourism, on which to build a relationship. In three cases an important weakness was that more was likely to be gained from the initiative by the urban than by the rural parties. In instances where an EU programme was the main source of funding, concern was expressed about the future of the initiative.

High expectations and ambitions

The ambitions of the ESDP to promote sustainable spatial development by stressing urban-rural linkages confronts several obstacles in operationalising that aim. There is little support from sectoral policies at the EU level and, based on the sample of national policies, the promotion of urban-rural cooperation is often a subsidiary in relation to the main aims of the policies. Although a comprehensive discussion about policies is not feasible here, it should be noted that the basic nature of the policy documents is to give a framework for distributing funds – in the name of some overall aims. The promotion of urban-rural relations has to be seen in this context, as the complexity of the real life

situations mostly escapes policy interventions. However, as the reviewed regional and local initiatives show, in a particular urban-rural setting the very focus can be very helpful in fostering meaningful actions.

Having said this, further questions arise:

As the expectations from urban-rural policies and initiatives are very diverse, telling about attempts – in the name of urban-rural sensitive policies – to steer development into even opposite directions, it will be necessary to discuss how the expectations correspond with spatial development trends in respective countries.

So far not much could be said about the success of the policies and initiatives vis-à-vis the expected effects. It is obvious that the level of ambition among them is very high. The possibilities of various policies to take effect has to be discussed in further depth (see case studies in Chapters 4-5). Against that experience it is then possible to return to the issue of successful policies in Chapter 6 on Policy recommendations.

The added value of the urban-rural relations and partnerships in relation to promotion of regional development and regional co-operation in general remains an open question. What the report tries to address in later chapters, is to locate the added value of urban-rural linkages vs. linkages between different areas in general. Of interest is whether we can find additional benefits – more sustainable spatial development – in the name of promoting urban-rural relations.

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3 Typology of urban-rural characteristics

In this chapter[1] is presented and discussed the national definitions of urban and rural. Factors of urban-rural relations are presented based on statistical analyses and land cover data as well as their interrelations and correlations with economic indicators, population changes and typology of development prospects. The harmonised urban-rural typology is presented and analysed according to a set of factors including population, economic factors, accessibility, tourism and land use efficiency. The national definitions are compared to the harmonised typology, and the potential of the harmonised typology is tested on two national cases, that is, on Belgium and Austria. The chapter ends with a summary and a brief discussion on policy implications.

3.1 Introduction

The total territory under scrutiny concerns 29 countries: EU15+2 (Norway, Switzerland), and EU10+2 (Bulgaria, Romania). The total area of the territory under consideration is 4.69 million sq km, and it covers 1293 NUTS3 areas, which is the basic spatial unit of the study. The total population of the 29 countries is 495 million people. The relative of the EU10+2 countries is 21 percent of population and 23 percent of the total territory. The contribution of these countries to the total GDP is 4.8 percent (Table 3.1). In terms of land cover, which to some extent indicates the functional land use as well, the territory is composed of 50.36 percent of agricultural land, 3.48 percent of artificial surfaces, and 46.16 percent of residual land cover.[2]

The task was to elaborate a typology that would define the character of regions on NUTS3 level in Europe according to their urban respective rural characteristics. Such a typology would not as such indicate urban-rural relations in a specified manner, but it

[1] Christer Bengs has written this section and planned the work. Jorg Neubauer has elaborated the statistics and maps on national definitions. Tomas Hanell has contributed in developing the methodology on national definitions and contributed with valuable comments all the way. Hanna Ristisuo has elaborated the statistics and maps on the interrelations of various criteria as well as on the typology. She has also contributed to the testing of the national definitions. Eduarda Marquez da Costa has produced the factor analysis and Kaisa Schmidt-Thome has contributed with valuable comments all the way.

[2] The land cover is based on CORINE remote sensing data that has been transformed to suit the administrative NUTS3 division of land applied in the ESPON programme. In the case of Sweden, the processing of data has been separate, and the data for Sweden are not fully comparable with the rest. For Norway, data on land cover is missing, which means that Norway is not included in the harmonised urban-rural typology. The three classes applied in this study correspond to the three main titles of the CORINE, which is supposed to increase the reliability of the results compared to a situation where subclasses would have been applied as well.

would rather mirror the relative degree of urban respective rural features on a successive scale according to which each region (NUTS3) would be classified. In doing so, the typology would, however, indicate structural and functional relations as well, but on a very general level of abstraction.

The first task was to identify criteria, which could be applied in order to define the degree of urbanity respective rurality. In order to get an idea of current practices in defining urban and rural, a survey of national definitions was carried out. The national definitions were tested in terms of correspondence with a set of chosen criteria based on national averages. Based on national definitions, a typology of urban and rural population across Europe was elaborated, and a harmonising element of population density was introduced.

The interrelations among a set of indicators were identified based on a factor analysis, and the criteria for defining the urban versus rural character of the NUTS3 regions were chosen. The inter-correlations of the chosen criteria were studied, and each criterion was related to a set of other criteria indicating economic performance, population change, etc. as well. [3] The purpose was to analyse interrelations in a systematic way in order to provide knowledge for a discussion on policy implications.

A typology of 6 classes was elaborated, and scrutinised in terms of population, economic performance, prospects and accessibility to infrastructure and knowledge based on information acquired from other relevant ESPON projects. The typology based on national definitions was compared to the harmonised typology.

3.2 National definitions of urban and rural

In order to elaborate a typology of urban-rural characteristics, it is essential to investigate how “urban” and “rural” are defined in the various countries across Europe. Based on national definitions, it was considered useful to give a first picture of the overall situation in Europe. Because data on urban versus rural population are not harmonised, a harmonising factor, population density, was introduced.

3.2.1 National criteria applied

The national criteria for defining urban and rural population represent a huge variety of cases. The definition of urban population seems to be the point of departure in many national approaches. Rural population is thus defined as a residual group after urban population has been delimited, and is hence described as non-urban. In general, the delimitation approaches in new member states and accession countries differ from those of other countries in Europe, and they comprehend a more uniform group of approaches.

The criteria may be conceptual or based on government decisions. In the former case, particular definitions of urban versus rural areas are applied, and a territorial pattern of urban versus rural areas emerges as a result. In the latter case, governments simply label the character of all the different regions and locations across the country on a scale from urban to rural. In that case, the governmental decisions could of course be based on a conceptual framework as well. It is significant that in the EU15+2, the criteria are conceptual whereas government decisions seem to be the basis for the definition of urban and rural population in the new member states and accession countries, which may reflect a tradition of command economy (Table 3.2).

[5] ESPON Data Base, version 2.3. The figures for population and GDP/PPS are from 1999.

In all EU15 countries except for Belgium, the criteria include population characteristics in terms of size of centre, size of spatial unit or population density. This is an important factor in some of the other countries as well. The variation of criteria applied is very huge indeed. Other criteria are agricultural (or non-agricultural) share of workforce, commuting, central place function as well as legal decisions. The last one is the case in the new member states and in the accession countries.

The number of delimitation criteria ranges from just one single indicator (Austria) to an extensive set of indicators processed by advanced analysis methods (e.g. England) to meet different policy needs. However, a clear-cut sorting out of the criteria into categories proves difficult. Across the EU15+2 countries, an extensive mix of criteria is common. Population measures such as population density or size of largest centre are intensively used everywhere. Sometimes socio-economic criteria also qualify for delimitating urban and rural population.

By contrast, there are only a few countries that take into account the agricultural share of workforce (Belgium, Italy, England, Romania) or commuting (Belgium and Italy) when distinguishing urban from rural population. Belgium, Germany and Slovakia also include the centrality of a place or spatial unit. New member states and accession countries rather attach urban and rural population to legally established settlements such as cities and villages.

The various countries base their delimitation approaches on different spatial reference units. Three main groupscan be distinguished: firstly, cities proper and other localities (mostly in new member states and accession countries), secondly, municipalities or parts of them (the most common case), and thirdly, morphological units such as built-up areas (Austria, France, Ireland, the Nordic countries and Portugal). Belgium is the only country applying its criteria to commuter catchments areas. In many cases, a combination of spatial reference units is in use. The differences in delimitation approaches are particularly manifested at country borders as can be observed for example in the case of the border between Romania and Bulgaria or Belgium and France.

Because of different criteria applied, the urbanisation rates that are defined according to the national definitions are not comparable, and the variations across Europe are indeed huge. Among the EU15, Belgium has got the highest urbanisation rate (urban: 100 percent, rural: 0) and Ireland the lowest (urban: 58, rural: 42). Belgium, however, defines these shares in a way that is utterly different from the Irish one. In the case of the new member states, the extremes are Malta (urban: 91, rural: 9) and Slovenia (urban: 51, rural: 49).

3.2.2 Urban and rural population according to national criteria

It is hardly possible to harmonise the concept of urban and rural population based on the existing national classifications. Yet it was considered interesting to elaborate maps that would render a picture of the European territory based on national criteria. These maps should, however, be conceived as a compilation of national maps, because they essentially picture the situation within each country according to national criteria. They give a picture of how the different states comprehend the distribution of urban and rural populations within their respective territory, but these national distributions are not comparable. A harmonising factor of the maps is population density, which has been applied in absolute figures, giving a picture of the relative distribution of population across Europe.

The map that shows the urban population density based on national classifications corresponds to the standard picture of Europe: a strong concentration in the “blue banana” as well as in the regions of the national capitals, and scattered around in a few other places (e.g. the regions of Barcelona, Manchester-Liverpool-Leed, the Ruhr, Frankfurt, Stuttgard, Zürich, Milan, Genoa, Naples, Katowice, Poznan, Lodz) (Map 3.1).

The map concerning rural population density is of great interest, because it indicates the rural character of considerable parts of the new member states and accession countries as well as the importance of rural population in parts of the “blue banana” (Map 3.2). The map shows that overall high population density also normally includes high rural population density. The central and south of Britain, the North Sea coast, the eastern Baltic coast of Germany, the central and south of Poland, parts of North Italy, the middle and south of Italy, the south of Sardinia, the northern coast of Portugal, the regions of Barcelona and Bilbao, scattered areas in Germany, and the central parts of Romania seem to be the centres of European rural population.

3.2.3 National definitions compared to national averages

How does the share of rural population, according to national definitions, correspond to other criteria used to identify urban versus rural characteristics? In order to test how well the nationally determined criteria match national averages – and thereby test how well population density and land cover are integrated into the national definitions – the degree of rural population (related to national average in relative terms according to three classes: below 90, 90–110, above 110) was compared to the degree of population density and the share of artificial surfaces and agricultural land (related to national average in relative terms according to three corresponding classes as well). The comparison was made by investigating the NUTS3 areas per country: does the share of rural population in three classes correspond to the criteria of population density, the share of artificial surfaces and the share of agricultural land?

The results indicated to what extent national classifications are matching national averages with regard to criteria that are widely associated with urban versus rural characteristics. When looking at criteria applied, on the average population density (aberration 27 percent) gained the best match. The share of artificial surfaces (aberration 31 percent) scored the second best match, and the share of agricultural land (aberration 52 percent) the lowest match.

When the differences between EU15 and EU10 were considered, EU15 countries seemed to have a better overall correlation between national classification systems and national averages. This was not surprising considering the fact that the classification systems of the EU15 have been based on conceptual considerations while the EU10 countries have based their classifications on political decisions.

Among the various countries, the huge countries of the densely populated parts of Europe, that is, UK and Germany as well as France, had a correspondence that was better than the average according to all three criteria. UK had all through very low percentages of aberration. Other countries with a high score of correspondence were Ireland, Latvia and the Netherlands. The Italian classification system correlated badly with population density and the share of artificial surfaces, but a bit better with regard to the share of agricultural land, although it did not correlated very well with that either (Tables 3.3, 3.4, 3.5).

When the spatial distribution of rural population was compared to national averages, the following picture emerged:

Population density

In general, the degree of rural population (in relation to country average) corresponded negatively to population density (in relation to country average as well): where rurality was comparatively low, population density was comparatively high. In case population density was above average, the degree of rurality was usually low or medium (Map 3.3). If population density was high and rurality was high as well, this was very often a case in regions bordering to low-rurality regions. There were, however, some noteworthy exceptions from this rule. Parts of England, southern Italy and Poland as well as parts of northern France, costal Spain, Rumania and Czech Republic had regions with high population density and yet a high degree of rurality according to national standards.

Land cover

Compared to the share of artificial surfaces according to national averages, the tendency prevailed, but was further exaggerated in parts of eastern Europe (Map 3.4). When the relative share of rural population was compared to the share of agricultural land cover (related to national average), the picture changed (Map 3.5). The allegedly rural south of Italy had got huge parts with a share of agricultural land cover that was below the national average. Taken into consideration national averages compared to population density and land cover, the south of Italy as a whole was not particularly rural despite its national classification. The same comment concerns parts of northeast Romania, parts of coastal Spain, north of Portugal, and southeast of Poland. England and northwest of France, which were rural according to national classifications, had an extensive land cover of agriculture despite high population density and high shares of artificial land.

3.2.4 Typology based on national definitions

A further step in the direction of harmonising the European picture was taken by combining the national classifications (the share of rural population per country in three classes related to the country average) and population density compared to the European average (three classes). The emerging picture is thus a combination of harmonised criteria (population density) and national criteria (the share of rural population in relation to country average). The map gives a fairly diversified picture of the territory under scrutiny in terms of the urban/rural character of the various regions (Map 3.6). Amazingly huge parts of Britain were rural according to the national classification system, but of course comparatively densely populated. Other parts that were rural according to national standards, but comparatively densely populated, were parts of the Netherlands, the south of Italy, south of Sardinia, Sicily, parts of northern Portugal, as well as tracts of Poland, the Czech Republic and Hungary.

It is important to keep in mind that the three maps reflect the national understandings of how urban and rural populations are to be defined, but the maps are not coherent. These overall maps should be conceived as compilations of national maps.

3.3 Factors of urban-rural relations

In this section, the relations between urban and rural characteristics are discussed in terms of a set of criteria, which are supposed to signify the degree of urban respective rural character of the NUTS3 regions. The distributive patter of each criterion is expressed in a series of maps and the inter-relations between criteria in graphs and maps. In some cases a comparatively clear relation can be recognised, in other cases it is non-existing. In some of the graphs, a distinction is made between EU15+2 and EU10+2. The ratios of values considered are also expressed in a series of maps, where the spatial distribution is recognisable. In addition, economic performance, population change and regional types according to prospective development are discussed.

3.3.1 Methodological considerations

In the past three decades, there have been an increasing number of multivariate statistical analyses in order to develop typologies of urban and rural areas.[4] Some of these analyses have used data on population, households, the economy and education[5] while other ones have included numerous indicators of health, social services[16] and commercial customer targeting[7]. These works show the relevance of applying multivariate analysis in distinguishing urban from rural areas.

Statistical analyses include various phases. The first stage involves collecting and examining indicators with reference to theoretically based concepts and models. The second stage involves a principal component analysis, which aims at building factors that represent a large proportion of variables under consideration. Each factor is a linear combination of some of the original variables. These synthetic factors should imply different urban-rural relations. The third stage involves cluster analysis, which aim at bringing together individual regions according to their similarity in terms of their factor scores obtained in stage two. This provides for grouping regions in relation to the regional characteristics and to the type of urban-rural relation.

3.3.2 Choice of criteria: parallel factor analysis

An attempt to use factor analysis in supporting the typology work was carried out. First a set of 18 variables was chosen.[8] Included were variables that enabled to characterise the use of the land, the size of the population, the creation of wealth, the degree of mobility and the access to various infrastructures, as well as a number of indicators associated with the various territorial typologies that were previously defined by various ESPON projects.[9] The set of variables was then reduced to ten:

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[4] Cloke, 1977; Ibery, 1981; Openshaw, 1983; Malinen et al., 1994; Brunsdon, 1995; Blunden et al.,1998; Rees et al., 2002

[5] Leavy et al., 1999

[6] Reading et al., 1994

[7] Birkin, 1995

[8] ESPON Access Database V 2.1

[9] It must be kept in mind that the choice of variables was highly influenced by the availability of data. Despite this effort, null (0) values were used in the cases where some of the NUTS areas were lacking data (e.g. data of some CORINE categories for Norway and Sweden). After the variables were chosen, a first factor analysis was carried out, allowing for the variables with the lowest degree of communality to be removed.

1. Percentage of artificial area, 1986-1996, CORINE
2. Percentage of agricultural area, 1986-1996, CORINE
3. Percentage of forest area, 1986-1996, CORINE
4. Gross Domestic Product pps, per inhabitant, in EU average, 2000
5. Population density, 1999
6. Density of road and rail network, 2001
7. Population accessible from each NUT3 by car, in 1 hour, 1999
8. Market accessible from each NUT3 by car in 1 hour, 1999
9. Index of population centrality, 1999
10. Trips generated per person, 2001.

The second stage factor analyses, which were made with the ten best variables, produced three factors whose *eigenvalues* were higher than one, accounting for 71.48 % of the total variance:

Factor	Eigenvalue	% Total	Cumulative	% Cumulative
1	4,304	43,041	4,304	43,041
2	1,639	16,393	5,943	59,434
3	1,205	12,048	7,148	71,482
4	0,827	8,267	7,975	79,749
5	0,530	5,303	8,505	85,052

The analysis of the factor loadings matrix resulted in the following:

Variables	**Factor1**	**Factor2**	**Factor3**	**Factor4**	**Factor5**
Percentage of artificial area	-0,812	-0,322	0,329	0,079	0,011
Percentage of agricultural area	0,027	0,884	0,232	-0,181	-0,136
Percentage of forest area	0,427	-0,457	-0,650	0,213	-0,246
GDP pps, per inhabitant	-0,647	-0,217	-0,243	-0,532	0,212
Population density	-0,725	-0,448	0,361	-0,014	-0,051
Density of road and rail network	-0,773	-0,149	0,158	0,186	-0,115
Population accessible from each NUTS3	-0,824	0,225	-0,171	0,200	-0,077
Market accessible from each NUTS3	-0,716	0,311	-0,169	0,165	-0,381
Index of population centrality	-0,575	0,344	-0,360	0,401	0,477
Trips generated per person	-0,631	0,103	-0,468	-0,444	-0,107
Explained variance	4,304	1,639	1,205	0,827	0,530
Percentage of Total	43,041	16,393	12,048	8,267	5,303

In the case of factor 1, there is a strong relation between the share of artificial surfaces, GDP per capita, population density, existence of road and rail network, and the level of trip generation. The percentage of forested areas seems to be related to those variables in an opposite way.

Factor 1: Urban territories	Variables	Loadings of Factor1
STRUCTURES	Population accessible from each NUTS3	-0,824
	Percentage of artificial area	-0,812
	Population density	-0,725
	GDP pps, per inhabitant	-0,647
	Market accessible from each NUTS3	-0,716
	Density of road and rail network	-0,773
FLOWS	Trips generated per person	-0,631
	Index of population centrality	-0,575

Factor 1 in the above table indicates that the areas, in which the number of urban agglomerations is higher, stand out from the rest. Thus, the settlement structure of the various regions is clearly an important explanatory factor. Spread settlement structures, in which small and medium-sized cities are quite important (e.g. Northern Italy, the Netherlands, Belgium and Germany) the areas display a high degree of connectivity and accessibility, indicating strong relations between the various urban areas, as well as between the urban and the rural areas (Map 3.7).

The spatial distribution of the same factor indicates the following: in areas, where one or a few cities predominate, the cities capture a significant share of the population and of the economic activity, and act as powerful attractors with regard to the surrounding territories. In these conditions, the intensity of the relations between the urban and the rural areas decreases along the increasing distance or accessibility and the territory is organised according to an urban-periurban-rurban-rural logic. In the case of concentrated settlement structures, e.g. Ireland, one single major city dominates the entire system.

Factor 2 shows an opposition between agricultural land and forest. With high positive scores, NUTS areas are dominated by agriculture. Negative scores indicate areas where the forest cover is more dominant and less densely populated (Maps 3.8, 3.9). The factor 2 indicates that there is a relation between urban and agricultural areas, especially in the traditional core areas of Europe. These are also the areas in which the levels of accessibility, connectivity and urbanisation are the highest, which, of course, cannot be dissociated from the fact that the average size of NUTS3 areas in this part of Europe is comparatively small. In conclusion, the main categories of land cover did to a high degree explain variations among the chosen indicators.

3.3.3 Urban and rural characteristics

As a second step to build a harmonised typology, a decision was made as to relevant criteria. Three criteria were chosen: population density, the status of the leading town of the NUTS3 area, and the shares of artificial surfaces/agricultural land/residual land of the total land cover.[10] All the three criteria indicate, more or less, environmental as well as functional properties.

[10] Source of urban hierarchy: ESPON Data Base, and project 1.1.1 on poly-centricity

Population density

Population density was taken as an indicator of degree of *urban influence*. The higher population density, the higher the urban influence was supposed to be. The average population density of the whole territory (EU25+4) was 107 inhabitants per sq km. In EU15+2, the corresponding figure was 110, and in the EU10+2 it was 97. Points of gravity were the Benelux countries, Ruhr, the Rhine Valley, southeast of England, Manchester–Liverpool–Birmingham, parts of northern Italy, Rome-Naples-Bari, Katowice-Krakow, Marseilles, Barcelona, Bilbao, Porto, south of Sardinia, eastern Sicily, and the capital regions of each country.

Large tracts of land with a very low population density are in the European periphery, that is, the countries of the Baltic Sea Region, huge parts of inland Spain, Portugal and Greece, Ireland and Scotland as well as in the mountainous areas as the Alps and Apennines. However, areas close to the European point of population gravity such as large parts of inland France and the north-east Germany are comparatively sparsely populated as well (Map 3.10).

Hierarchy of urban centres

The status of the leading urban centre of a region (NUTS3) was taken as an indicator of *urban influence*. The presented hierarchy of urban centres (functional urban areas or FUAs) was derived from ESPON project 1.1.1 on polycentricity. Applied here is the hierarchy consisting of three classes of FUAs: Metropolitan European Growth Areas (MEGAs) (76 cases), trans-national and national FUAs (268 cases), and regional and local FUAs (1264 cases).

A problem with the data was that the delimitations of the FUAs did not correspond to the delimitations of NUTS3 areas. The original idea was to determine degree of urban influence by defining the share of FUA-population out of the total NUTS3 population, but this idea was not implemented due to the overlapping between FUAs and NUTS3 areas. In addition, this means that all the correlations presented below – between the various variables considered and the urban hierarchy – are only indicative, because the correlations are calculated based on NUTS3 data, which match the FUAs only indicatively.

Not surprisingly, the map indicates a correlation between urban centres and population density (Map 3.11). There seem to be two driving forces at work, however. On the one hand, the influence of the nation states is manifest in the distribution of MEGAs, which include national capitals and other influential urban centres of each national territory as well. On the other hand, the distribution of lower rank urban centres seems, by and large, to follow the pattern of population density in Europe as a whole, with a strong concentration of FUAs in the most densely populated areas of Europe. In some case, FUAs seem to be over-represented with regard to population density.[11]

Land cover

Land cover is here taken as an indicator of degree of *human intervention*. Harmonised data of land cover are made available by the CORINE data set.[12] In this data set, the

[11] This is the case for instance in Hungary. The reason could be the relative over-representation of small FUAs in Hungary according to city ranking. Another reason could be that the choice of FUAs in the various countries across Europe does not reflect fully harmonised criteria.

[12] The data are from 1990.

total land cover is divided into three main categories: artificial surfaces, agricultural land and a residual group.[13] On NUTS3 level, the relative share of each of these three categories is available as part of the whole land cover of each NUTS3 area. In order to avoid presumably unreliable and baseless sophistication at the NUTS3 level, only the three main categories were employed.

The European average of *artificial surfaces* was 3.48 percent of the total land cover. The corresponding figure of *agricultural land* was 50.36 and of the *residual group* it was 46.16. The differences in distribution of the various categories of land cover in the NUTS3 regions under scrutiny were of course huge (Graph 3.1). The different countries of Europe have distinct land cover profiles as well (Graph 3.2).

The residual group consists of land cover such as forest and semi-natural areas, wetlands and water bodies. In this context, the residual group could be referred to as “wilderness” in relative terms, that is, in terms of modest human intervention compared to the two other classes of land cover. However, one should remember that part of this alleged “wilderness” could be used in a systematic way for forestry, herding, fishing etc. Agricultural land is supposed to reflect a lesser degree of human intervention than artificial surface.

By and large, land cover corresponds to population density. The map indicating the relative share of artificial surface has got a close resemblance to the population density map. It is notable, however, that the Mediterranean countries seem to have less artificial surface on the average than what population density would indicate while the situation is reverse in eastern Europe (except Poland) as well as in Sweden and in Denmark (Map 3.12). The map indicating the relative share of agricultural land implies a situation where the relative share of agricultural land is partly distributed across areas of low population density, but partly also across areas with very high population density (parts of the UK, parts of the Netherlands and Belgium, north and south of Italy, parts of Poland) as well as with a high share of artificial surface (Map 3.13). A high share of residual land is characteristic of the peripheral parts of Europe, that is, the countries of the Baltic Sea region, Scotland, Greece, and the mountainous areas (Alps, Carpathians) (Map 3.14).

An attempt was made to identify urban sprawl by studying the share of discontinuous urban fabric as percentage of all artificial surfaces in all the NUTS3 regions. In the huge majority of regions, the share of discontinuous urban fabric was very high (Graph 3.3). When the correlation between the share of discontinuous urban fabric and the share of artificial surfaces were tested, the share of discontinuous fabric grew when the share of artificial surfaces dropped, which of course indicate that discontinuity is characteristic of regions with relatively low share of artificial surfaces (Graph 3.4). The territorial distribution of discontinuous urban fabric in Europe indicates that Portugal and Spain in particular as well as the Netherlands and southern Italy have to some extent been saved from discontinuous urban fabric (Map 3.15). The situation is worst in the parts in Europe where the share of artificial surfaces is high, that is, in central and east Europe.

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[13] *Artificial surfaces* consist of urban fabric, industrial, commercial and transport units, mine, dump and construction sites, and artificial, non-agricultural vegetated areas. *Agricultural areas* include arable land, permanent crops, pasture and heterogeneous agricultural areas. The *residual group* is composed by forest and semi-natural areas (forests, scrub and/or herbaceous vegetation associations, open spaces with little or no vegetation), wetlands (inland wetlands, maritime wetlands), and water bodies (inland waters, maritime waters).

3.3.4 Correlations among criteria

In the following is scrutinised in a systematic way how population density, the urban hierarchy and land cover correlate with one another.

Population density versus urban hierarchy and land cover

Unsurprisingly, there is a statistical correlation between population density and the status of urban centre. The urban hierarchy correlates positively with population density (Graph 3.5). The maximum and minimum variations are, however, enormous. In the highest class, Paris has got a population of 20 161 persons per sq km, while the corresponding figure in Bergen is 28, that is, in a city which is of the highest rank as well. The variations are between 3 (the NUTS3 area of Luleå) and 5122 (Basel) in the case of trans-national/nation centres and from 2 (Rovaniemi) to 5122 (Melilla) in the regional/local category of urban centres.

In the EU10+2 countries, urban centres of a lower rank are on the average located in areas with a lower population density than what is to be found in the EU15+2. In the highest FUA class, the situation is reversed (Graph 3.5). The standard deviations are as a rule much smaller in the EU10+2. This may imply an effect of a strongly directed urbanisation policy in the former socialist countries.

When population density is compared to land cover, it is obvious that the share of artificial surfaces grows linearly with increasing population density. In the case of EU10+2, this tendency is even stronger (Graph 3.6). Interestingly enough, there is hardly any correlation between the share of agricultural land and population density (Graph 3.7). The only exception is the most sparsely populated regions of Europe, where the relative share of agricultural land is lowest, only 38 percent (Graph 3.8). This could be explained by the fact that there is an interrelation between population density and share of residual land. When population density grows, it is obviously often the share of residual land which decreases, and not agricultural land (Graph 3.9).

The spatial distribution of population density in relation to land cover categories indicates very interesting results. Although the relative share of artificial surfaces corresponds fairly well to population density, there are remarkable deviations as well. The amount of artificial surfaces was compared to population figures, indicating artificial surface per capita across Europe (Map 3.16).[14] The ratio implies degree of human intervention, and could be conceived as a criterion of ecological sensitivity. In the map, the former socialist countries (except Poland) are distinguished by a high ratio of artificial surface per capita. Sweden, Denmark, Belgium and partly France belong to the same category. One explanation could be that different spatial standards are applied in the various countries as the map shows very clear differences along national borders.

Population density was compared to the share of discontinuous urban fabrics (Graph 3.10). Not surprisingly, the share of discontinuous urban fabric increased with dropping population density, but this was significant only for EU15+1.

The map showing the amount of agricultural land per capita implies the growing relative share of agricultural land towards peripheral Europe (Map 3.17). The ratio is high in

[14] Area of artificial surfaces per total area in relation to number of inhabitants per total area, which equals area of artificial surfaces per number of inhabitants.

parts of Portugal and inland Spain, inland France, Ireland, Wales, northern England and Scotland, northeast Germany, Denmark, parts of Sweden, the Baltic countries and eastern Poland, southern Hungary, the Danube valley as well as parts of Greece and a few regions in Italy. Finland is an exception despite its peripheral location, but this could be explained by the huge share of residual land cover, in the Finnish case forest (Map 3.18). In general, residual land cover per capita is huge in the peripheral parts of Europe: the high North, mountainous areas, inland Spain and Greece.

Hierarchy of urban centres versus land cover

When the hierarchy of urban centres is compared to land cover, the share of artificial surfaces grows along the urban hierarchy. In the MEGA-category, artificial surfaces count for 7.8 percent on the average, falling to 3.2 in the second category, and to 2.9 in the third category – all according to expectations. What is truly noteworthy is that the share of agricultural land does not follow this pattern. On the contrary, the share is relatively stable (between 48 and 52 percent) and the MEGA-category has even got a slightly higher share of agricultural land cover than the second class of urban centres. Again, the flexible category is residual land cover (Graph 3.11).

In the case of EU15+2, the shares of agricultural land are a bit lower, but the variations are small (Graph 3.12). In EU10+2, the shares of agricultural land are higher, and so are the shares of artificial surface (Graph 12). If one compares the standard deviations of share of artificial surface, they are significantly smaller in EU10+2, especially so in the two lower classes of the urban hierarchy (Graph 3.13). This could be taken as an indication of less urban sprawl in the lower classes of urban centres in the EU10+2, probably due to lack of land speculation during the socialist regime.

When the share of discontinuous urban fabric was compared to the hierarchy of urban centres, the share increased with decreasing status of centre. There is a considerable difference between EU15+1 and the rest: EU15+1 have a significantly lower level of discontinuous urban fabric in all centre categories (Graph 3.14).

The urban system in relation to population density was discussed already above. It is interesting to notice that in the overall context of Europe, there is a clear increase in agricultural land per capita towards the periphery, but the relative share of agricultural land is very stable with regard to the urban hierarchy. Agricultural land is a characteristic of urbanised regions as well as rural regions. That could be explained by the history of urbanisation: before the industrial revolution, the density of urban centres was an effect of agricultural productivity. Where the yield of land abounded, urban centres could be supported by agricultural surplus.

[32] The comparison is indicative, because the national definitions are not harmonised. This means non-harmonised population data are compared to harmonised land cover data. The bulk of data is, however huge enough to give some indications of overall correlations.

Land cover

To what extent do different land covers exclude each other, or appear in correlation? An overall tendency is that a falling share of artificial surfaces would correlate with a growing share of agricultural land (Graph 3.15). The tendency is, however, fairly slight, and the variations are enormous. This matrix confirms the conclusion made above that urbanism

and agriculture are positively interrelated. Agricultural land can dominate non-urbanised areas, but it can, and often does dominate urbanised areas as well.

The share of rural population according to national definitions was compared to share of land cover according to the three main types.[15] The results indicate a falling share of rural population with increased hard surface, which is no surprise (Graph 3.16). Compared to the share of agricultural land, the share of rural population grows strongly only when the share of agricultural land exceeds the European average, that is, more than half of the total land (Graph 3.17). With respect to residual land cover, the tendency is the same, but only when residual land cover exceeds three thirds of the total land cover (Graph 3.18).

3.3.5 Economic performance

Economic performance judged by GDPpps[16] per capita is very unevenly distributed across the European space (Map 3.19). The EU10+2 countries form a fairly uniform block of low performance regions, except for some of the capital regions of these countries. Other modestly performing regions are to be found in parts of Spain, Portugal and Greece. The point of gravity of high performance regions lies in northern Italy, but the country is sharply divided into two parts. The capital regions of the EU15+2 countries are in the highest category as well.

GDPpps per capita increases with population density (Graph 3.19). The deviations are, however, huge. The tendency is the same both in EU15+2 and in EU10+2, and the positive statistical correlation is actually clearer in each case separately (Graphs 3.20).

GDPpps per capita also correlates with the urban hierarchy: the higher the order of centre, the better the performance (Graph 3.21): This tendency is accentuated in the case of EU10+2, where the standard deviations are slightly broader as well.

As population density to some extent correlates with type of land cover, GDPpps per capita follows the same pattern. GDPpps per capita increases with growing share of artificial surface (Graph 3.22). On the contrary, it decreases with a growing share of agricultural land cover (Graph 3.23). In the case of the residual land cover type, the variations of economic performance seem to follow a u-curve (Graph 3.24). The correlations are, however, very week and variations enormous.

The spatial distribution of economic performance with respect to land cover was studied as well by relating type of surface to GDPpps in absolute terms.[17] In the case of artificial surfaces per GDPpps, the ratio indicates the economic output of built environment. The huge variations in Europe are astounding. The EU10+2 (except for parts of Poland) are performing badly (Map 3.20). But so are Sweden and Belgium. In all these cases, the share of artificial surfaces per capita is high (Map 3.16), and it is surprising that this is not compensated for by higher relative outputs in the case of Sweden, Belgium as well as

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[15] The comparison is indicative, because the national definitions are not harmonised. This means non-harmonised population data are compared to harmonised land cover data. The bulk of data is, however huge enough to give some indications of overall correlations.

[16] Gross domestic product according to purchasing power standards.

[17] The logic could be understood in this way: type of land cover (artificial surfaces, agricultural land, or residual land) per capita is compared to GDPpps per capita, which equals type of surface in absolute terms (sq km) per GDPpps in absolute terms (100 million euros).

in parts of France and Portugal. The map indicates that investment in building does not by necessity bring about economic affluence to the same degree. Put in another way, building does not only solve economic problems, it also creates them.

The ratio between agricultural land cover and GDPpps indicates a clear spatial pattern across Europe as well (Map 3.21). Comparatively bad performance of land use is significant of EU10+2 as well as for the inland part of the Iberian Peninsula, parts of Ireland, Wales and Scotland as well as France. The north of Sweden belongs to the same category.[18]

Where the residual type of land cover is large in the peripheral parts of Europe, this is reflected as comparatively bad economic performance of land use as well (Map 3.22).

3.3.6 Population change

The population change (1995-1999) was in the whole area (EU25+4) slightly positive, that is, 0.72 percent. EU15+2 had a positive population change of 1.08 percent in total. In EU10+2, the overall change was negative (-0.64). A scrutiny of population change related to overall population density indicates a drop on the average in very sparsely and very densely populated areas. The variations are, as usual, enormous (Graph 3.25). In broad lines, the spatial distribution of population growth resembles the distribution of population density, but there are significant differences as well (Map 3.23, Map 3.10). The main zones of European population growth in this period was the shore of western Mediterranean, Ireland, south-west of England, northern Italy, Bavaria, the northern part of Germany, and the regions around the national capitals. However, national variations are huge.

In EU25+4, the growth of urban centres is on the average positive, and the second rank cities (trans-national/national) have gained most, which could imply that urbanisation is in the intermediate city phase (Graph 3.26). In the case of EU10+2 the relative gain of medium size FUAs is fairly pronounced, but all the three urban centre categories have actually lost population. In the case of EU15+2, all categories are on the positive side, and the MEGAs have had the most positive growth (Graph 3.26). This indicates a situation where the intermediate city phase (or possibly even de-urbanisation) would be limited to EU10+2. The national urban systems are, however, still much more integrated than the EU as a whole, and consequently the trends in population change with regard to the urban hierarchy is first and foremost a national matter.

Population change in relation to type of land cover follows the trend noted above with respect to population density. Where the share of artificial surfaces starts to exceed the European average, the upward curve of population change turns downwards (Graph 3.27). In the margins, that is, in the least as well as most urbanised areas, population change is negative. Concerning agricultural land cover, the situation is different. The trend seems to be constantly upward: the higher the share of agricultural land cover, the more positive population change seems to be (Graph 3.28). With respect to residual land, the situation is reversed (Graph 3.29). In all cases, the variations are enormous.

[18] A precaution should be made for Sweden on the account that the land cover classification is not entirely harmonised with the rest of Europe, and land for herding is probably included into the category of agricultural land in parts of northern Sweden.

On the average, growing GDPpps per capita seems to result in a relatively speaking more positive population change (Graph 3.30). The tendency seems to reach its peak and turn downward in the most prosperous regions.

3.3.7 Typology of development prospects

The typology of development prospects of regions is based on regional economic performance (GDP per capita) as well as the rate of unemployment, and it is accomplished by the ESPON project 2.1.1.[19] Regions are classified in *non-lagging, potentially lagging,* and *lagging regions*.[20]

There seems to be a clear correlation between good prospective and population density (Graph 3.31). The non-lagging regions have higher population density than potentially lagging regions, which in their turn have got a higher population density than lagging regions. In the EU10+2, the population density of non-lagging regions is exceptionally high compared to the situation in other regional types (Graph 3.31). The overall population change follows the same pattern, but in this case the situation is reverse in the EU10+2 countries, where the non-lagging regions have lost relatively more population than the other regional categories (Graph 3.32).

The share of discontinuous urban fabric was compared to the lagging typology. The overall situation in Europe did not indicate any correspondence between the type of region and the share of discontinuous urban fabric. In EU15+1, however, the share of discontinuous urban fabric was highest in the non lagging regions and then dropped towards the lagging regions. By contrast, the situation was reverse for the rest (Graph 3.33).

3.4 The harmonised urban-rural typology

When constructing a harmonised territorial typology, a few fundamental assumptions must be made. The typology must be kept simple for the sake of understanding how “urban” and “rural” are indicated. It means that only a limited number of factors can be considered, and no factor can be included multiply. Moreover, when the included factors are scaled, the number of classes must be kept at a minimum in order to keep the total number of regional types limited. If for instance 3 criteria with 4 classes each would form the basis of a typology, the total amount of regional types of that typology would be 64, which would be nearly impossible to grasp. A complicated typology would probably be impossible to use as a tool for administrative purposes, and in particular for communicating an understandable visual pattern.

However, the demand for simplicity implies a contradiction, because a very simple typology is not suitable for analytic purposes. In order to provide knowledge for policy making, more sophisticated analyses must be made. This means that the various indicators of the typology must be studied in isolation and in correlation to other indicators with the aim to identify the implications of the various constituting elements of the model. This has been done above.

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[19] See ESPON Action 2.1.1, Third Interim Report, p. 50.

[20] Regions with the lowest index value, up to the coverage of 30 percent of the total population of EU25+4, are classified as *lagging regions*, up to 50 percent are classified as *potentially lagging regions*, and the rest as *non lagging regions*.

In order to provide for the study of various indicators influencing the character of the various regions across Europe on a relative scale from urban to rural, the different criteria chosen are *population density*, the *hierarchy of urban centres*, and *land cover*. An urban-rural typology should address functional as well as structural relations. Functions and structures are, however, interwoven. Functional relations turn structural over time, and structural relations form at any given moment the preconditions and limitations of functional relations.

The typology is based on the idea of two main dimensions, that is, *degree of urban influence* on the one hand, and *degree of human intervention* on the other hand. Degree of urban influence could be conceived as a functional relation, but the structural dimension is important here as well, because settlement patterns are comparatively inert and they change slowly. Urban influence is here defined according to population density and status of the leading urban centre of each NUTS3 area. Degree of human influence constitutes structural relations, because human influence is bound to how land is worked and used. Land cover is supposed to reflect both the degree of human intervention and actual land use, which in fact constitutes a functional relation as well, because a sustainable society demands interaction between various uses of land. The deepening division of labour and the expanding spatial scale of trade are blurring the functional relations between different land uses on NUTS3 level.

3.4.1 High or low urban influence

In determining degree of urban influence, two factors were taken into account: population density and status of the leading urban centre of the region. Only two classes were defined, i.e. *high urban influence,* which included all NUTS3 areas with a population density[21] more than the European average (107 persons per square km) and/or the areas where the leading urban centre of the NUTS3 area has been labelled "Metropolitan European Growth Area (MEGA)[22]. The rest of the NUTS3 regions were classified as being under *low urban influence*. In the latter case the average population density of the NUTS3 corresponds to the European average or is below that and the status of the leading urban centre of the NUTS3 region is below the MEGA-status, that is, of trans-national/national or regional/local status.

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[21] Because the definitions of "urban" and "rural" differ greatly from country to country in Europe, a harmonised rendering can be developed only based on data that are harmonised and available for all the countries under scrutiny. These requirements limit of course significantly the possibilities to build up more complicated models. The problem is also realised in international co-operation: OECD uses a very simple criterion, that is, population density that is more than 150 inhabitants per square km in average, to denote urban regions as distinct from rural regions with as population density less than 150 inhabitants. In the EU context, the limit of 100 inhabitants per square km is often used.

Population density is in the typology under consideration supposed to indicate the degree of urban influence: the higher population density, the higher urban influence.

[22] The ESPON-project dealing with poly-centricity (project 1.1.1 of the ESPON programme) provided a hierarchy of European towns. According to the typology of Functional Urban Areas (FUAs) of that project, the classes are (a) Metropolitan Growth Areas (MEGAs), (b) Transnational/national FUAs, and (c) Regional/ local FUAs. Only centres of the highest class (MEGAs) were considered to generate "high urban influence". See www.espon.lu , *ESPON in progress – Preliminary results by autumn 2003.*

3.4.2 High, medium or low human intervention

Degree of human intervention was determined by the relative share of land cover according to the main land cover classes of the CORINE data set. The main classes are artificial surfaces, agricultural areas, and residual land cover.[23] The European average of *artificial land* cover is 3.48 percent of the total land cover. The corresponding figure of *agricultural land* is 50.36 and of the *residual group* it is 46.16. The different land cover types are transformed into relative shares on the territorial scale of NUTS3.[24]

High urban intervention corresponds to a situation where the share of artificial surfaces (and possibly one of the two other land cover categories) is above European average. *Medium human intervention* equals the cases where the share of agricultural land (and possibly the share of residual land cover) is above European average. *Low human intervention* concerns all cases where only the share of residual land cover is above European average.

3.4.3 The six regional types of the typology

The two classes of *urban influence* and the three classes of *human intervention* were combined into a six-type model where the main division is in two classes of *urban influence*, that is, *high* and *low*, and a three-class subdivision into *high, medium* and *low human influence* of the two main classes. The two-class main division indicates functional (status of urban centre equalising functional specialisation, population density equalling size of markets) as well as structural properties (population density equalling built up areas) and the three-class subdivision is based of the structural properties of the physical environment (relative share of the various kinds of the land cover) as well as function properties (land use).

The six types are:

1. High urban influence, high human intervention
2. High urban influence, medium human intervention
3. High urban influence, low human intervention
4. Low urban influence, high human intervention
5. Low urban influence, medium human intervention
6. Low urban influence, low human intervention

The harmonised typology (Map 3.24) indicates a situation where the various countries are comparable. It is of course a bit simpler in outlook (6 regional types) than the compilation of national definitions and population density (9 regional types). The “blue

[23] *Artificial surfaces* consist of urban fabric, industrial, commercial and transport units, mine, dump and construction sites, and artificial, non-agricultural vegetated areas. *Agricultural areas* include arable land, permanent crops, pasture and heterogeneous agricultural areas. The *residual group* is composed by forest and semi-natural areas (forests, scrub and/or herbaceous vegetation associations, open spaces with little or no vegetation), wetlands (inland wetlands, maritime wetlands), and water bodies (inland waters, maritime waters).

[24] A problem with cartographic representations at NUTS3 level is that the delimitation of NUTS3 areas is to some extent based on population figures. This means that in densely populated regions (UK, the Benelux, Germany), the NUTS3 territories are smaller than in sparsely populated regions (Spain, France, Northern countries). The use of the quantified criteria of the model tend to be visually exaggerated in parts with low populations density and vast NUTS3 territories, and not very pronounced or even difficult to detect visually in regions with high population density and small NUTS3 territories. This should be kept in mind when the maps of this report are studied.

banana" or "pentagon" is clearly visible as a heavy brown stroke covering almost all of the Benelux countries, a huge part of western Germany, most of England, most of northern Italy and parts of middle and south of Italy as well. A strong line of high urban influence and human intervention stretches from the west of Germany through the east to southern Poland, northern Czech Republic down to the west of Slovakia and Hungary.

Scattered areas are to be found around the national capitals in particular and some of the sea shores of the Mediterranean and the Atlantics.

The peripheral countries such as Finland and Sweden in the north, Ireland in the west and Greece in the southeast are characterised by very huge areas of low urban influence and low human intervention. Countries like France, Spain, Italy and Poland are characterised by a huge variety of different regional types.

A striking feature concerning parts of EU10+2 (i.e. Lithuania, former GDR, Hungary, Romania, Bulgaria) is the large share of regions where urban influence is low but human intervention is high. Parts of Denmark and France follow the same pattern. This could indicate a variety of things: careless land use, generous spatial standards in building and infrastructure, the strength of the construction lobby, etc.

The opposite, that is, high urban influence but low human intervention, are characteristic of parts of the North (Finland and Sweden), the alpine countries (Austria, Switzerland) Portugal and the

Mediterranean countries (Spain, France, Italy). This may be explained by sparse population under influence of MEGAs in the North, or natural conditions such as topography in the alpine regions. In South, the explanation may be early urbanisation and historic urban environment with modest spatial standards in building and infrastructure.

It is important to notice that urban influence and human intervention correlate, but that there are remarkable inconsistencies as well. Degree of urbanity versus rurality is genuinely dependent on both factors. With regard to sustainable development, it is encouraging to realise that development in terms of urbanisation does not by necessity imply extensive building. The option of prudent management of earthbound resources is statistically evident.

3.4.4 Overall distribution of NUTS3 areas, land, population and wealth

The distribution of NUTS3 areas across the six regional types is uneven. As many as 691 NUTS3 areas belong to type 1 (high urban influence, high human intervention). The rest is distributed more evenly among the types (type 2: 52, type 3: 34, type 4: 131, type 5: 184, type 6: 201). The distribution of the different regional types across the new member states and accession countries is uneven as well. In the regional type 3 (high urban influence, low human intervention), the EU10+2 countries are represented by only one NUTS3 area (2.9 percent of the total of that type) while in type 4 their relative share is 56.5 percent. Because of this uneven distribution, the profiles of these two regional types are heavily influenced by their geographical location in EU15+2 (type 3) respective EU10+2 (type 4).

The regional type 1 (high urban influence, high human intervention) covers only 19 percent of the total area (29 countries), but houses 60 percent of the population and produces 72 percent of the total GDP. The corresponding figures for the sum of all the three types with high urban influence are 27 percent, 69 percent and 78 percent. This means that

nearly four fifths of the GDP of Europe is produced in slightly more than one fourth of the territory that is under high urban influence (Table 3.6). The regional types 5 and 6, with low urban influence and medium or low human intervention, count for 53 percent (22 + 31) of the total territory but only 20 percent (12 + 8) of the total population and 16 percent of the GDP.

The share of EU15+1 (Norway missing) is 68 percent of the total area and 77 percent of the total population, and the share of the EU10+2 counts for 23 percent of the total area and 21 percent of the total population.[25] In terms of GDP the difference between EU15+1 and the rest is striking: the former countries count for 95 percent of the GDP while the rest, that is, the new member states and two accession countries, count for only 5 percent of the GDP (Table 3.6).

3.4.5 Population changes 1995–99

The population change (1995-1999) was in the whole area (25+3) slightly positive, that is, 0.68 percent (Graph 3.34). The regional types 1, 2, and 3 under high urban influence had higher growth rates (0.85; 1.06; 0.97) than those types under low urban influence (-0.22; 0.65; 0.10). Regional type 4 experienced a population decline in absolute terms.

The EU15+1 had a positive population change of 1.04 percent in total. The hugest increase was in regional type 4 (2.21) and smallest in type 6 (0.31). In all, there seems to have been a slight decentralisation in the three regional types with high urban influence (type 2 growing fastest). In the three regional types of low urban influence, a centralisation seems to have taken place (type 4 growing fastest).

In the EU10+2, the overall change was negative (-0.64). In this category it is striking that the loss of the centres (type 1) was considerable (-0.78) while the other two classes of the types under high urban influence had a slightly positive population change (0.27 and 0.39), which could be interpreted as a kind of suburbanisation. In type 4, that is, the type where EU15+1 experienced the strongest growth, EU10+2 had the most severe decline (-1.19). In the most rural areas of regional type 6, the losses were higher as well (-0.88).

The spatial distribution of population change indicates a situation where most countries have regions with population growth of both above and under European average. In some of the new member states (Latvia, Lithuania, Czech Republic), there are no regions with a population growth above the average (Map 3.25).

3.4.6 GDPpps per capita and changes 1995–99

When GDP per capita is considered, it may be better to have a separate look on the EU15+1 on the one hand and the EU10+2 on the other hand, because the overall rendering (25+3) is distorted by the uneven geographical distribution of NUTS3 areas across the six regional types.

In EU15+1, regional type 1 had in 1999 the highest economic output (23 347 E per capita) while the rest of the regional categories had an astonishingly uniform performance, with a variation from 16 953 (type 5) to 17 732 (type 6).

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[25] Norway is not including due to missing data on land cover.

In EU10+2, the pattern was the same, but on a substantially lower level. Here, regional type 1 had an economic output of 10716 E and the rest from 6218 E (type 4) to 6959 (type 2).[26] Regional type 1 of the EU10+2 had an economic output close to half (46 percent) of the same type in EU15+1 (Graph 3.35). In the other types, the output was lower (between 35 and 49 percent). The spatial distribution follows the well-known pattern (Map 3.26).

For the whole territory of EU25+3, the variations in change of GDP during the period 1995–2000 were from 13 percent (type 4) to 25 percent (type 2). The low performance of type 4 is remarkable, because it is caused by low performance in the west as well as in the east.

In all the three regional types under high urban influence, EU10+2 was performing better than EU15+1, with a growth from 24 percent (type 3) to 31 percent (type 2). There seems to be a certain correspondence between economic performance and degree of human intervention: the types (2 and 5) representing medium human intervention were performing best in the EU10+2 category.

In EU15+1, there are small variations between the different regional types, only the low performance of type 4 is notable (Graph 3.36).

The spatial distribution of economic growth is interesting (Map 3.27). The new member states have done very well, but not Romania and Bulgaria to the same extent. In west, some of the periphery (Spain, Portugal, Ireland, South Italy, Greece) was doing well. So did large tracts of UK and the Netherlands. France is noteworthy for lower than average performance all through.

3.4.7 Lagging regions

A typology of the development prospects of regions has been elaborated by ESPON project 2.1.1 according to economic performance and unemployment. The regions were grouped in *non lagging regions*, *potentially lagging regions* and *lagging regions* according to a distribution of the total population, where 50 percent were included into non lagging regions, 20 percent into potentially lagging regions and 30 percent into lagging regions (Table 3.7). When the typology of development prospects was compared (weighted by population numbers) to the urban-rural typology, the relative share of non lagging regions was highest (62 percent) in regional type 1 (high urban influence, high human intervention), and under the average (50 percent) in the rest of the regional types. In regional type 4 (low urban influence, high human intervention), the share of non lagging regions was only 18 percent. A remarkably low performance was also to be found in regional type 2 (high urban influence, medium human intervention) where the share of non lagging regions was only 25 percent. Of course the share of lagging regions correspond invert with the share of non lagging regions.

There is not at very clear correspondence between urban or rural characteristics on the one hand and development prospects on the other hand. A clear exception is the superior performance of regional type 1 (Graph 3.37). The spatial distribution of lagging regions is very clear-cut, including the EU10+2 countries, northern Finland, eastern Germany,

[26] Type 3 had an economic output of 13204 E, but it is neglectible because it contains just one NUTS3 region.

substantial parts of Greece, southern Italy and Sardinia as well as substantial parts of Spain (Map 3.28). This means that development prospects are very much bound to the national context and to some degree to the regional context as well.

3.4.8 Accessibility to transport

The regional typology was investigated in relation to connectivity to transport terminals as defined by the ESPON project 2.1.1. The overall tendency is very clear: accessibility seems to gain according to degree of urbanity, but the variations are small between the regional types (4-6) of low urban influence (Graph 3.38).

When the two main categories EU15+1 and EU10+2 are studied separately, EU15+1 has got a better accessibility in all regional types.[27] In EU15+1, the tendency is very clear: degree of accessibility corresponds to degree of urbanity. In the EU10+2, only type 1 performs comparatively good, but even in this regional type, the required travel time on the average is 79 percent higher than in the case of the same regional type in EU15+1.

The spatial pattern is very clear as well. In the west, the densely populated areas of regional type 1 have an accessibility that is generally speaking above European average. In the east, this is reached only in the regions of the national capitals (Map 3.29).

3.4.9 Accessibility to knowledge

The accessibility to knowledge was determined by using a typology of educational level of the various NUTS3 regions across Europe, developed by ESPON project 1.1.1.[28] The educational level was structured hierarchically: *European, national, regional, local, none*. The relative share of population finding university education of a certain level within the region was calculated (Table 3.8, Graph 3.39). In all, the influence of European level institutions counted for 15 percent, national level institutions for 29 percent, regional level institutions for 10 percent and local level institutions for 9 percent of the population. The hugest group was the residual class (none: 37 percent), which indicates a situation where a NUTS3 region totally lacks educational facilities at the university level or where data is missing.

The typology on education level was compared to the harmonised urban-rural typology. Most university institutions of the European level were located in regional type 1. Out of the total population of NUTS3 regions with European level university education (15 percent of the total population), 87 percent lived in regional type 1. Also the share of national level institutions (61 percent) located in type 1, was significant. The importance of national level institutions in regional type 5 was somewhat surprising (13 percent).

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[27] An exception is type 3, but this type is excludable, because of only one NUTS3 AREA of this category in the EU10+2.

[28] The accessibility to education is determined by the existence and size of university level education in the urban centre (FUA) with the largest provision of university training in the NUTS3 region: *global* (more than 0.5 million university students in a FUA), *European* (50 000–499 000 students), *national* (10 000–49 999 students), *regional* (5 000–9 999 students), and *local* (less than 5000 students). In Europe, there is no FUA with more than 0.5 million students.

3.4.10 Tourism

The level of tourism was determined by using a typology developed by ESPON project 1.1.1.[29] The typology had six classes: *global, European, national, regional, local, none*. The corresponding figures of share of population covered by the different classes were: 2 percent, 7, 18, 27, 28 and finally 18 percent in the none-class (Table 3.9; Graph 3.40). This means that really huge concentrations of beds are not all that common.

Regional type 1 housed as much as 91 percent of the global category, and the rest of this category was located in regional type 2. Also a majority of the other categories (European: 73 percent, national 65, regional 57, local 49, none 70 percent) of tourism level were attributes of regional type 1. Generally speaking, tourism seems to coincide with population density (Graph 41).

3.4.11 Land use efficiency

The presupposition was that land cover per capita of a certain category (artificial surfaces, agricultural land) could be compared to economic output per capita within the same region. The ratio between land cover and GDPpps was calculated. This ratio was supposed to indicate the degree of land use efficiency. It was presumed that the higher the degree of human intervention is, the higher is the yield of the land.

With regard to the ratio between high human intervention (artificial surfaces) and GDPpps, the spatial distribution shows that the EU10+2, eastern Germany, a huge part of Sweden as well as parts of France, Portugal, Belgium and Greece had a lower land use efficiency than average (Map 3.30). The difference between east (including Sweden) and west is remarkable, and the spatial distribution is very much dependent of national borders and very little on regional types. Obviously land use efficiency of artificial surfaces is an effect of national policies and not of regional types.

When the land use efficiency of medium human intervention (agricultural land cover) was calculated in the same way, the regions of low urban influence get their fair share as well. Almost the whole of east Europe (including eastern Germany and Sweden) and most part of western Europe under low urban influence had a lower land use efficiency than average (Map 3.31). Taken both the two land cover categories in consideration, low performance areas are eastern Europe, Sweden and single regions of some other westerns countries (France, Portugal, Belgium, Sardinia, Greece) (Map 3.32).

The share of discontinuous urban fabric according to regional types indicates that the share drops when the human intervention decreases. The pattern is not so clear in the regional categories where the urban influence is high (Graph 3.42). Generally speaking, the share is slightly higher in case urban influence is lower (Graph 3.43).

3.5 National definitions and the harmonised typology

In chapter 3.3, an urban-rural typology was presented based on the share of rural population (according to national classifications) and population density (based on

[29] The typology consists of five classes: *global* (more than 100 000 beds in the region), *European* (more than 100 beds per 1 000 inhabitants – total more than 10 000 beds – or 50 000–99 999 beds), *national* (15 000–49 999 beds), *regional* (5 000–14 999 beds or 25 –99 beds per 1000 inhabitants), and *local* (less than 5000 beds or 25 beds per 1000 inhabitants).

harmonised data). It is obvious that the fully harmonised typology of chapter 3.5 differs quite substantially – for a few countries in particular – from the non-harmonised typology. A comparison between the national definitions and the harmonised typology has, however, to be carried out country by country to make sense for reasons that have been explained above.

A major difference between the two representations is that densely populated rural areas of the national representations do not occur in the harmonised typology for the simple reason that such areas are classified as being under strong urban influence in that typology.

The densely populated parts of central Europe and Northern Italy are outstanding in both renderings, but the harmonised typology excludes the allegedly rural pockets of the centre. This is the case in England in particular, where in the national version there is a patchwork of urban and rural areas, and where the relative share of the rural part is huge. In the harmonised rendering, England is strongly under high urban influence and subjected to high human intervention. The same remark is valid for the Benelux countries and a considerable part of Germany. On the contrary, the peripheral parts of Europe follow similar patterns in both of the two representations. The English classification system could be conceived in the context of a strong national policy, which acts in favour of restricting development on green field land.

One of the most interesting differences is to be found in Italy, where the national definitions produce an urbanised North and rural South. The national classification system did not match the national averages on population density and land cover. According to the harmonised typology, considerable parts of southern Italy are under high urban influence and subjected to high human intervention. The Italian example indicates that the national classification systems are always somehow connected to national politics and national spatial development goals. The harmonised typology of Europe is not subjected to these kinds of endeavours. It is based on harmonised and quantified criteria, where the only not-quantified criterion influencing the model is the decided status of the leading centre of the region. That status is based on expert assessments, but is probably not void of political influence.[30]

3.6 National applications of the harmonised typology

Country representatives of Belgium and Austria reacted to the harmonised typology with the basic argument that the picture of respective country did not match the national comprehension of how an urban-rural typology should look like.[31]

In Belgium, the average population density is 336 persons per km2, with is 229 above the European average (107). Therefore most of Belgium looks uniformly urban in the harmonised typology. In the Austrian case, the problem was that only a minor part of the national territory is inhabitable, and the overall impression of the harmonised model that huge part of the country consist of areas with low urban influence and low human intervention does not match real settlement patterns, with very densely populated strokes across the country due to topographic circumstances. The Austrian population density (97) is close to the European average, which means that the inhabited areas are very densely populated.

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[30] See ESPON project 1.1.1, Third Interim Report

[31] We are greatful for the resposes to the Third Interim Report – comments from MC Austria and ECP Belgium.

The counterargument to the critique was that the harmonised model indicates urban and rural characteristics relative to the NUTS3 level and to the European averages concerning population density and land cover as well as the urban hierarchy. In the overall picture of Europe, the two countries really have the features expressed in the model. However, the critique also provided for the opportunity to test the typology in two national cases by elaborating renderings on the NUTS5 level and elaborating maps based both on the EU averages and on national averages of the criteria employed.[32]

On the NUTS5 level, applying European averages, the map of Belgium actually resembles the NUTS3 rendering (Map 3.33), with an urbanised north and more rural south. When the national averages were applied, however, the picture changed considerably into a much more diversified picture (Map 3.34). The picture is actually very close to a Belgian classification of urban and rural areas, which was based on a larger array of classes (Map 3.35).[33]

In the case of Austria, the same exercise was executed (Maps 3.36 and 3.37). The two maps based on EU averages vs. national averages are very similar, because the population density is almost the same in both of the cases. Again, the NUTS5 rendering gives a much more diversified picture of the situation in the country.[34]

The results of these exercises are very encouraging, because they indicate the flexibility of the harmonised typology: applying the same logic (above/below average) it is possible to switch from one geographical level to another and still get cartographic representations that are somehow comparable. Although the scale changes, the logic of the rendering keeps the same and this provides for comparability. The success of the harmonised model lays in the fact that it is overtly simple. The basic data needed is available and the switch from one geographical level to another is no problem as long as the required data sets correspond to the basic territorial unit (NUTS-level) employed. The simple logic induces the possibility to picture e.g. Belgium in Europe, the municipalities in Belgium, one statistical area of a Belgian municipality relative to that municipality. In all these cases the averages applied can be the averages of the next supreme level: in the NUTS5-based rendering the level of averages can be the national level, in case of a statistical area of a municipality it can be the municipal average, etc. It is the application of averages that secures the comparability between levels.

3.7 Summary

This chapter concerned statistical analyses and cartographic renderings of European regions (NUTS3) in order to identify the character of regions on a successive grading form urban to rural. The analyses and the elaborated typology imply both structural and functional urban-rural relations. There is a correspondence between the two forms of relations as structural urban-rural relations form the precondition for functional relations, and functional relations turn structural over time.

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[32] Nicola Lugeri of the Sefemeq team/University of Tor Vergata (part of the 1.1.2 team) provided for the technical possibilities to apply the model on the NUTS5 level.

[33] Mérenne, B, Van der Haegen, H. &Hecke, E. 1998. België ruimtelijk doorgelicht. Brussel, DWTC: p. 14.

[34] In the case of Belgium, Sara Luyten from the ECP commented on the application of the methodology. In the case of Austria, subcontractor ÖIR provided feedback.3.7Summary

The procedure of the investigations was the following. First, national definitions of urbanisation were analysed and tested. On the basis of this work an initial, not fully harmonised typology of urban-rural Europe was developed. Subsequently, a set of indicators was chosen and investigated by applying a multivariate statistical analysis. Based on the results a smaller set of indicators was chosen for further analyses, and interrelations between the various indicators were identified. A final, harmonised typology of urban-rural Europe was elaborated and this typology was compared to a set of indicators concerning the socio-economic development of Europe. The model was tested on the national level in two cases and the results were very encouraging: the typology can be operated on various geographical levels according to desired level of abstarction. Finally, the differences between the harmonised typology and national definitions were commented.

3.7.1 National definitions

There is a huge variety of national definitions with regard to how the concepts of *urban* and *rural* should be conceived. The differences in national definitions concern the number and nature of indicators to be considered as well as the type and extent of spatial reference units. Because of the different criteria applied, the urbanisation rates that are defined according to national definitions are not easily comparable. The national definitions for indicating rate of urbanisation, and defining the character of regions according to their urban respective rural characteristics, reflect the differences in urbanisation history of the various countries. They also reflect different political intentions as such definitions fulfil administrative and political purposes.

When criteria for investigating the urban-rural dimension on the level of the whole of Europe are chosen, lack of harmonised data as well as the intention to keep a typology simple, are decisive. This means that the overall picture of urban and rural in Europe does not necessarily fit the nationally produced images of each country, but all the same the overall, Europe-wide picture can make sense.

3.7.2 Multivariate statistical analysis

In the past decades, there have been an increasing number of multivariate statistical analyses aiming at the development of urban-rural typologies. These works show the relevance of applying multivariate analysis in distinguishing urban from rural areas.

The factor analysis carried out in this study indicates that the *settlement structure* of the various regions is clearly an important explanatory factor. *Spread settlement structures* in which small and medium-sized cities are quite important the areas display a high degree of connectivity and accessibility, indicating strong relations between the various urban areas, as well as between the urban and the rural areas. In areas, where one or a *few cities predominate*, the cities capture a significant share of the population and of the economic activity, and act as powerful attractors with regard to the surrounding territories. In these cases, the intensity of the relations between the urban and the rural areas decreases along the increasing distance or accessibility and the territory is organised according to a successive change from urban to rural. In the case of *concentrated settlement structures*, one single major city dominates the entire system.

The factor analysis indicates a negative relation between agricultural land and forest and a positive relation between urban and agricultural areas, especially in the traditional core areas of Europe. The main categories of *land cover* did explain variations among the chosen indicators fairly well.

3.7.3 Indicators of urban-rural characteristics

The indicators that would form the basis of the typology were chosen: *population density*, the *status of the leading town* of the NUTS3 area, and the *shares of artificial surfaces/ agricultural land/residual land* of the total land cover. All the three criteria indicate, more or less, structural as well as functional properties. The interrelations of these indicators were studied and each indicator was reviewed according to economic performance, population change and development prospects.

Unsurprisingly, there is a statistical correlation between population density and the status of urban centre. The urban hierarchy correlates positively with population density. The maximum and minimum variations are, however, enormous. Two driving forces seem to be at work: the influence of the nation states is manifest in the distribution of big cities while the distribution of lower rank urban centres follow the overall pattern of population density. In the EU10+2 countries, urban centres of a lower rank are on the average located in areas with a lower population density than what is to be found in the EU15+2. In the highest FUA class, the situation is reversed. The standard deviations are as a rule much smaller in the EU10+2. This may imply an effect of a strongly directed urbanisation policy in the former socialist countries, which prevented urban sprawl.

When population density is compared to land cover, it is obvious that the share of artificial surfaces grows linearly with increasing population density. Interestingly enough, there is hardly any correlation between the share of agricultural land and population density. The only exception is the most sparsely populated regions of Europe, where the relative share of agricultural land is lowest. This could be explained by the fact that there is an interrelation between population density and share of residual land. When population density grows, it is obviously often the share of residual land which decreases, and not agricultural land.

Although the relative share of artificial surfaces corresponds fairly well to population density, there are remarkable deviations as well. The amount of artificial surfaces was compared to population figures, indicating artificial surface per capita across Europe. The ratio implies degree of human intervention, and could be conceived as a criterion of *ecological sensitivity*. The former socialist countries (except Poland) are distinguished by a high ratio of artificial surface per capita. Sweden, Denmark, Belgium and partly France belong to the same category. One explanation could be that different spatial standards are applied in the various countries as there are very clear differences along national borders.

When the hierarchy of urban centres is compared to land cover, the share of artificial surfaces grows along the urban hierarchy. What is truly noteworthy is that the share of agricultural land does not follow this pattern. On the contrary, the share is relatively stable (around 50 percent) and the MEGA-category of urban centres has even got a slightly higher share of agricultural land cover than the second class of urban centres. Again, the flexible category is residual land cover. If one compares the standard deviations of the

share of artificial surface, they are significantly smaller in EU10+2, especially so in the two lower classes of the urban hierarchy. This could be taken as another indication of less urban sprawl in the lower classes of urban centres in the EU10+2, probably due to lack of land speculation during the socialist regime.

It is interesting to notice that in the overall context of Europe, there is a clear increase in agricultural land per capita towards the periphery, but the relative share of agricultural land is very stable with regard to the urban hierarchy. Agricultural land is a characteristic of urbanised regions as well as rural regions. That could be explained by the history of urbanisation: before the industrial revolution, the density of urban centres was an effect of agricultural productivity. Where the yield of land abounded, urban centres could be supported by agricultural surplus.

To what extent do different land covers exclude each other, or appear in correlation? An overall tendency is that a falling share of artificial surfaces would correlate with a growing share of agricultural land. The tendency is, however, fairly slight, and the variations are enormous. This matrix confirms the conclusion made above that urbanism and agriculture are positively interrelated. Agricultural land can dominate non-urbanised areas, but it can, and often does dominate urbanised areas as well.

GDPpps per capita increases with population density. The deviations are, however, huge. GDPpps per capita also correlates with the urban hierarchy: the higher the order of centre, the better the performance. On the average, growing GDPpps per capita seems to result in a relatively speaking more positive population change. The tendency seems to reach its peak and turn downward in the most prosperous regions. There seems to be a clear correlation between good development prospects and population density.

The non-lagging regions have higher population density than potentially lagging regions, which in their turn have got a higher population density than lagging regions. In the EU10+2, the population density of non-lagging regions is exceptionally high compared to the situation in other regional types. The overall population change follows the same pattern, but in this case the situation is reverse in the EU10+2 countries, where the non-lagging regions have lost relatively more population than the other regional categories.

A scrutiny of population change related to overall population density indicates a drop on the average in very sparsely and very densely populated areas. The variations are, as usual, enormous. When population change is related to status of urban centre, the situation is different in west and east. In the case of EU10+2 the relative gain of medium size FUAs is fairly pronounced, but all the three urban centre categories have actually lost population. In the case of EU15+2, all categories are on the positive side, and the MEGAs have had the most positive growth. The national urban systems are, however, still much more integrated than the EU as a whole, and consequently the trends in population change with regard to the urban hierarchy is first and foremost a national matter.

Population change in relation to type of land cover follows the trend noted above with respect to population density. Where the share of artificial surfaces starts to exceed the European average, the upward curve of population change turns downwards. In the margins, that is, in the least as well as most urbanised areas, population change is negative. Concerning agricultural land cover, the situation is different. The trend seems to be constantly upward: the higher the share of agricultural land cover, the more positive population change seems to be! With respect to residual land, the situation is reversed. In all cases, the variations are enormous.

3.7.4 The harmonised typology

The typology is based on the idea of two main dimensions, that is, *degree of urban influence* on the one hand, and *degree of human intervention* on the other hand. Urban influence is here defined according to population density and status of the leading urban centre of each NUTS3 area. Land cover is supposed to reflect both the degree of human intervention and actual land use.

The two classes of *urban influence* and the three classes of *human intervention* were combined into a six-type model where the main division is in two classes of *urban influence*, that is, *high* and *low*, and a three-class subdivision into *high, medium* and *low human influence* of the two main classes. The two-class main division indicates *functional* (status of urban centre equalising functional specialisation, population density equalling size of markets) as well as *structural* properties (population density equalling built up areas) and the three-class subdivision is based of the structural properties of the physical environment (relative share of the various kinds of the land cover) as well as function properties (land use). The deepening division of labour and the expanding spatial scale of trade are blurring the functional relations between different land uses on the regional level.

The regional type 1 (high urban influence, high human intervention) covers only 19 percent of the total area, but houses 60 percent of the population and produces 72 percent of the total GDP. The corresponding figures for the sum of all the three types with high urban influence are 27 percent, 69 percent and 78 percent. This alleged unbalance between regional types should be conceived in a broader context. The relatively high productivity of the areas under high urban influence could be conceived as a token of division of labour. All the various regional types contribute to the total wealth, and the relative success of one type is always related to the relative loss of some other types.

A striking feature concerning parts of EU10+2 is the large share of regions where urban influence is low but human intervention is high. Parts of Denmark and France follow the same pattern. This could indicate a variety of things: careless land use, generous spatial standards in building and infrastructure, the strength of the construction lobby, etc. The opposite, that is, high urban influence but low human intervention, are characteristic of parts of the North, the alpine countries and the Mediterranean countries. This may be explained by sparse population under influence of MEGAs in the North, or natural conditions such as topography in the alpine regions. In South, the explanation may be early urbanisation and historic urban environment with modest spatial standards in building and infrastructure.

Land use

It is important to notice that urban influence and human intervention correlate, but that there are remarkable inconsistencies as well. Degree of urbanity versus rurality is genuinely dependent on both factors. It was presumed that the higher the degree of human intervention is, the higher is the yield of the land. With regard to sustainable development, it is encouraging to realise that development in terms of urbanisation does not by necessity imply extensive building. The option of prudent management of earthbound resources is statistically evident: The presupposition was that land cover per capita of a certain category (e.g. artificial surfaces) could be compared to economic output per capita within the same region. The ratio between land cover and GDPpps was calculated. This ratio was

supposed to indicate the degree of *land use efficiency* and be an indicator of *sustainable land use*.

With regard to the ratio between high human intervention (artificial surfaces) and GDPpps, the spatial distribution shows that the EU10+2, eastern Germany, a huge part of Sweden as well as parts of France, Portugal, Belgium and Greece had a lower land use efficiency than average. The difference between east (including Sweden) and west is remarkable, and the spatial distribution is very much dependent of national borders and very little on regional types. Obviously land use efficiency of artificial surfaces is an effect of national policies and not of regional types.

Population change

The regional types 1, 2, and 3 under high urban influence had higher population growth rates than those types under low urban influence. Regional type 4 experienced a population decline in absolute terms.

The EU15+1 had a positive population change and in all, there seems to have been a slight decentralisation in the three regional types with high urban influence. In the three regional types of low urban influence, a centralisation seems to have taken place. In the EU10+2, the overall change was negative. In this category it is striking that the loss of the centres (type 1) was considerable while the other two classes of the types under high urban influence had a slightly positive population change, which could be interpreted as a kind of suburbanisation. In type 4, that is, the type where EU15+1 experienced the strongest grow, EU10+2 had the most severe decline. In the most rural areas of regional type 6, the losses were higher as well. The spatial distribution of population change indicates a situation where most countries have regions with population growth of both above and under European average. In some of the new member states, there are no regions with a population growth above the average.

Economic performance

When GDP per capita is considered, it may be better to have a separate look at the EU15+1 on the one hand and at the EU10+2 on the other hand, because the overall rendering is distorted by the uneven geographical distribution of NUTS3 areas across the six regional types. In EU15+1, regional type 1 had in 1999 the highest economic output while the rest of the regional categories had an astonishingly uniform performance. In EU10+2, the pattern was the same, but on a substantially lower level. Regional type 1 of the EU10+2 had an economic output close to half of the same type in EU15+1. In the other types, the output was lower. The spatial distribution follows the well-known pattern.

For the whole European territory, the variations in growth of GDP during the period 1995-2000 were from 13 percent (type 4) to 25 percent (type 2). The low performance of type 4 is remarkable, because it is caused by low performance in the west as well as in the east. In all the three regional types under high urban influence, EU10+2 were performing better than EU15+1, with a growth from 24 percent (type 3) to 31 percent (type 2). The spatial distribution of economic growth is interesting. The new member states have done very well, but not Romania and Bulgaria to the same extent. In west, part of the periphery was also doing well. So did large tracts of UK and the Netherlands. France is noteworthy for lower than average performance all through.

Development

When the typology of development prospects was compared to the urban-rural typology, the relative share of non lagging regions was highest in regional type 1 and under the average in the rest of the regional types. In regional type 4 (low urban influence, high human intervention), the share of non lagging regions was only 18 percent. A remarkably low performance was also to be found in regional type 2 (high urban influence, medium human intervention) where the share of non lagging regions was only 25 percent. Of course the share of lagging regions correspond invert with the share of non lagging regions.

The spatial distribution of lagging regions is very clear-cut, including the EU10+2 countries, northern Finland, eastern Germany, substantial parts of Greece, southern Italy and Sardinia as well as substantial parts of Spain. This means that development prospects are very much bound to the national context and to some degree to the regional context as well.

Accessibility to transport and knowledge

The spatial pattern of accessibility to transport is very clear as well. In the west, the densely populated areas of regional type 1 have an accessibility that is generally speaking above European average. In the east, this is reached only in the regions of the national capitals.

The typology on education level was compared to the harmonised urban-rural typology. Most university institutions of the European level were located in regional type 1. Out of the total population of NUTS3 regions close to European level university education, a huge part lived in regional type 1. Also the share of national level institutions located in type 1, was significant. The importance of national level institutions in regional type 5 was somewhat surprising.

Tourism

As much as 91 percent of the global category tourism was located in regional type 1, and the rest of this category in regional type 2. Also a majority of the other categories of tourism level were attributes of regional type 1. Generally speaking, tourism seems to coincide with population density, which may indicate two things: international tourism is canalised through major centres and the density of attractive locations corresponds to population density in general.

3.7.5 National definitions and harmonised typology compared

A major difference between the national definition and the harmonised typology is that densely populated rural areas of the national representations do not occur in the harmonised typology for the simple reason that such areas are classified as being under strong urban influence in that typology.

The densely populated parts of central Europe and Northern Italy are outstanding in both renderings, but the harmonised typology excludes the allegedly rural pockets of the centre. This is the case in England in particular, where in the national version there is a patchwork of urban and rural areas, and where the relative share of the rural part is

huge. In the harmonised rendering, England is strongly under high urban influence and subjected to high human intervention. The same remark is valid for the Benelux countries and a considerable part of Germany. On the contrary, the peripheral parts of Europe follow similar patterns in both of the two representations. The English classification system could be conceived in the context of a strong national policy, which acts in favour of restricting development on green field land.

One of the most interesting differences is to be found in Italy, where the national definitions produce an urbanised North and rural South. The national classification system did not match the national averages on population density and land cover. According to the harmonised typology, considerable parts of southern Italy are under high urban influence and subjected to high human intervention. The Italian example indicates that the national classification systems are always somehow connected to national politics and national spatial development goals. The harmonised typology of Europe is not subjected to these kinds of endeavours. It is based on harmonised and quantified criteria, where the only not-quantified criterion influencing the model is the decided status of the leading centre of the region. That status is based on expert assessments, but is probably not void of political influence.

3.7.6 National applications of the harmonised typology

The harmonised model was tested on two countries, Belgium and Austria, applying the method of the harmonised model but on NUTS5 level. The results of these exercises are very encouraging, because they indicate the flexibility of the harmonised typology: applying the same logic (above/below average) it is possible to switch from one geographical level to another and still get cartographic representations that are somehow comparable. Although the scale changes, the logic of the rendering keeps the same and this provides for comparability.

The success of the harmonised model lays in the fact that it is overtly simple. The basic data needed is available and the switch from one geographical level to another is no problem as long as the required data sets correspond to the basic territorial unit (NUTS-level) employed. The simple logic induces the possibility to picture e.g. Belgium in Europe, the municipalities in Belgium, one statistical area of a Belgian municipality relative to that municipality. In all these cases the averages applied can be the averages of the next supreme level: in the NUTS5-based rendering the level of averages can be the national level, in case of a statistical area of a municipality it can be the municipal average, etc. It is the application of averages that secure the comparability between geographical levels.

3.8 Policy implications

What is truly noteworthy about land cover/land use in Europe is that the relative amount of *agricultural land* is so stable, being an attribute of areas with high as well as low population density, and being an attribute of all kinds of regions regardless the status of leading urban centre. The share of agricultural land does not decrease with increasing share of artificial surfaces either. Of course there are numerous examples of regions with a very low share of agricultural land, but on the average the share of agricultural land is very stable. This indicates the fact that agriculture is an integrated function of all the

different parts of Europe, also the most urbanised parts of Europe. Agricultural land loses in relative importance only in those parts where residual land cover is prevailing.

The prevalence of agricultural land across Europe is an asset of tremendous importance. Firstly, it provides for the option to produce food locally. Consumers could have the possibility to literally control the production of the food they are consuming. This could also be an economic advantage as the demand for locally produced, secure food in on the rise. Secondly, the abundance of agricultural land in regions of high urban influence provides for the possibility to utilise agricultural land for recreational purposes. It is an environmental asset that cannot be underestimated. Consequently, the protection and conservation of agricultural land and Greenfield land in general in the densely populated parts of Europe in particular should be a high priority.

The *degree of human* intervention was judged by the relative *share of artificial surfaces of the total land cover*. On the average, this criterion correlates with population density, but there are remarkable deviations, which are closely connected to national territories. The east of Europe, (excluding Poland) as well as Sweden, Denmark, Belgium and parts of France are characterised by a high share of artificial surfaces per capita: degree of human intervention is considerably higher than population density would indicate. This could be conceived as an *ecological indicator*, which places the mentioned countries in an unfavourable position, and should initiate new policies for a more prudent management of land. A high share of artificial surfaces also indicates a high share of discontinuous urban land, which indicates urban sprawl.

One could argue, however, that even if the share of artificial surfaces per capita may be conceived as an ecological indicator, it does not add much to the issue of *sustainable development*, which should include the economic dimension as well. In order to scrutinise this question, the share of artificial surfaces (per capita) was compared to economic output (GDPpps per capita), which could be conceived as an *indicator of sustainability*. According to this criterion, the situation in Eastern Europe as well as in Sweden and Belgium is depressing. The Swedish case is interesting in particular since this country keeps a very high profile in environmental matters. At the same time, the high degree of human intervention does not pay off very well in Sweden compared to the European average. Again, political considerations are necessary in order to safeguard a prudent management of landed resources.

In EU10+2, there are strong indications that urban sprawl in medium size and smaller centres have been more effectively managed than in the west. In Eastern Europe, the faults of the west should not be replicated, but there are unfortunately strong indications of decreasing prudence of land management in these countries due to increased land speculation. This unfavourable process could be enhanced by investments in transport in the EU10. There, the overall accessibility is not of the EU15 standard, and a deepening economic integration requires enhanced accessibility, but this should not make allowance for urban sprawl.

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4 Socio-economic diversification and interconnectedness of urban and rural areas

This chapter extends the analysis of urban-rural relationships by the use of case studies. Through these studies more detailed information on processes and relevant policy initiatives are presented which complements the analysis undertaken at NUTS3 level. As urban-rural relations do not coincide with administrative boundary systems, analyses based on datasets organised according to such systems can only provide limited insights into the processes underlying and shaping urban-rural relationships.

The case studies are representative of the different categories identified in the typology of urban-rural characteristics (presented in Chapter 3) and they address three different themes:

- socio-economic diversification,
- territorial interdependence and
- land use profitability.

The first two deal mainly with functional relations while the third deals primarily with structural and power relations. Table 4.1 summarises the location of each case study in a matrix based on the area types and the three themes. The findings of the two first case study themes are presented in the subchapters 4.1 and 4.2 – and summarized in 4.3. The questions of land-use profitability and urban sprawl are dealt with in Chapter 5.

The case studies were prepared by project partners and some subcontractors, as well as by the two observing partners[1]. The case studies can be accessed at the website[2] of the project. Some key features of the cases are presented in Annex 7.

The case studies undertaken for this project build on the research undertaken for the Study Programme on European Spatial Planning (SPESP)[3]. The final report from the SPESP project identified several dimensions of economic, socio-cultural and political transitions which were considered to be underpinning changes in contemporary urban-rural relationships. These are summarised in Table 4.2.

[1] see Annex 7 for the names and institutes of the authors.

[2] http://www.hut.fi/Units/Separate/YTK/research/ur/cases/.

[3] SPESP 2000.

Table 4.1
Elaborated case studies according to type of area and main themes.

		Socio-economic diversification		Territorial interdependence		Land use profitability	
		Functional relations				Structural relations	
	Case study areas	services, production of tangible goods	education/ knowledge production of intangible goods	flows of people, commuting	amenities (water, waste)	land vs. population	land prices, exploitation systems
1 Urban, high human intervention	NL: Randstad & Green Heart +		X		X		X
	NL: Blue City		X		X		X
	D: Berlin, Barnim				X		X
	IT: Rome						X
	FI: Helsinki						X
	SE: Stockholm						X
	ES: St.Miquel de B.						
2 Urban, medium human intervention	France		X		X		
	Ireland		X		X		
3 Urban, low human intervention	France		X		X		
4 Rural, high human intervention	HU: Gyor		X		X		X
5 Rural, medium human intervention	UK: Ryedale		X		X		
	FR: Albi		X				X
	IR: County Meath		X		X		X
6 Rural, low human intervention	PT: Figueiro		X		X		
	PT: Algarve		X		X		
	SI: Dolenjska		X		X		

The SPESP case studies highlighted the need for new perspectives on urban-rural relationships with more attention to networking between places, more emphasis on the 'drivers' of the new relationships at different territorial scales and greater attention to policies and strategies that can facilitate new territorial relations. Furthermore, as a summary of the case study work undertake, a list of key urban-rural relationships was identified:

- home-work relationships
- central place relationships
- relationships between metropolitan areas and urban centres in rural and intermediate areas
- relationships between rural and urban enterprises
- rural areas as consumption areas for urban dwellers
- rural areas as open spaces for urban areas
- rural areas as carriers of urban infrastructure
- rural areas as suppliers of natural resources for urban areas.

Table 4.2
Key drivers of changes in urban-rural relationships

Theme / driver	Trends	Implications
1) Changing patterns of economic activity	Industries are increasingly open to competition on a global scale.	Traditional economic linkages between rural areas and nearby towns are weakened. The significance of endogenous initiatives and new partnerships is upgraded.
	Some activities are increasingly footloose and can avoid congested metropolitan areas. Vs. Some activities depend on the diversified milieus of the metropolises.	Territories find themselves positioned in a range of spatially-differentiated economic relations.
	Growing concern with soft infrastructure investment in training, education, research and institution building.	Also rural towns need to find innovative approaches to develop new activities and partnerships.
2) Dynamics of innovation and learning	Territories able to remain competitive need to have local cultures which promote continual adjustment and innovation. In some activities information can be codified for production over distances – in others the innovation is bound up with tacit knowledge resources.	Relation between innovation capability and territory, and between urban and rural areas, is not straightforward.
	It is difficult to avoid promoting spatial unevenness when fostering innovation capacity.	The critical role for territorial government is to promote the development of hard and soft infrastructures which promote learning capacity both in urban and rural areas.
3) Changing demographic profile	The population is ageing and fertility rates fall. The participation of women in the labour markets increases. The society is increasingly mobile.	Certain metropolitan "escalator" regions continue to draw attraction with their diversity. In rural areas also minor flows of active population can be significant.
4) Social change and differentiating lifestyles	The socio-spatial relations are increasingly diversified and fine-grained.	The mosaic of affluence and poverty is manifest in both urban and rural areas.
	The questions of lifestyle differentiation and consumption patterns have an important role in the economy.	Various urban and rural localities with special qualities (landscape, services) start to attract certain groups (eg. the elderly).
5) New bases for culture, identity and citizenship	Successful territories should be able to provide both "safety-assets" and "opportunity assets".	Many rural areas and small towns lack "opportunity assets".
	Design of place-identities (both "happy as sleepy" and "vital and dangerous") becomes crucial.	New kind of professionalism within spatial planning needed.
6) Environmental sustainability as motivating concept	Need to address the environmental degradation is becoming more and more evident. Policies aiming at sustainability are being promoted.	The distinction between urban and rural areas are broken apart. Ecosystemic and biospheric ways of conceptualising territorial linkages come to the fore.
7) Challenge of government and policy-making.	Shift from rule-bound top-down government to multi-actor and multi-level governance is taking place.	The capacity of the sub-national government is crucial in building the urban-rural bridges.

In the SPESP these relationships were given no specific geographical reference – they were not related to any spatial context but were rather floating in space. The current project highlights the importance of the long-term trends and ruptures in urbanisation tendencies in various parts of Europe, referring to the differential urbanisation theory. The purpose of this chapter is thus to revise the SPESP findings – to locate the various key trends in the differentiated urbanisation patterns of Europe and to identify the key tendencies behind the urban-rural settings that seem to be of importance from the

perspective of spatial policy making. This then leads to the discussion whether the ESDP policy goals can be promoted through operationalising them in the form of concrete urban-rural sensitive measures.

4.1 Socio-economic diversification and urban-rural relations

As discussed in Chapter 1, the restructuring of both urban and rural areas result from complex interplays of global/European, national and regional/local factors. Here the purpose is to draw together findings concerning socio-economic diversification and the implications of the restructuring process for urban-rural relations. Firstly, two national level case studies (France and Ireland) are presented and compared with each other. Then findings from the regional level case studies are discussed, using examples of the most illustrative cases concerning the socio-economic questions. The findings of the two themes 4.1 and 4.2 are presented jointly in chapter 4.3.

4.1.1 Comparison of country level case studies: France and Ireland

France

In France, a new classification of urban and rural areas that takes account of their interactions was introduced in 1996/97. Two broad territorial categories were introduced: (a) areas with dominating urban character and (b) areas with dominating rural character. Each broad category is further sub-divided into a total of eight area types extending from “urban poles” to “isolated rural areas”. Over the past two decades, significant contrasts have emerged in the demographic and labour market performances of the different area types. Urban poles experienced modest gains in population mainly because of negative migration flows while suburban municipalities that comprise peri-urban areas had significant gains in population mainly due to net in-migration. Within rural areas the main contrast is between ‘rural areas under slight urban influence’ and ‘isolated rural areas’ where population is declining. These adjustments according to the different area types have resulted in pronounced regional contrasts. The highest levels of population and employment increase occur in the west and south/southeast, which can be contrasted with declines in an axis extending from the northeast to the southwest, and also significant declines in older industrial areas especially in the northwest.

Detailed statistical analysis of the demographic and labour market performances of the different components of the urban system demonstrate the importance of socio-economic diversification trends. For example, industrial restructuring associated with the decline of traditional sectors has resulted in net out-migration and high unemployment in approximately 20 medium sized towns mainly in the northeast. The largest cities with a strong orientation to new economic sectors and significant administrative functions have experienced net-outmigration and low levels of employment increase. By contrast, medium sized towns with significant public functions and especially those located in the south of the country, had very high net-in migration and employment gains. Also there are numerous small towns in mainly coastal and mountain areas that are particularly attractive for retired people and for tourists. These areas have had above average gains in population and employment.

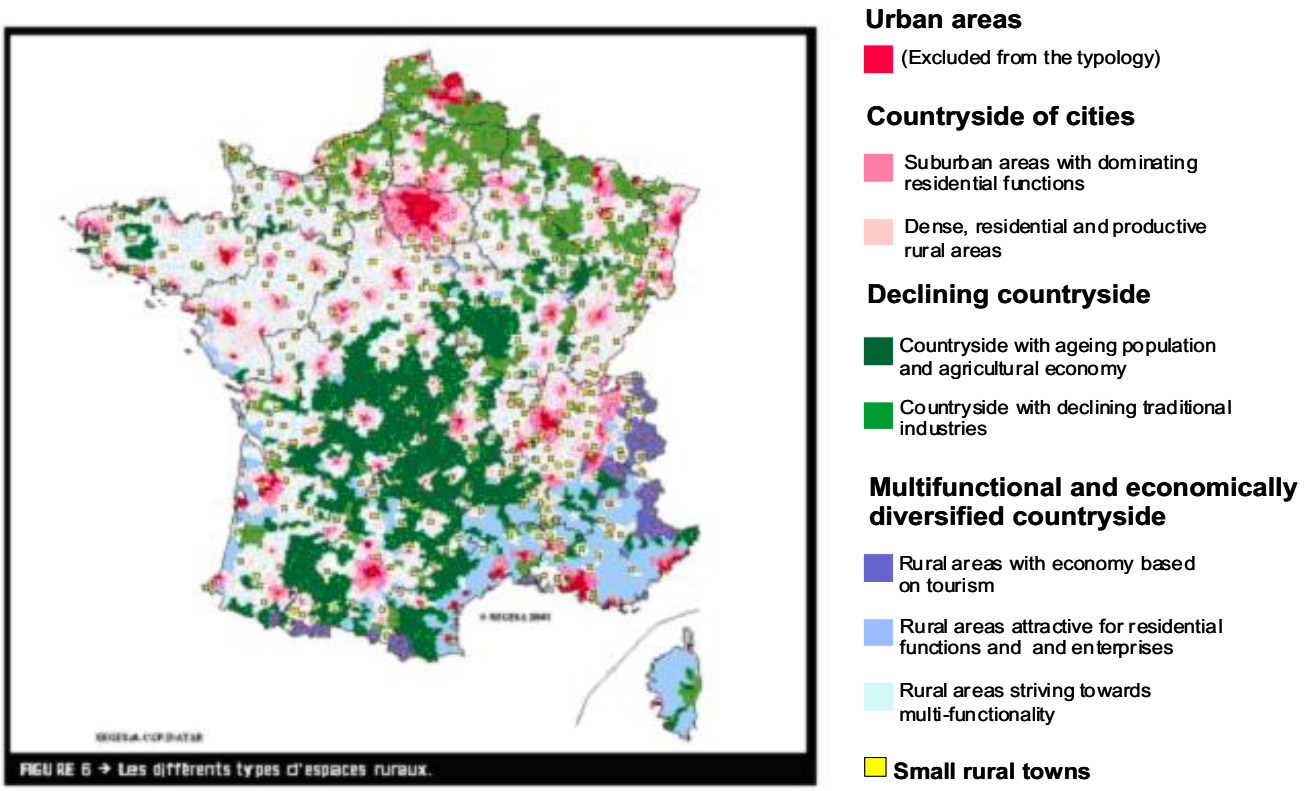
In 1999, there were 10.6 million persons (18 % of the total population) residing in the ‘areas with dominating rural character’. Net in-migration is the dominant demographic

factor in most of the rural areas including both those that are near urban centres and those that are isolated. Medium and small towns continue to be the main providers of public and private services for rural areas.

The trends noted for France are due to several factors that include the tendency for high level personal and business services to concentrate in cities, the deconcentration of industrial employment and lower level public services from urban to rural areas, and the increasing role of rural tourism in distinctive parts of the country.

A typology of the countryside (Map 4.1) has been developed, which identifies three basic categories:

- The countryside of cities
- Multifunctional and economically diversified countryside,
- Declining countryside.



Map 4.1: Typology of the French rural areas
(Source: Quelle France rurale pour 2020? DATAR 2003)

Different types of urban-rural relations are associated with each category. The 'country-side of cities' consists of two sub-categories that represent different types of urban-rural relations. The first sub-category includes the first suburban ring of large and medium size urban areas, which are very densely populated and are continuing to grow rapidly as a result of in-migration. Many of the workers living in these areas are reliant on car-based commuting to work in the neighbouring urban centres. By contrast, in the outer suburban rings of the large and medium sized cities population densities are lower and a greater share of employment is in endogenous activities. Thus the urban-rural

interactions are less intense in terms of daily commuting, compared to those of the residents of the first suburban ring, but they may be more intense in terms of accessing deconcentrated public and private services.

The 'multifunctional and economically diversified countryside' can also be sub-divided into two sub-categories on the basis of the level of multifunctionality already achieved. For example, in the Mediterranean regions and, to a lesser extent, along the Atlantic coast and in the southwest there are many rural areas that are attractive for residential functions, tourism and enterprises. The dominant urban-rural relationship in these areas concerns the migration of retired people from cities as well as the interactions with medium size and large cities for the provision of services.

There are many rural areas, especially in the west, where primary agriculture and agri-food processing are still very important in terms of employment. Manufacturing employment is mostly located in small towns and is generally in decline. These areas are undergoing a rapid diversification towards mainly urban based tertiary activities. In these rural areas the dominant rural urban relations are generally over short distances to access services and employment opportunities.

The 'declining countryside' areas combine three handicaps: low population density, declining populations and mono-activities. Two sub-regions can be identified. The first are the mountain areas and hilly landscapes that are characterised by very low population density and an ageing population that is still heavily dependent on low productivity agriculture. Urban-rural relations in these areas are mainly concerned with the provision of basic services.

The second sub-category are rural areas with declining traditional industries and are found mainly in the northern half of the country. Employment has been heavily concentrated in traditional manufacturing sectors that are now in decline. The total population is ageing and declining due to natural decrease and net out migration. Urban-rural relations are mainly concerned with commuter flows between the countryside and small and medium sized towns in addition to interactions for access to basic services.

In summary, recent experience in France points to the emergence of new forms of urban-rural relations in the 1990s. The traditional dualism between urban and rural areas is being replaced in response to increasing economic diversification. New economic bases are now emerging related to residential functions and recreational activities. The growth of large agglomerations has slowed and a number of small and medium sized towns as well as rural areas have found new sources of prosperity.

Ireland

The Irish case study exemplifies many trends that are similar to those described for France. However, there are important contextual differences not the least being that the share of the population living in rural areas in Ireland, after allowing for differences in definition, is more than twice the level in France. In many respects Ireland is more akin to a region in France. Another significant contrast between Ireland and France is that since the early 1990s Ireland has undergone a fundamental socio-economic transformation. Unlike most other regions in Europe the economy of Ireland is exceptionally open and, therefore, the location patterns of enterprise and employment are disproportionately influenced by globalisation considerations. The socio-economic transformation is driven by several factors but for this analysis of urban-rural relations the most notable are, on

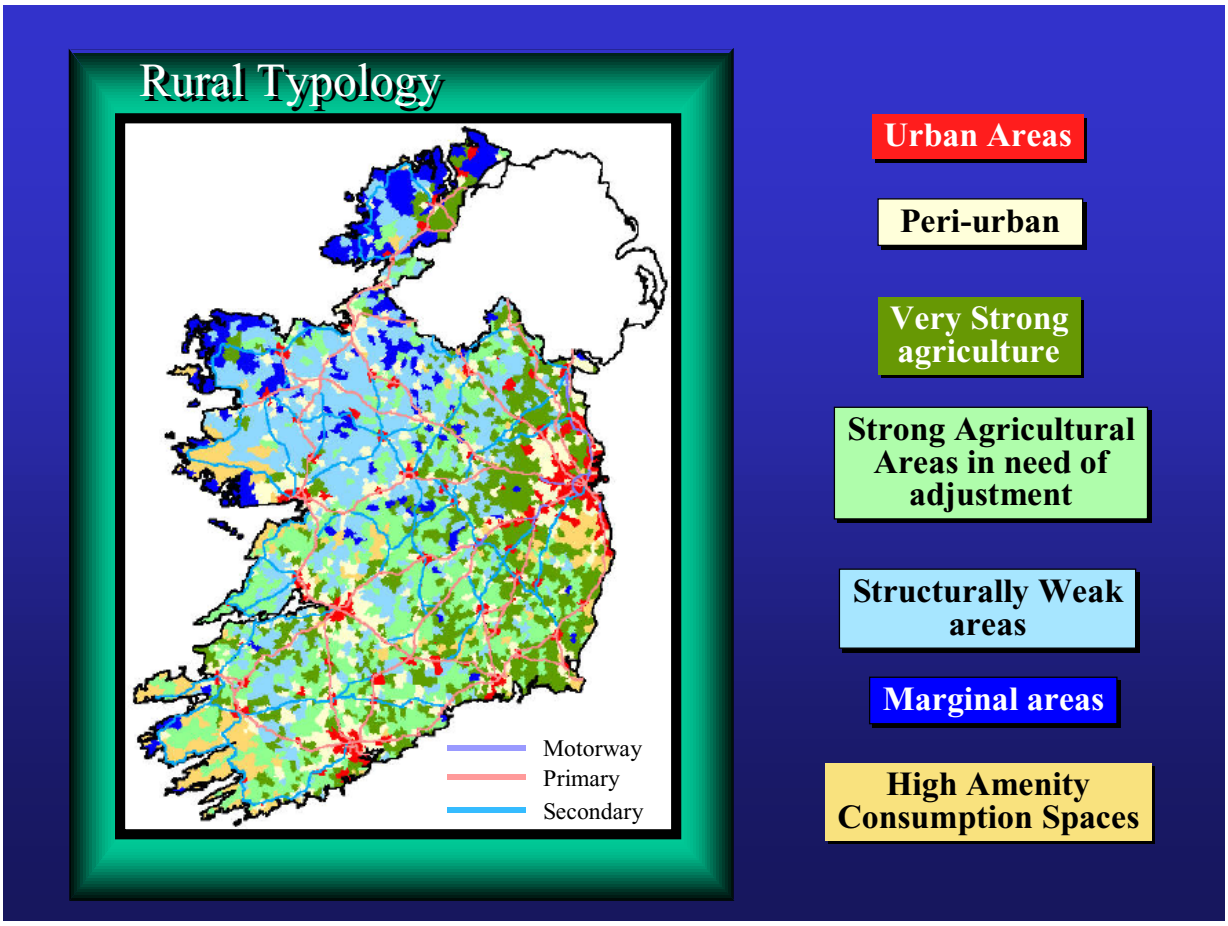
the one hand, the very high reliance on foreign direct investment in high value added sectors, which has been mostly concentrated in the larger urban centres and, on the other hand, the very significant decline in the role of primary agriculture and other traditional industries, especially in rural areas.

The socio-economic transformation since the early 1990s has significantly altered the traditional patterns of urban-rural relations. Distinctive peri-urban zones are evident around all of the major centres of population. More significantly the geographical extent of these zones has expanded since the mid 1990s in response to several factors. The single most important driver has probably been the cost of housing in the larger urban centres, especially Dublin. In a context of a very rapidly increasing work force and simultaneously changes in household structures (the total number of households increased much more quickly than the population) the supply of housing was unable to keep pace with demand, which resulted in spiralling house prices. In response increasing numbers of people opted for housing at very considerable distances from their places of employment. The deconcentration of population has been facilitated by increased levels of car ownership and by improvements in the road and commuter rail infrastructures. The dominant types of rural-urban relations in the expanding peri-urban areas are related to commuter flows and also longer distance movements for higher level personal and public services. There are also several locations on the fringes of the greater Dublin commuting hinterland that are in high demand for second homes and holiday homes, and thereby constituting another new type of rural urban relation, especially in the southeast of Ireland.

Beyond the expanded peri-urban zones approximately 14 % of the population reside at very low densities (average of 15 persons per sq km) in rural areas that cover just over half of the country. In these areas characterised by high dependence on low productivity agriculture, a weak urban system and low quality transport infrastructure there has been a long history of net out migration and population decline. Consequently rural urban relations are more localised and mainly confined to travel for low level public and private services as well as short distance commuting. However, there is one form of longer distance rural urban interaction that has broader and longer term consequences. It relates to movement of school leavers to universities and other third level educational institutions, which are mostly based in the larger urban centres. The majority of students from rural areas remain in the urban areas after they graduate into the labour market.

Finally, there are some relatively remote rural areas that have experienced a significant transformation in the 1990s. These are usually areas of outstanding natural beauty where strong tourism and recreation related economies have developed. These areas have also attracted large numbers of in-migrants, many of whom have set up new enterprises that are catering for markets that are frequently in very distant urban centres. Between 1991 and 2002 the total population of these rural areas, which to a large extent share the characteristics of new consumption spaces, had the highest levels of population and employment increase. The rural urban relations in these areas are frequently over long distances and take the form of visitor flows, migrant labour from urban areas outside of Ireland, and movements of high quality craft and other products to national and international markets. At the same time for many of the indigenous traditional residents of these areas their urban-rural relations are mostly very local for access to basic services. One of the consequences of high levels of tourism related activities is a high demand for second homes, which increases the level of competition faced by local home buyers.

Map 4.2:
Typology of rural areas in Ireland (prepared by Celine McHugh and Jim Walsh)



The policy responses to improving urban-rural relations in Ireland are contained in the White Paper on Rural Development and the National Spatial Strategy, which has recently been augmented by Strategic Planning Guidelines for each region. Considerable emphasis is placed on strengthening linkages between rural and urban areas and on developing local and regional capacities through a network of Gateways and Hub towns. In response to widespread public controversy concerning housing in the countryside, new planning guidelines have been prepared.

In summary, the high economic growth rates of globalising Dublin have contributed to the further supremacy of the capital. Around Dublin the urbanisation pressure is very high, resulting from the rapid increase of land prices in urban areas together with perception of enhanced quality of life in rural areas.

The development of rural population over recent decades shows an increasingly complex pattern. Declines are evident in the most marginal rural areas and increases are confined mostly to the commuting hinterlands of the larger urban centres. Increase is also occurring in some coastal zones where there has been evidence of greater economic diversification particularly in the tourism sector. The increase in consumption of leisure and tourism related services has given some rural areas new roles as consumption spaces that are vitally linked to often-distant urban centres. The areas with traditional agricultural sector

have been prone to decline. Efforts to compensate the loss of agricultural employment have resulted in increasing reliance on either farm based diversification or off-farm employment. These adjustments have taken place especially in the rural areas where linkages to urban areas can be established.

Summary

A distinction can be made between those new urban-rural relations that correspond with more or less *irreversible flows* and those which correspond to *daily, weekly or more regular mobility* between urban and rural areas. The first category refers to flows associated with out-migration from the cities to the countryside, and relocation of productive activities from large urban centres to smaller ones or to the suburban areas, and also to more distant rural areas that offer the prospects of a higher quality of life. The second category involves journeys to work, plus access to services and recreational facilities, motivated by perceptions of the attractiveness of places and the quality of life.

In both France and Ireland the long and short terms interactions correspond with broad classes of rural areas in the following way:

– Peri-urban zones: Interaction on the long term is about in-migration of both young families and retired population. In the scale of Ireland this concerns especially the peri-urban zone of major cities, whereas in France also most medium-sized cities have such zones. In the Dublin hinterland there is also an increasing demand for second homes and holiday homes. In terms of short term interaction the key question is the intense commuting. Also higher level personal and public services bring about movements over long distances.
– Low-density rural areas: What comes to long-term interaction, the movement of school-leavers to urban areas with higher level educational institutions is significant. The daily urban-rural relations are more localised , travelling for public and private services as well as short distance commuting. The pattern will be affected if the shift from the high dependency on low productivity agriculture towards farm based diversification of off-farm employment proceeds.
– Remote areas with natural beauty & Rural areas in coastal regions: Long-terms movements include in-migration to the new consumption spaces and establishment of new enterprises catering non-local markets. A special feature is the in-migration of retired people. Short-term movements include frequent flows of visitors, migrant labour and products to and from major cities or abroad. However, most indigenous traditional residents remain in the sphere of very local urban-rural interaction.

It seems that several key features of the socio-economic restructuring are similar but the pace of change is more rapid in Ireland, where the viability of major centres is highly influenced by global players of the economy and where the primary agriculture is experiencing a very significant decline. In France also many medium-sized cities prosper, especially if they are located in attractive regions.

4.1.2 Findings from regional cased studies

Randstad and the Green Heart

The case study of the urban rural relationships in the Randstad and the Green Heart illustrates the role of spatial planning in managing the increasing pressures on the Green

Heart. In contrast to most of the case studies there are no parts of the Green Heart that may be regarded as inaccessible; it is estimated that 95 % of the land area is within a ten minute drive from a motorway. Improvements in accessibility coupled with a desire among a large segment of the population for rural living has placed the Green Heart under considerable pressures for many years. Since the 1960s planning strategies have sought to promote different forms of compact urbanisation while strongly supporting the preservation of rural open spaces. In 1977 the policy document on rural areas extended the role of the Green Heart from its primary function as an agriculture resource to also include the roles of leisure pursuits and nature conservation. Later plans highlighted the potential for functions such as tourism and recreation along with nature protection.

One of the consequences of improvements in transport infrastructure is that there has been some relocation of employment to the edges of the cities, often to sites near motorway junctions, and also the emergence of the Randstad as almost a single regional labour market for some professions. Associated with these trends are high levels of commuting within the Randstad and also into and out of the polycentric zone enclosing the Green-heart. The case study illustrates that even a long term commitment to spatial planning and managing the tensions between urban and rural areas is difficult in a context of high densities of population.

The Algarve region in Southern Portugal

This case study illustrates very well the outcomes in respect of urban-rural relations from local economic restructuring resulting from increasing levels of international tourism in southern Europe. Analysis of demographic trends since the 1980s reveals significant contrasts between ‘repulsive areas’ (mostly inland mountainous areas) and the coastal areas. It is also evident that improvements in transport infrastructure and investments in selected seaside resorts beyond the core coastal areas are helping to revitalise some rural areas that were previously in decline.

There are several effects associated with the high reliance on tourism. The role of agri-culture is greatly diminished due to the dynamics of local labour markets which draw rural labour into urban based tourism services, and also due to the diminishing productivity of a residual ageing rural workforce, especially in the inland areas. Thus the traditional primary production based urban-rural relations have been severely reduced and replaced by new types of relations such as increasing supply and demand for seasonal homes. The role of the larger urban centres as the economic core areas and the principal employment locations is confirmed by data on commuting. These data point to the commuter hinterlands becoming more extensive and also to increasing levels of interaction between the urban centres contributing to the formation of urban axes as along the coast.

There are several effects associated with the high reliance on tourism. The role of agriculture is greatly diminished due to the dynamics of local labour markets which draw rural labour into urban based tourism services, and also due to the diminishing productivity of a residual ageing rural workforce, especially in the inland areas. Thus the traditional communities in these areas and weakens the capacity to provide urban based services to dispersed rural dwellers. By contrast, in the rapidly expanding areas associated with the influx of international tourists the landuse pressures are unsustainable in some cases. Already there is evidence that the process of urban expansion into formerly rural areas has brought about the irreversible destruction of important habitats. The seasonality of tourism gives rise to particular problems in relation to water and sewerage infrastructure

capacity that impact on both the visitors and the indigenous population. A summary of the functional and structural tensions in the area is contained in Table 4.3.

Table 4.3: Functional and structural tensions: impacts on urban-rural relations
(Based on: CCDR-ALGARVE 2004 and AMAL 1999)

Domain	***Tensions***	***Impacts***	
		Positive	***Negative***
Land and landscape	• High population concentration in the coastal areas	*	**
	• Depopulation of the inland areas		***
	• Development model causing swift, profound structural changes in the settlement patterns	*	**
	• Multi-nuclei spatial organisation (Faro – Loulé - S. Brás de Alportel - Olhão)	***	
	• Housing seasonality		***
Conservation of nature	• Ria Formosa natural park		***
	• Disruption of important habitats		***
	• Re-naturalized biotopes (e.g., the *sobreirais* and the dry-land orchards of carob and almond trees)	*	**
Environmental quality	• Significant improvements in water treatment, storage, transport and distribution	**	*
	• Significant improvements in the treatment of urban solid waste	**	*
Tourism and Leisure	• Socio-economic structure dominated by the tourist industry	**	*
	• Strong seasonality		***
	• Heavy reliance upon one single "product" (sun and sea)		***
	• Naturally favourable conditions (sun and sea)	***	
Agriculture	• Decrease in the share of the agricultural sector, in association with the abandonment of traditional agricultural systems	*	**
	• Increased economic value of the traditional products	***	
	• Exploration of the richest land for specific productions (fresh vegetables, ornamental flowers and plants, subtropical citrus fruits)	***	
Employment	• Increased reliance of the tertiary sector, particularly tourism-related sectors (insufficiencies in the remaining sub-sectors)		***
	• The secondary sector has a relatively insignificant role in the region - in particular the canning industry has lost much of its importance in recent years		***
	• Increasing importance of fish farming (including quality products such as oysters)	**	*
Infrastructure and accessibility	• Improvements in the road network over the past decade (external accessibility)	***	
	• Intra-regional accessibilities remain insufficient		***
	• Enormous pressure upon the Faro airport in the summer	*	**
	• Insufficient education and health infrastructure		***
	• Heavy pressure upon the infrastructure, facilities and services at times of especially high seasonal concentration		***

Ryedale in North Yorkshire

This cased study examines the effects of counter-urbanisation on the 'remote rural' district of Ryedale in North Yorkshire. The area is one of low density where the population of 51,000 has been increasing rapidly over the past twenty years. Net in-migration has been the dominant influence on the population dynamics, though much of the in-migration consists of elderly people. There is an on-going transition from agriculture and manufacturing towards services. In contrast to some other rural areas experiencing counter-urbanisation the majority of the service jobs in Ryedale are in low paid part-time services.

One of the most notable features of Ryedale is the increasing demand for houses by in-migrants from the larger urban centres in the region. There is also an increasing demand for rural houses as second and holiday homes. The increased demand for second homes can lead to a number of undesirable outcomes such as local housing crises with members of the local population having to participate in more competitive property markets, and also in some areas further decline in the number of shops and other services as holiday / second home owners tend to make less use of local providers and since they are present in the area for only parts of the year. The evidence from north Yorkshire is that rural service providers are benefiting less than they might have expected from urban-rural migration.

The trends described in Ryedale are the outcome of several factors including more people willing to undertake car based longer journeys to work; the decline in job opportunities in rural areas and the increasing need for off-farm employment for members of farm households; planning restrictions on greenfield sites which encourages housing supply in the smaller urban centres; and for some the lure of the countryside as a venue for a higher quality of lifestyle.

The policy implications arising from the experience in North Yorkshire include the need for closer integration of rural and urban policies and for greater co-ordination of local and regional plans. In response to the local housing crises special measures have been introduced to selectively permit development of protected green field sites subject to a number of conditions. This is an attempt to encourage younger and lower income local people to remain in the area and to counteract the effects of urban-rural migration.

Region of Gyor in Hungary

The Region of Gyor in Hungary exemplifies the challenges for rural urban relations, and in particular the consequences of the political transitions since the early 1990s, in the former socialist countries of Eastern Europe. Pre 1990 economic development was mainly lead by state controlled heavy industries, which were located in the urban areas. The labour intensive growth of heavy industries involved the concentration of people in large housing estates in the cities. Much of the industrial labour force was made up of migrants from rural areas. Apart from the immediate hinterland of Budapest the populations of the rural settlements throughout Hungary were in decline.

Since 1991 there have been fundamental changes in the management of the economy and also in the distribution of powers between local and central administrations. As a result there have been some very significant changes in population distribution. Most notably there has been a large increase in the volume of out-migration from the larger urban industrial centres to the surrounding rural areas. Most of those moving were escaping from the gloomy housing conditions and the deteriorating inner cities. Others left the cities because they had lost their employment in the course of the industrial restructuring and could no longer afford the increasing costs of privatised housing. The increased level of political independence given to local governments in relation to land management made it more difficult to achieve co-operation in spatial planning.

Gyor is the largest city in the West-Transdanubian region and has been a major industrial centre. While the food and textile sectors have declined it remains a strong centre for the manufacturing of trucks. Since the late 1990s there has been a shift towards a knowledge based economy with the establishment of three major research centres. Gyor is also

favoured by its strategic location in the growth corridor connecting Budapest and Vienna and it is also a gateway city near the northwestern national border of Hungary.

In 2001 the municipalities in the region surrounding Gyor formed an association to promote co-operation between the urban and rural areas. Several new firms have been established in the municipalities neighbouring Gyor and there is a growing demand for housing in these districts. The housing market is also distorted by increasing levels of speculative (foreign) investment in property leading to an escalation in land prices.

Population in the neighbouring municipalities is increasing mainly due to in migration and approximately 70 % of the employees are commuting to work in the urban region of Gyor. There are also significant counterflows of workers on a daily basis as many urban employees work in the firms located in the hinterland, many of which are linked to the industries in the city. The relocation of some employment outside the city and the new patterns of migration have altered the traditional socio-economic divisions between the urban and rural areas leading to a convergence in socio-economic profiles. While the nature of urban-rural relations has changed the intensity of urban-rural integration is less than it might be due to deficiencies in the transportation systems and networks.

Summary

The link between global-local relations and urban-rural relations becomes highlighted also in several regional case studies. Especially the role played by international tourism in socio-economic restructuring of the Algarve region has had rather drastic urban-rural implications. The concentration of population in the multi-poled coastal zone on the cost of the more continental, rural areas has been rapid. If the hinterlands are to benefit from the tourist flows, their service providers must form alliances with the service providers in the major urban agglomerations and holiday resorts. The overcrowding facing the south may turn to the advantage of the north.

The role of leisure time is of increasing significance in the restructuring of the economy. Access to consumption spaces is an important aspect from the perspective of urban-rural relations. High quality environments are as magnets not only for residents but also for enterprises. However, the regional cases tell still more about relocations of enterprises to the outer rings of urban agglomerations than about moving to the more remote country-side. In this respect the decisions related to infrastructure investments play of decisive role.

4.2 Interconnectedness of urban and rural areas

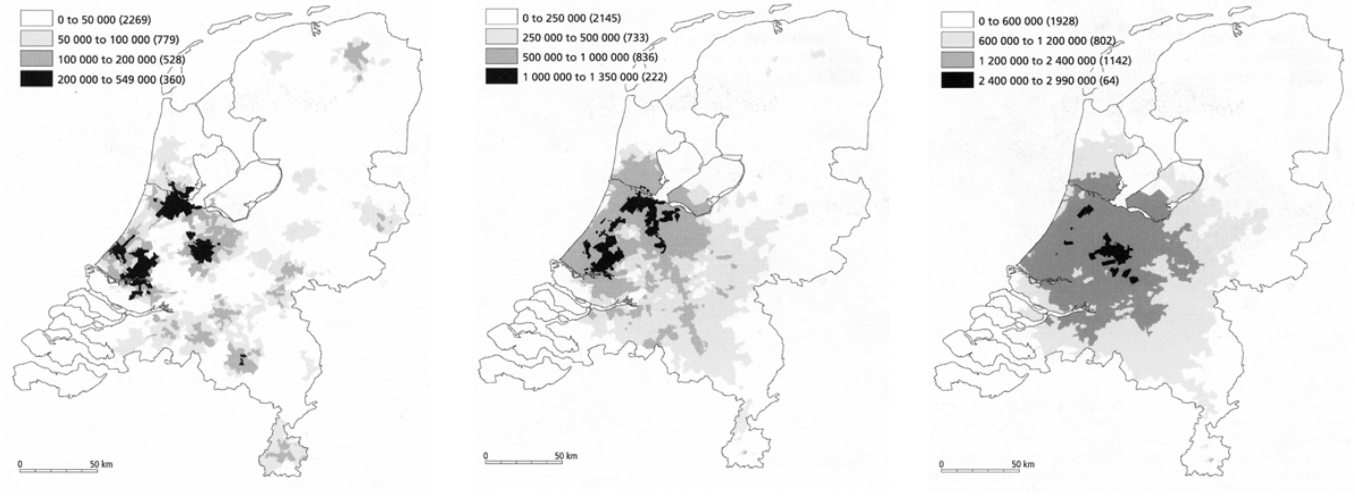
4.2.1 Commuter catchments

The increasing reach of cities and towns into their hinterland is the consequence of a range of factors that are similar in most if not all of the case studies. Factors include the increasing ownership and use of the car, the development of new transport infra-structure, differences between urban and rural property prices, changes in information and communication technology (ICT), changes in the economy and the labour market, and environmental and quality of life factors (some of these factors are discussed in more detail in section 4.2.2) These factors have all contributed to trends in suburbanisation, periurbanisation and ‘rurbanisation’ and have led to the enlargement of functional urban regions and the increasing functional interdependence of urban and rural areas within

those regions. For many residents of rural areas without access to a car, employment opportunities have declined.

In 1850 the **Green Heart** (NL), was still difficult to cross and most new infrastructure was built around it. Since then, this picture has changed and a substantial amount of development has taken place, including housing, industry and road infrastructure. By the end of the 20th century, the Green Heart is no longer an inaccessible part of the country: more than 95 % of the land areas of the Green Heart was within a 10-minute drive from a motorway. During the 20th century, the relatively isolated position of the villages and towns within the Green Heart was replaced by high accessibility, with important consequences for urbanisation and development pressures. It meant for example that during the 20th century the Green Heart became a highly desirable place to live within reasonably close proximity to the Randstad's cities.

In terms of accessibility to employment in the area, it has been reported[4] that the number of jobs within a 15-minute commute is highest in the Randstad's urban centres: Amsterdam, Rotterdam, the Hague and Utrecht. However, this picture changes when a longer commuting time is considered. The number of jobs within reach of a 30-minute commute is highest in suburban areas between the large urban centres. And within a 45-minute commute, the number of jobs within reach is quite similar for almost all parts of the Randstad, including the Green Heart. This leads van Ham et al to conclude that the Randstad is close to being a single regional labour market for some professions. Consequently, the Green Heart not only offers a pleasant residential environment, it provides a very attractive and convenient location for people who want to maximise their opportunities in the labour market, particularly those in higher income groups (long distance commuting is obviously less attractive for lower income groups). In addition, accessibility is likely to become more dependent on information and communication technology (ICT) for a growing group of people. As new developments in ICT take place, new possibilities for working and living at a distance may open up for an increasing



(a) jobs within a 15-minute commute

(b) jobs within a 30-minute commute

(c) jobs within a 45-minute commute

Map 4.3:
Accessibility to jobs within the Randstad (Source: van Ham et al 2001).

[4] van Ham et al 2001.

number of people, with likely consequences for greater land use pressures on rural areas such as the Green Heart and further spatial fragmentation.

Another study[5] suggests that although commuting time for residents of the Green Heart did not change very substantially between 1980 and 1990, the mode of transport did. In 1980, 55 % of commuting journeys were car-based and ten years later 65 % of commuting journeys were by car. During the same period, the proportion of travel-to-work journeys by public transport decreased from 12 % to 7 % and the proportion of journeys by foot decreased from 4 % to 2 % (ibid.). The use of the bicycle for commuting journeys remained fairly unchanged between 1980 and 1990. Commuting trends of residents in the four main cities in the Randstad during this period were quite different to the situation in the Green Heart.

In an attempt to reinforce relations with the Barcelona Metropolitan Region (BMR) by constructing new roads and introducing of a faster train service, the case study of **Sant Miquel de Balenyà** (ES) has experienced the suburbanisation of population and employment. Similar trends can also be seen in the cases of **Berlin** and **Barnim** (DE). In **Gyõr-Moson-Sopron** (HU), suburbanisation and car commuting has increased whilst public transport services remain infrequent. New industries have been developed on greenfield sites while older industrial areas have become derelict, decentralising the pattern of employment and commuting. Various footloose industries have contributed to this trend, some of which have since moved away because of the end in tax exemptions and increases in the cost of labour (e.g. IBM in Székesfehérvár).

In **Ryedale** (UK), within the commuter belt of prosperous cities such as Leeds and York, increases in commuting are related to factors such as increasing car ownership and use and, more specifically, the declining costs of motoring compared to average income levels. The decline in 'traditional' rural employment such as agriculture and the lower financial returns from the sector have also led to shifts in the nature and location of employment that rural residents are now engaged in. An increasing number of residents have more than one job and these jobs are often in urban areas. Limited opportunities for local training also adds to increasing work-related travel. The situation in Ireland is quite similar in the fact that agricultural decline and urban prosperity has led to increasing commuter catchments from rural to urban areas. Differences in property prices have also had an important influence here. The rapid growth in the Irish economy during the 1980s and 1990s and the concentration of high value-added industries (e.g. electronics, pharmaceuticals, software design) and highly skilled employment opportunities in large urban areas, notably **Dublin** (IRL), has also resulted in the greater attraction of the urban areas for employment.

In the **Algarve** (PT), the decline in agriculture and manufacturing in rural areas and the growth in employment opportunities in urban areas (due for example to increases in tourism and the service sector) have been key influences on commuting change. **Dolenjska** (SI) has experienced similar declines in agriculture and manufacturing in rural areas. In the Algarve, urban areas have become substantially more prosperous in comparison to rural areas. Tourism has played a key role here. Large new developments, such as the University of the Algarve, have also created new functions for the region and increased the range of employment opportunities in the urban area. Cities in the region have reaffirmed their predominant role as employment centres (particularly in the case

[5] Clark and Kuijpers-Linde 1994.

of the service sector), drawing labour from far beyond their respective municipal boundaries. This phenomenon is clearly manifest in recent commuting patterns. This corroborates the idea that the influence of the cities can be felt in increasingly farther areas and that the level of inter-city interaction is growing. These changes are closely associated with the dynamics of employment and economic activity and, at the same time, with improvements in the accessibility and transport system and in the spatial mobility of the families.

Summary

The enlargement of the functional urban regions has contributed to an increasing flexibility what comes to employment opportunities, but it seems to come coupled with an increasing work-related travel. As the growth is in most cases associated with increasing ownership and use of private cars, the sustainability of the tendency is questionable.

4.2.2 The causes and effects of migration between urban and rural areas

Population change in many (but not all) of the case studies has experienced similar trends, although the time at which they have been experienced has not always been concurrent. The out-migration towards the suburban ring is a common feature in many of the case studies, including the British, Dutch, French, German, Hungarian, Irish and Slovenian cases. In the British, Dutch, French, German and Irish cases, population shifts beyond the suburbs into more rural areas has also taken place.

Almost half of the 49000 population of **Rydale** (GB) currently live in isolated rural dwellings and small villages. Over the last decade, population growth in this rural authority has been higher than in any other part of the surrounding region (Yorkshire and the Humber). The population of the region barely increased between 1982 and 2002 (<2 %), whilst Ryedale experienced a 18 % growth in population. These population changes are mainly attributable to migration than natural replacement. Furthermore, the area experienced some significant changes in the age structure of the population, with major increases in the older age groups and large decreases in the younger age groups (children and young adults). During this period, there has been a substantial amount of out-migration of young adults as a result of factors such as the lack of education, employment and training opportunities, and the scarcity of affordable housing. The area has a significant number of second homes: second homes account for more than 5 % of the total housing stock in the area and, in some villages, the proportion of second homes is as high as 40 % of the total housing stock. A wide variety of factors are thought to contribute to the recent population trends including quality of life issues, the growing prosperity of urban areas in the region (e.g. York and Leeds), new opportunities for home-working (via ICT for example), the declining costs of car ownership and use in comparison to average income, and the prevalence of dispersed employment and shopping areas.

The 1960s and 1970s saw substantial rates of population increase in the rural **Green Heart** (NL) and relatively low rates of population growth in the surrounding cities of the Randstad, despite the strategy of ‘concentrated deconcentration’ and the designation of overspill locations for new development. These increases in the growth of the rural population were fuelled by a variety of factors such as intense development pressures from the surrounding urban area and increasing levels of car ownership and use. From

the 1980s onwards, the growth in the population of urban areas was increased through a new policy approach that gave more emphasis to urban regeneration, the compact city and the control of development outside urban areas. By the mid-1990s, population growth in urban areas was approaching the national average growth rate, and growth in the Green Heart had almost been stemmed to the national average. However, a number a factors continued to make rural living more attractive, including environment and quality of life issues[6]. Researchers[7] point to a policy inconsistency that has contributed to this situation: national policies to restrict growth in the Green Heart being promoted at the same time as government initiated incursions into the Green Heart, such as a high speed train line and increases in motorway capacity.

In the 1970s and 1980s, population change in **France** was generally characterised by urbanisation and rural depopulation but this has now substantially changed. Since the early 1990s, the populations of many urban areas have not experienced further increases and there has been growth in certain rural areas such as 'accessible rural' areas and 'attractive rural' areas. 'Accessible rural' areas grew as a consequence of their proximity to urban areas (within commuting distance), whilst 'attractive rural' areas grew as a consequence of tourism and retirement (mainly in coastal and alpine regions). Substantial population increases have also taken place in suburban locations. Small and medium-sized towns also experienced growth in both population and prosperity. Many rural areas outside the 'accessible rural' and 'attractive rural' categories experienced population decline. Some second homes are being converted to 'first' homes, particularly in the vicinity of large urban areas and in the more popular retirement areas. Some of the reasons put forward to explain these population trends include the dispersal of employment from urban centres, ICT (and new possibilities for working), and increases in car ownership and use.

Because of the city's recent history, population trends in and around **Berlin** (DE) are somewhat different (in timescale at least) when compared to many other German city regions. Nevertheless, the region has experienced some typical trends in population change, albeit over a shorter time period. Until German reunification in 1990, Berlin had been separated from its hinterland for decades. Thereafter, emigration to the surrounding region (Brandenburg) took place. The decision to relocate the German government and various state institutions in Berlin led to a large increase in commercial and residential developments in the 1990s. However, the total population of the city in 2002 was still lower (by 2 %) than a decade previously. A large number of people chose to move to suburban areas and smaller centres of Brandenburg where property prices were substantially lower than in Berlin. More recently still, the population has also increased in the more rural areas that are still within commuting reach of the city. As well as the difference in property prices between Berlin and the surrounding area, a number of other factors have contributed to these population changes. These include new transport connections and infrastructure, and quality of life issues.

During the 1970s, Hungary experienced both urban and rural depopulation, except in the major cities. The fastest rates of decline were experienced in the smallest settlements. These trends continued during the 1980s, during which time urban depopulation in the larger cities also took place. In the 1990s, a substantial amount of out-migration occurred

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[6] Stead & Hoppenbrouwer 2004

[7] van der Valk & Faludi 1997

to the suburbs due to quality of life (e.g. urban pollution, poor housing conditions in urban areas), employment change (e.g. the closure of old industries) and increasing housing costs in urban areas. Between 1990 and 2001, the population of Hungary decreased by almost 2 %, whilst in the **Gyõr-Moson-Sopron** region, population increased by 1.5 %. During this period, the population of the city of Gyõr remained more or less constant, whereas the population in the Gyõr urban-region grew by 5 %. Settlements neighbouring Gyõr (mainly rural in nature) experienced population growth rates between 4 and 8 %: in-migration gain was the main reason for this growth. Housing development close to the city and along the main transport routes grew particularly fast. At present, around two-thirds of the employed population in the Gyõr urban region work in the city of Gyõr and around 70 % of the employed population living in the settlements around Gyõr commute to the city. The typical new residents in the settlements neighbouring Gyõr are young people in their first home.

In Ireland, two-fifths of the population reside in rural areas, making it still a relatively rural country in comparison to many other European member states. The population of rural Ireland is dispersed: housing is often in the form of single remote dwellings or small villages. Whilst there has been a significant decline in the rural population over the long term, the trend has been reversed in many areas over recent decades. There have been substantial population increases in the commuting hinterlands of the larger urban areas, especially in peri-urban areas, as well as in some coastal zones where there has been greater economic diversification, particularly tourism. The most marginal rural areas, on the other hand, have continued to experience population decline. The population of peri-urban areas has grown particularly rapidly in the last decade or so. Between 1996 and 2002, the population in peri-urban areas increased by 11 % compared with an increase of 7 % in all rural areas, 9 % in all urban areas, and 8 % across the country as a whole. In county **Meath**, for example, 74 % of the population increase between 1996 and 2002 was due to net in-migration. In a substantial number of cases, one or more members of these in-migrating households had work in Dublin. One of the principal reasons for the rapid growth of population in the peri-urban areas is related to the cost of housing. A large number of younger households are choosing to locate in these locations for cost and quality of life reasons and accepting the associated higher transport costs and longer journey times.

Over recent decades, **Dolenjska** (SI) experienced relatively high levels of urban growth (close to a doubling of population in urban areas between 1961 and 2000), suburbanisation (close to a 50 % increase in population between 1961 and 2000) and also some rural depopulation (more than a 10 % decrease in population between 1961 and 2000). Against this long term trend, however, a number of more recent and quite different trends can also be observed. Between 1991 and 2000, the urban population slightly decreased, whilst the suburban and rural populations both increased slightly, indicating that the growth of urban areas may have stopped, suburbanisation is continuing and rural repopulation may have recently begun. Dormitory towns have begun to emerge (together with increased commuting patterns) and there has been an increase in second homes for tourism purposes.

In the **Algarve** (PT) and **Sant Miquel de Balenyà** (ES), population change has experienced somewhat different trends than those in the case studies mentioned above. In general, the Algarve has experienced rapid urbanisation near the coast, whilst areas further inland have experienced population decline, especially in the more rural parts.

Areas where population has increased most rapidly tend to contain more younger residents (and more seasonal inhabitants) whilst areas where population has decreased tend to contain more ageing residents. Tourism has been a key driving force behind population change here. Additional transport infrastructure (including roads and an airport), agricultural change and new regional functions (e.g. higher education, regional government) have also been important influences on population change. Sant Miquel de Balenyà has mainly experienced new development along road and rail transport infrastructure (i.e. suburbanisation) as a consequence of additions to the network and the increase in employment outside the urban centre. In both the Portuguese and Spanish case studies, the role of medium and small-sized towns and cities appears to have become more important for the region in terms of population, employment, services and facilities.

In general, it seems that the patterns of population change are quite similar in many case studies and that some of the driving forces behind these changes are common: examples include increases in car ownership and use, the expansion of transport infrastructure, ICT developments, employment change and the image of the rural idyll (mainly relating to quality of life). Push factors are also at work in several cases: these include high property prices in urban areas and the poor quality of the urban environment.

There are a number of similarities in policy responses to these patterns of population change but there are also differences. In the Green Heart, the policy response to suburban and rural migration over recent years has been urban containment strategies, urban renewal programmes and tighter planning controls on rural development. In Ryedale (and in England as a whole), planning policy has also traditionally placed restrictions on building in rural areas to maintain the character of the countryside. However, one consequence of such a policy is the lack of affordable housing for local residents. The Ryedale local plan attempts to favour local rural inhabitants by selectively allowing the development of protected greenfield sites. This has been developed in the form of a 'Rural Exceptions Housing' policy, which aims to support the development of small-scale affordable housing schemes in rural areas as an exception to the normal policy of development restraint in the countryside. In Ireland, one policy response has been the introduction of a strategy of Gateways and Hubs in the National Spatial Strategy to try to focus the development of housing and employment in specific growth centres, increase the competitiveness of cities and promote better connections between these centres. Specific roles for smaller urban centres as well as general guidelines in relation to housing in the countryside are intended to complement the Gateways and Hubs strategy.

One of the main consequences of the population trends in many of the case study areas is an increasing tension between different land uses (e.g. housing, recreation, agriculture), especially in suburban and peri-urban locations. Because most increases in population are taking place in these locations, a substantial amount of greenfield land has been developed to accommodate this growth. In some cases, this greenfield land was previously agricultural: some of this land had already become marginal due to changes in economics of the agriculture but other parts were still profitable. In Gyõr for example, the built-up area has increased by around 50 % over the last 10 years, much of which was previously agricultural land (mainly arable). In some cases, the greenfield land developed previously had a recreational and/or biodiversity function (e.g. open space, forest), and its change means a decrease in local recreation options and/or a decline in biodiversity.

Another key feature of population change in the case studies is the 'greying' of some rural communities. The increasing proportion of elderly residents in some case studies

(e.g. Ryedale, Algarve, parts of France) means that local services and facilities are increasingly important but their provision is often declining (e.g. local shops and public transport services in Ryedale). In addition, the increasing number of seasonal residents (due to second homes and other forms of tourist accommodation) in these types of area makes it increasingly difficult to sustain local services and facilities. Changes in other resource use patterns are considered later in section 4.2.4.

Various case studies highlight the difficulties of addressing urban-rural issues with policy measures. In a number of cases, including Sant Miquel de Balenyà for example, there is a lack of policies, plans and a competent authority to develop urban-rural strategies beyond the urban level. In France, the situation is similar. There is a large number of small local authorities (almost 36,000) and territorial governance is very segmented. However, in recent years, a number of inter-municipal cooperation structures with significant statutory powers were established, both in urbanised regions and in rural areas. Many of these structures have to deal with urban-rural issues. Although there are signs of more policy coherence, particular in terms of land-use planning, public transport and environmental protection, it is too early to draw clear and convincing conclusions. In the case of the Green Heart, it too has no official administrative status and there is no single authority responsible for developing policies or strategies that encompass urban-rural issues. However, a number of non-statutory coalitions exist with the aim of developing coherent policies across the Randstad and the Greenheart. Because the coalitions have lacked executive powers and their role has been mainly confined to research, monitoring, consultation and advice, their influence has been limited.

Summary

Out-migration towards the suburban ring is a common feature in most of the case studies. In several cases also population shifts beyond the suburbs into more rural areas have taken place, but such shifts have been more selective what comes to destinations, leaving large areas in several countries in continuing depopulation. A wide variety of factors are thought to contribute to the recent migration trends. They include quality of life issues associated with living environments, the prosperity of urban areas in the region, opportunities for home-working (via ICT for example), the declining costs of car ownership and use in comparison to average income, and the prevalence of dispersed employment and shopping areas.

4.2.3 Interconnections of functions in urban and rural areas

Many case studies show how several functions that were formerly of purely urban nature can now be found in areas that are classified as rural. Many rural areas have seen a shift from primary and industrial activities to more varied economic activities (e.g. Blue City, Ryedale, Gyõr). Housing preferences of the skilled workforce are thought to play an increasing role in the location decisions of some employers. Tertiary functions such as leisure and recreation have increased, especially in accessible, attractive rural areas (e.g. attractive landscapes, villages, natural habitats) and/or when close to prosperous urban regions. In the case of the Green Heart in the Netherlands, a substantial proportion of visits to the area (around 70 %) were from residents of the adjacent Randstad, many of these visits are for recreation purposes and the majority of these visits are for a short time (around two thirds of visits are for less than a whole day).

Within urban regions, various specialised functions no longer require a central location – the meaning of centrality has changed and the catchment areas of most functions have increased as a consequence of increasing levels of car ownership and use. Where some specialised services still need to be close to their clients, it is often travel time rather than travel distance that counts most. Fast transport links by road and air bridge long distances which has implications for local services and facilities which are declining in many rural areas. The 'greying' of some rural areas make the need for some basic level of services and facilities more important. However, the mobility of many local residents and the seasonal nature of some rural populations (as a consequence of tourism for example) make it more difficult to provide viable services and facilities for rural communities. In settlements outside the market towns in Ryedale, around three quarters have no shop or primary school, around half have no post office, and almost a third have no public transport service. Many key rural services are declining at a rate above the national average within the region and a similar picture emerges for health and welfare services within the area.

Clearly, the sparsity of services is partly a reflection of the logistics and costs of supplying services to rural areas where travel and transport costs are high. However, the decline of these local services over time means that people have to travel more often to urban areas for access to schools, shops, health facilities, business and financial services. This decline, when coupled with the limited availability of public transport, further isolates many rural communities. Lack of mobility puts some sections of the rural population, particularly women, the elderly and young people, at a severe disadvantage in terms of searching for employment and access to services.

The proximity to urban centres or to road infrastructures influences the role of small and middle-sized towns in the interdependence of functions. The role of small and medium-sized cities is quite different depending on whether they are located in areas with a strong urban influence, in intermediate ones or in rural areas. The case of Figueiró dos Vinhos in Portugal illustrates the role of small cities in rural areas and highlights three important phenomena:

1. the key role of small towns in low density areas in allowing for a minimal level of demand to be reached, thereby ensuring the economic viability of certain economic activities and efficiency of services, specially of private ones
2. the improvement in the provision of social and basic services in the rural areas
3. the role of the private automobile in defining functional systems and commuter flows, whether between different municipalities or between the rural and urban areas, which points to the interdependency between neighbouring municipalities.

The value of rural land in some areas has experienced large changes. Where development has been permitted, the value of land has risen from its agricultural worth to its development worth. The low profitability of agriculture in the peripheral rural regions means new potential for forestry, environmental protection, tourism or recreation land uses. In several case study areas, the share of forests is currently on the increase. In areas closer to major urban centres and tourist areas, agricultural land is more prone to real estate speculation. In attractive rural areas the rise of second homes contributed to increase land prices and consequently to the change of traditional land use (e.g. the share of agriculture in total area is reducing). In Ryedale, the second home market has doubled in value due to counter-urbanisation process. In the Algarve, the second home market has had an inflationary effect on local house prices and affected the economics of other

activities including agriculture and industry. Many suburban or edge-city locations have taken over previous urban functions. This has resulted in an increasingly decentralised structure within urban regions, where the share of criss-crossing flows has grown rapidly where there has been infrastructure with capacity to allow this to take place.

What still persists of the urban-rural dichotomy to a considerable degree, is the importance of agricultural production in rural areas, although the significance of this sector for rural areas has declined in most case studies. More importantly, areas of intensive agriculture can also be found immediately outside densely built-up metropolitan areas (around the Randstad for example). These areas often create a major part of the agricultural production although the relative importance of the sector in terms of employment is small. In rural areas where employment in agriculture is at a high level, the communities can still be very dependent on the low-productivity agriculture. This is evident in certain parts of Ireland and Portugal, for instance. However, the future development of the agricultural production in Europe is a crucial question for both kinds of areas – in central areas it is the landscapes that are the concern, in peripheral areas it is the viability of localities.

Summary

Many suburban or edge-city locations have taken over previous urban functions. This has resulted in an increasingly decentralised structure within urban regions, where the share of criss-crossing flows has grown rapidly because of the infrastructure with capacity to allow this to take place. Tertiary functions such as leisure and recreation have increased, especially in accessible, attractive rural areas (e.g. attractive landscapes, villages, natural habitats) and/or when close to prosperous urban regions.

The 'greying' of some rural areas make the need for some basic level of services and facilities more important. However, the mobility of many local residents and the seasonal nature of some rural populations make it more difficult to provide viable services for rural communities and make them more dependent on urban areas. If this trend is coupled with the limited availability of public transport, it further isolates many rural communities. Some sections of the rural population, particularly women, the elderly and young people, at a severe disadvantage in terms of searching for employment and access to services. Among the case study areas the dividing line what comes to rural accessibility of services seems to be the presence of viable small and middle-sized towns. This highlights the central role of the various urbanisation phases (discussed in Chapter 1) in explaining development in urban-rural relations.

4.2.4 Changes in the use of resources

In addition to the increasing use of land in suburban and peri-urban locations for housing and other types of 'urban' development (see section 4.2.2 and Chapter 5), a number of other changes in the pattern of resource use can also be observed in the case studies. The case studies also help to identify a number of new opportunities for more sustainable patterns of resource use within some areas.

The Portuguese and Slovenian case studies reveal that many residents of rural areas are inadequately served by basic services such as water, power or waste disposal. In Figueiró dos Vinhos (central Portugal), 98 % of the population have access to the public water supply system but problems remain such as the fact that water supply is often in excess

of demand. The construction of a dam has been approved that will increase supply and produce energy. There are also insufficient wastewater treatment plants and some which are in need of upgrading. Parts of the wastewater collection and treatment infrastructure is inadequate and has contributed to the degradation of the hydrological system. The relief and the distances that separate rural villages make it difficult to collect and treat wastewater discharges. In Figueiró dos Vinhos, only 20 % of the population is covered by the wastewater collection and treatment system. The vast majority of the local population is served by a municipal waste disposal system but very few have access to any recycling facility.

The Dutch Blue City case study highlights another quite different water resource issue. Here, a small new town is planned to be developed on 1,500 hectares of previously agricultural land. More than half of this area (800 hectares), however, will be flooded to create a lake. New dwellings will occupy 200 hectares and 350 hectares of land will be allocated to nature conservation and forestry. The new lake will have a variety of functions including water catchment, recreation and nature conservation. Since the mid 1990s, when a number of rivers in the Netherlands almost flooded, which would have put substantial parts of the country under water and required the evacuation of thousands of inhabitants, national policies concerning water shifted from a drainage strategy to a water storage strategy. This meant providing more space for water storage in case of high water. Such policies were also considered necessary for regions more distant from the large rivers in the Netherlands (e.g. Rhine, Maas and Schelde). In 1998 the water board in the area around the Blue City took the decision to flood a polder that was not officially appointed as overflow area in order to avoid the risk of the flooding of Winschoten, a town with around 20,000 inhabitants. The Blue City project provided the perfect opportunity for an additional water overflow area and thus the plans received support from the local water board (including participation in the public private partnership created to develop the scheme) under the condition that water storage was a key objective in developing the Blue City.

Various case studies (from France, the Netherlands, Portugal and Slovenia for example) highlight the opportunities for using local rural resources more effectively and also sustainably that can also potentially provide benefits for local rural areas. Examples include agro-tourism and the promotion of local products, the utilisation of biomass for more sustainable energy sources, the development and promotion of compatible recreation facilities in protected areas (nature reserves, areas of special landscape character, etc.).

Summary

Case studies reveal that many residents of rural areas especially in southern and eastern Europe are inadequately served by basic services such as water, power or waste disposal. At the same time there is a pressure from the urban areas to locate resource facilities such as water treatment plans and storages and sites for waste disposal in the rural areas. On the other hand various case studies highlight the opportunities for using local rural resources more effectively, such as utilisation of biomass. A peculiar example is the Dutch Blue City case study area where a large agricultural area is be to flooded to create a lake, that serves both as flood protection (providing additional space for water storage in case of high water) and as an attraction for the new residential area. It can be seen as an attempt to combine the provision of recreation facilities, protection of natural areas and development opportunities of private investors.

4.3 Summary of the findings of Chapter 4.1 and 4.2

4.3.1 Tendencies and situations in urban-rural relations

Based on the case studies covering themes "Socio-economic diversification" and "Territorial interdependence", it was possible to trace a series of "urban-rural situations" influenced by the major (aspatial and spatial) tendencies shaping European space. Each of the situations is connected to the questions of public interest in a different way and needs to be discussed in detail what comes to operationalisation of the policy options and to the possible role of urban-rural partnerships. The key findings are presented in the tables 4.4–4.6 below, but the discussion related to policy recommendations continues in Chapter 6.

Table 4.4:
Tendencies and respective "urban-rural situations" vs. questions of public interest – part 1

tendency	*u-r aspects*	*implications for various parties*	*possible preconditions / exceptions*	*key questions of public interest*	*policy options*
increasing global-local inter-connections	Capacities of localities to position themselves in the global economy have clear urban-rural implications.	Major urban regions with strategic functions continue to play a role as global nodes.	Fluctuations in global economic development brings instability to the development trajectories.	degree of openness towards global economy: opening up or turning inwards?	competitiveness: role of the national level as gatekeeper
		Integration of smaller urban regions and rural localities is more selective.	"Thematic" global hubs can exist also outside of major urban regions (e.g. due to tourism).	searching for special success stories or sticking to the secure mainstream?	cohesion: finding and mobilising resources from each locality; sustainability: dealing with the development pressures in globally attractive regions
growing size and declining number of commuter catchment areas	Inclusion in functional urban regions grows in importance.	Densely populated, urbanised countries continue to face urban-rural migration.	This does not necessarily mean decline of population in the urban centre: e.g. parallel immigration can compensate the out-migration.	sufficient attractivity of the urban agglomerations as places of residence?	cohesion: avoiding increasing segregation within urban regions
		Sparsely populated countries continue to face depopulation of rural areas.	There can be major exceptions e.g. in remote rural areas with intense links with the urban exist.	possibilities to build on the rural resources and their links with the "outside" world?	cohesion: room for local views and identity formation vs. global marketing

Increasing global-local interconnections

As discussed in Chapter 1, the increasing economic globalisation touches different kinds of areas in very different ways. The case study of Ireland is of special interest here. Since the early 1990s Ireland has undergone a fundamental socio-economic transformation. Unlike most other regions in Europe the economy of Ireland is exceptionally open and, therefore, the location patterns of enterprise and employment are disproportionately influenced by globalisation considerations. The factors with direct relevance for urban-

rural relations are, on the one hand, the very high reliance on foreign direct investment in high value added sectors which has been mostly concentrated in the larger urban centres and, on the other hand, the very significant decline in the role of primary agriculture and other traditional industries, especially in rural areas.

What has happened in the increasingly globally integrated Dublin has had significant consequences for the country as a whole. The high economic growth rates, increasingly concentrated distribution of highly skilled employment and large increase in the number of persons at work have contributed to the further supremacy of the capital. Around Dublin the urbanisation pressure is thus enormous, resulting from the rapid increase of land prices in urban areas together with perception of enhanced quality of life in rural areas.

Growing size and declining number of commuter catchment areas

In most parts of Europe the tendency seems to be the increasing size of functional urban regions or commuter catchments areas due, not only to the improvements in physical infrastructure and accessibility, but also to the possibilities offered by the developing communication technology. The diversification of the urban economies and the widening labour market areas increase the flexibility to find jobs within a wider urban agglomeration. This improves the possibilities to live in the (accessible) rural areas.

In the European perspective there seems to be a dividing line between the densely populated, urbanised countries and the more sparsely populated countries. The first group is characterised rather by the migration from urban to rural areas than from rural to urban. In the second group the countries face further concentration of population around the major urban centres, meaning parallel suburbanisation and depopulation of the most sparsely populated areas. Certainly important exceptions to this rule exist – here the crucial explaining factor seems to be the viability of the network of medium-sized cities (see further below).

Growing interdependencies within larger urban regions

In nearly all of the major urban regions that were covered by the case studies, the tendency has been towards increasing spatial interconnectedness of areas within those regions. Within the urban regions as a whole this has meant increasing diversity, but in a minor node of the region the tendency might have been an opposite one, towards increasing specialisation. The overall diversification has probably benefited the majority of the population, at least what comes job opportunities. Where major investments in accessibility within the region have been made, the tendency has been even stronger. In those areas the criss-crossing or circular connections have attracted offices and industries to locate along the transport corridors, which has made it possible to draw even more commuters from all areas well connected to the corridor in question.

As stated above , the increasing flexibility to find jobs improves the possibilities to live in the (accessible) rural areas. This applies to both the “original” rural population, that gets new job opportunities, and to the newcomers, who further increase the share of commuters in the rural population. Although the newcomers mean growing market potential in the rural, their presence often enriches the economic base of the rural areas only selectively. In some regions their higher standard of living may even contribute to widening of social disparities.

Table 4.5:
Tendencies and respective “urban-rural situations” vs. questions of public interest – part 2.

tendency	*u-r aspects*	*implications for various parties*	*possible preconditions / exceptions*	*key questions of public interest*	*policy options*
growing interdependencies within larger urban regions, deconcentration of several activities	Some rural areas are well connected to several nodes (both centres and emerging edge cities) within the region.	There is increased freedom to choose residential area in the rural without limiting access to employment.	Freedom is often conditioned by accessibility; lack of public transport excludes some groups (e.g. low-waged).	amount and nature of investments in accessibility?	competitiveness: criss-crossing access to be promoted in the name of flexibility cohesion & sustainability: public transport to be promoted, use of private car discouraged
		Purchasing power and interests of new of rural residents create potential for diversification.	Antagonism between the rural and the urban groups can create obstacles; rural services face competition from the urban ones as commuters and other mobile groups can use more distant services.	new residents integrated in the life of localities?; possibilities for the ”indigenous” to take action?	cohesion: possibilities to engage in bottom-up activities crucial, incentives for supporting local employment and training
medium-sized towns of the more urbanised countries are increasingly viable	There are additional employment opportunities for rural areas as well.	Purchasing power and interests of new of rural residents create potential for diversification.	New jobs may be of seasonal or part-time nature only.	part-time residents used as a resource in developing local businesses?	competitiveness: taking the best out of the expertise of both permanent and part-time residents
	Attractive rural areas in their vicinity are also increasingly well-off.	Potential for diversification increases; the most popular area might face surprisingly strong development pressure.	Emergence of low-paid service class is possible.	local housing affordable for low-waged residents?	cohesion: combating segregation between the various groups

For the urban region the economic benefits have been quite obvious. However, the social and economic sustainability of the trend is far from self-evident. The development of public transport routes has usually not kept the pace of motorway investments, for instance, which has tempted or forced the people to use a private car.

Medium-sized cities of the more urbanised countries are increasingly viable

The analysis of the development trajectories of urban regions indicates a tendency towards an increasing wealth of the medium-sized towns. The large metropolitan areas are no longer that superior in their performance – measured by population and employment figures. Also smaller centres that are mostly “outside the global market” are able to be successful. They enjoy a certain economic stability as their economic base relies on the service sector. Often the successful towns are also located in attractive environments

that draw residents with a considerable purchasing power. In such urban regions it is actually often the surrounding rural area that is the lure for settling in that region.

What comes to the ESDP main goals of promting polycentricity and urban-rural relations, the case study material, especially the case of France, clearly illustrates that many urbanised and densely populated countries that experienced rather early industrialisation, are already heading towards an increasingly polycentric urban system. This means that the urban-rural interaction will also be on the increase. As this development may have several unsustainable effects, it is increasingly important to study the qualitative development of the increasing interaction and not to pursue links per se.

Table 4.6:
Tendencies and respective “urban-rural situations” vs. questions of public interest – part 3

tendency	*u-r aspects*	*implications for various parties*	*possible preconditions / exceptions*	*key questions of public interest*	*policy options*
role of rural areas as arenas of consumption is growing in significance	The ”rural idyll”, i.e. the perception of better quality of life in the rural motivates suburbanisation/ counter-urbanisation.	Especially young adults with families, as well as the retirees migrate out of the cities.	Sometimes migration to rural is conditioned by ICT-access. Remote, non-spectacular rural continues to lose population.	chances to overcome the ”digital gap” between urban and rural?: the attractiveness of urban living and the urban environment promoted?	competitiveness/ cohesion: equal opportunities for urban and rural areas to access ICT networks competitiveness/ sustainability: respecting housing preferences but not with the cost of losing the strengths of rural areas through overcrowding
	In accessible rural, both agricultural and ”natural” areas are important for recreation.	Flows of visitors in rural areas are on the increase.	Large-scale development projects might push the old ruralities away.	maintaining the attractivity despite increasing inflows? identifying win-win policies for nature conservation, tourism and/or agriculture?	sustainability: provision of recreational areas but not with the cost of losing the strengths of rural areas through overcrowding
	Rural land is suburbanised meaning loss of agricultural , conservation and recreational land.	Access to local open space becomes more limited.	Development on land previously closed or otherwise inaccessible can ease the pressure.	provision of new areas for recreation or conservation?	
	Remote but attractive/ well-marketed rural areas form long-distance urban-rural links.	Specialising in eg. small hobby-groups can be a sufficient base for diversif. at the local scale.	The educational level or the skills of the ”indigenous” population might not match the expectations.	focus on education and capacity building?	competitiveness / cohesion: support for joint marketing of thematic attractions, links of the rural entrepreneurs with the main tourism service providers in the cities

Role of rural areas as arenas of consumption are growing in significance

For the rural areas close to strengthening urban regions the implications have been twofold. On the one hand the diversifying economy offers a greater variety of jobs – if the qualifications of the rural residents match with the urban expectations. On the other hand many rural businesses find it harder to compete with the urban ones that can more easily benefit from the economies of scale. This problem actually partially arises from the

closer connectedness with the urban – as the share of commuters to urban areas in the rural population increases, the relative importance of the rural services decreases.

The case study evidence shows that the accessible and attractive areas close to diversified urban nodes get the greatest gain. They receive qualified, well-off migrants – and thus often good tax revenues for maintaining public services. If these people also use their purchasing power in the rural areas, they add to the viability of private services. The social dimension can, again, be more problematic, if the urban and rural realms get to clash against each other, as was the case in the Oldambt, the Netherlands, when the Blue City project was introduced. The less well-off rural residents that do not match the qualifications of the urban labour markets or cannot access the jobs e.g. due to the poor public transport, might end up being as a low-paid class of "servants". Some indications of this kind of development was found through the Ryedale case.

The less accessible rural areas seem to find it harder to diversify the economic base – when, at the same time, the agricultural sector is becoming increasingly marginal as a source of income. The possibilities of small towns and the surrounding countryside to maintain their economic viability seem to some degree to correlate with the population density. The search for life-savers has mainly been directed in the service sector – often in the services of the urban areas or services directed for the urban residents. Where rural areas have been able to sell themselves as consumption spaces, the diversification has been quite successful. Some hope has also been loaded to the role of teleworking.

Tourism, both as recreation on day-trips and longer-term stays, is certainly a key sector that can help in preserving the viability of the rural areas. However, it can also mean that the degree of rurality (seen through socio-economic lenses) actually becomes less as part-time urban residents move into the area and as the development of the service sector is increasingly guided through the needs of those "outsiders". This might not bother the newcomers, as long as the rurality that they came to seek for e.g. in the land-scapes persists the urban pressure.

One of the most persistent roles of the urban areas seems to be the one of providers of higher education, as the Chapter 3 also indicated. At least a certain period of people's life is urban if they want to acquire higher education. From the perspective of rural areas the crucial questions would thus be, 1) where the educated people live and work outside of that period and 2) whether the human capital of the rural areas, that is associated with different kinds of "rural skills" or is "imported" from the urban areas, is sufficient to provide a solid base for socio-economic development.

Several cases highlight the importance of educated population. Apart from bringing in purchasing power and the resulting possibilities to provide services, it is often expected that the educated population helps in maintaining natural and cultural heritage of the rural areas. As the case of Figueiró shows, the area that has suffered from ageing and depopulation is gaining new chances through the part-time occupants of the housing stock. Even the seasonal occupancy can be of great importance as the new residents seek for new kind of services from the area and thus diversify the economic base – if the supply of the needed services can be organised. This is again partially dependent of the availability of (skilled) workforce.

Many residents of rural areas especially in southern and eastern Europe are inadequately served by basic services such as water, power or waste disposal. At the same time there is a pressure from the urban areas to locate resource facilities such as water treatment

plans and storages and sites for waste disposal in the rural areas. On the other hand various case studies highlight the opportunities for using local rural resources more effectively, such as utilisation of biomass.

4.3.2 Lessons for the definitions of urban and rural areas

The patchwork or urban and rural areas is not easy to capture by indicators. Much of what is mapped as rural at NUTS3-level e.g. in the urban-rural typology of the project is predominantly urban when analysed and measured in terms of flows and functions. However, this does not change the fact that the land cover, i.e. the characteristics of the living environment, are still connected to rurality in people's minds. In these terms the rural areas adjacent to urban areas that are slowly eaten up by urban sprawl are losing that rurality that the people actually came to look for in the first place.

As the traditional rural way of life is hardly existent in today's Europe (although one could say that the remote areas of eg. Romanian countryside dependent on the self-subsistent agriculture could still be of this category), the meaning of rurality is on the move. It can be increasingly seen as a mindscape that gets connected closer to some kinds of environments than to others. Non-urban character does not necessarily mean that one would fine rurality there. Approaches that take rural areas simply as residuals of the urban areas do not tackle the current patchwork of urban-rural relations.

The urban and rural must increasingly be seen as perceptions of people and not as something that can be fully captured by indicators defined outside of the localities. This is also the key to dealing with the confrontations. Even in the very urbanised countries of the European core it is possible to find clashes between urban and rural camps – even if the absolute differences between the "original" rural residents and the newcomer are relatively small (see an extract of the Blue City case below).

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“Blue City” in North East Groningen, the Netherlands

The so-called Blue City in North East Groningen is a very interesting attempt to “combat peripheralisation”. The rural area known as Oldambt will be transformed into an urban area. The aim is to create a lake of about 800 hectars and to build about 1500 new luxury dwellings. The agricultural functions will disappear in favour of residence and recreation. The plan has certainly faced opposition from the local population. The policy makers, however, expect a positive economic influence of the “invasion” of the rich residents. The project is also expected to bring new jobs – around 400 on the long term.

The farmhouses in the Oldambt area tell about the fertile land and prosperity of the farmers of the 19th century, although most of the land lies fallow as the profitability of agricultural production in the area – under current CAP regulations – is very low. Jobs in the agricultural sector and in processing of e.g. potato-starch disappeared in the late 1980s and raised the unemployment rates. Nowadays the rates are low. The age structure of the region shows a slight dominance of older ages.

The population density of East Groningen area (185 inh/km2) is above the European average (107 inh/km2), but 2,5 times lower than the Dutch national average. Also a high share (80 %) of the population is considered to live in rural areas (according to Dutch standards). Despite the relative marginality of the area in the Netherlands, the population density alone can be considered as one “strength” of the region what comes to the economic base: an own market potential exists despite the relatively low incomes of the residents.

The question is now, to which degree the lower densities and lower housing prices can attract residents from the Western part of the country, where there is an high demand for spacious living, and how far can the potential socio-economic diversification benefit the local communities. The rural Oldambt will see the rise of a more urban Blue City – will that result in anything else than in rising housing prices of the former Oldambt residents? Will the profiters of all this rather be the developers, the land speculators? How this kind of megalomanic project can be implemented in a rural area, has thus brought us to the question of power relations and land use profitability.

The effects of the Blue City project are awaited with mixed feelings. Besides the question of housing prices, the opponents of the projects keep on asking, what kind of jobs will the home workers and retired people bring with them, and how could the “other kind of people” of the rich enclave fit the local community. The war-like situation, when the project was introduced, has gradually turned into a more silent opposition. With regard to improving the economic situation of the region the inhabitants seem to think that “anything is better than another industrial zone, a military airport of large pig farms”.

The Oldambt case clearly shows the role of the “mental component” in the urban-rural relationships. The rural community feels threatened by the “aliens”, the “outsiders”, that are labelled as rich “urbanites” of the more well-off Randstad. The enclave kind of project underlines the existence of “two camps” and unavoidably makes the local people pose the “good old days” of prosperous farms and small-scale traditional rural life against the invasion of the modern, the large-scale actors and “ignorance” of the urban what comes to rural values. Paradoxically the potential newcomers e.g. from the Randstad area might feel that they are actually searching for a “rural idyll” in the Blue City. For them a brand new housing area at a lake or a golf course can also represent rurality – the old farmhouses and traditional agricultural landscapes, or what will be left of them, might also be appreciated by them.

The role of leisure time and related services are, together with the growing local market potential and purchasing power, the most crucial questions of the economic diversification. It will be very interesting to follow to which degree the old agricultural background will be perceived as cultural heritage with economic potential, or will the new landscape values related more to the “newly created natural heritage” draw all the attention.

5 Land use: development and profitability

In this chapter, a discussion on basic concepts and invariables with regard to development, land use and planning is followed by a presentation of four national examples of the interconnections between property markets and planning. The issue is deepened further in two case studies concerning development processes in two metropolitan regions.

5.1 Introduction

Let us distinguish two aspects on land and land use. On the one hand land is a prerequisite for any human endeavour. We cannot eliminate ourselves from the three-dimensional physical world, not even in the case of cyberspace, which requires at least a minimum of physical space as well. What we do is to intervene into the physical world and adjust it by building in order to provide suitable and productive settings for our various endeavours. On the other hand land is a commodity in its own right, but in economic terms it has got peculiar characteristics that distinguish it from other commodities due to its fixity. In order to grasp the complexity of land as a factor of development, its particular character as an economic good must be spelled out, i.e. its profitability.

Land use is an essential factor in defining urban from rural environment, and the particular land use of the two categories is of course decisive to their character and interrelations. In the course of the proceeding urbanisation in Europe as well as world wide, we have been discussing two phenomena: the growing urban influence on the account of rural life, and the proceeding growth of human intervention in land, which form the main parameters of the elaborated urban-rural typology as well. These two aspects are not just features of a long-term urban development that may not yet has reached its maturity, but they are also economic activities in their own right. Urbanisation is not only a means for adjusting the physical world to the development of a whole range of human activities, but it is development as such, being an economic activity that constitutes a fundamental part of modern economy. Consequently, the political implications of urbanisation can hardly be overestimated.

The dual nature of land as a commodity (exchange value) and as an instrument for reaching other aims (use value) influences the way land use changes and agricultural or residual land is grabbed for urbanisation. The particular way any urban-rural relations are emerging on the local level is directly related to the way land is used – in terms of functional differentiation, settlement patterns, the traffic and communication it generates, as a basis of resources and a deposit of waste – but land use it not (or very seldom) just a consequence of rational decisions concerning its use values. Even more so, it is an exponent of the profitability of land use and its exchange value.[1] If one mode of land use

[1] Historically speaking this is a new situation as land markets in towns emerged only after the Middle Ages and more comprehensive land markets only after the fall of the *l'Ancient Regime*.

turns unprofitable, it is given up and a land site turns vacant despite locally prevailing human needs, or it is substituted for another mode of land use. What we see around us in the border zone between urban and rural areas, such as urban sprawl and abandoned agricultural land, are phenomena that directly relate to decisions made on the bases of land use profitability. Local land use patterns are directly dependent on land profitability, and even much of prevailing practices in land use planning (e.g. zoning) are an exponent of the market value of land.

Any particular land use is caused by the interplay of various interests involved in the factual development process. Land use is a public concern in all European countries, which has resulted in the creation of strong instruments for directing land use, and an array of restrictions implemented to the alleged detriment of private interests. *Public interests* are supposed to require public involvement such as the safeguarding of healthy, well-functioning and pleasing environments, social integration, provision for shelter and services, etc. *Private interests* are in for maximising exchange or use values of their property. The outcome, the adjustment of public and private interests, is extremely varied, and there is really no single model for development that should be professed in splendid solitude.

In the context of studying urban-rural relations, it is important to relate any particular mode of development to specified objectives and to realise the various potential effects of the different modes in terms of the outcome compared to overall aims. Consequently, particular modes of development can be professed providing the contextual aims are made tangible and operational. This is of course the aim of this study – to be able to make policy recommendations – but these should be based on conditions that are clearly specified. The case studies show that seemingly very different policies implemented may have very similar outcomes. Therefore it is important to realise the importance of understanding the real conditions and the endless diversity of factual cases.

The EU has got no separate competence for land use or even urban policies for that matter, but a set of documents indicate some general aims and principles, which have direct relevance for urban-rural relations in terms of land use. Examples of such overarching principles are that the problems of cities are supposed to be solved within *their existing borders*, and not by expanding their peripheries. The *external impact* of cities with regard to energy, waster and waste management should be regarded.[2] The theme of *sustainable cities* has produced a number of projects and reports.[3] The *changing socio-economic context* facing European cities and *imbalances* in the European urban system have been emphasised.[4] *Agricultural areas marginalised* by large industrial-services metropolis are supposed to be recognised, and the Community Agricultural Policy (CAP) should contribute to the *funding and planning in rural areas* in relation to, for instance, agro-environmental measures for green belts or corridors in peri-urban areas.[5]

There is a whole range of Community Initiatives that address urban-rural relations as well: Interreg III, Urban, Leader+ and Equal. In the realm of Article 10 Pilot Projects and Innovation Actions a range of initiatives have been developed aiming at exploring new

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[2] CEC 1990, p. 30.

[3] Expert Group on the Urban Environment (EGUE) in 1991; European Sustainable Cities project and the European Sustainable Cities and Town Campaign in 1993; Charter of European Sustainable Cities and Towns (Aalborg) 1994; Car Free Cities Club (Amsterdam) in 1994; Expert Group 1996

[4] CEC 1997.

[5] Urban Forum 1998 (DG Envirnoment 1998).

approaches to economic and social development that encourage *co-operation and the exchange of experience* between actors in local and regional development.

In the field of spatial policy, the policy options of the ESDP are fairly general with regard to land use, and the profitability of land is not explicitly mentioned. The importance of *co-operation and networking between territorial units* is underscored (options 20, 21) as well as promotion of public-private partnership. The ESDP also stresses the *preservation, enhancement and restoration of landscape* (options 53, 54, 56).

In the face of a long term development trend in Europe, a steady pattern of growth of population in rural areas and a matching pattern of decline in larger urban areas, a number of key policy themes affecting urban-rural relationships were defined in this project.[6] The theme of land use profitability is directly connected to development policies concerning *population and migration* such as *settlement policy* and the planning framework for controlling what gets built where and how, *public housing policy* and the necessity to consider public housing policies as a significant factor in determining the relationship between urban and rural housing markets, and *accessibility and mobility.* Another issue is *land use control*, which historically has been directed to the protection of agricultural land but now more and more deals with the protection of the countryside and a desire to resist the force of urbanisation. This has in many countries resulted in a policy of *urban containment*, which aims at making the best use of previously used land (brownfield land) rather than exploiting the surrounding countryside (greenfield land). In addition, the *provision of infrastructure* such as road and rail as well as water, waste and energy are in the focus. A further question concerns *government* on the regional and local level and the fragmentation of decision-making.

The multitude of national varieties in the way land for development connect to property markets and land use planning is indicated by a short recapitulation of a series of studies concerning four of the huge economies in Europe. Referred are the situation in France, Germany, Italy and the UK. The case studies of this chapter concerning the post-war development in the regions of Helsinki and Stockholm aim at illuminating different modes of development, which have emerged from decisions based on the profitability of land use and resulted in distinct urbanisation patterns. These patterns are more or less structural with regard to their long-term effects, but from the point of view of individual citizens, they constitute the framework of everyday functional relations in terms of commuting, supply of services, access to greenery, operational costs for running the community, house prices, etc. The intention is to lay bare the link between land profitability, various modes of development and the effects on urban-rural relations.

In order to make the arguments of the case studies comprehendible, land and its value, various modes of spatial development, the role of land use planning and public-private relations are discussed. Also the issues of urban sprawl and urban containment are commented on. Finally conclusions are drawn from the presented case studies and the referred literature.

5.2 Land and its profitability

In an economic sense, *land* is defined as the entire material universe outside of people themselves and the products of people. It is the entire non-reproducible, physical universe, including all natural resources. In this sense, land has no cost of production. In contrast

[6] Interim Report 1, WP4: Policy recommendations

to land, a *land site* is a parcel of land that is finished and ready for use under the standards, such as public utilities, prevailing in its surrounding area. Consequently, to turn *land* into a particular *land site* involves as a minimum requirement the delimitation (parcelling) of the land, and possibly, in addition, direct investments in utilities and similar improvements as well. This means that while land as such is a piece of nature, any particular land site is in addition an artefact that has partly come about as an effort of human labour. When land is attributed a market value, this concerns land sites, not land as such, because a transaction implies a definition of the good that is sold and bought, in the minimum case its delimitation.

5.2.1 Value of land

Land rental value is the annual fee that somebody is willing to pay for the exclusive right to possess and/or use a land site for a specified period of time. This may include a speculative opportunity cost. According to the principle of *substitution*, a person would pay no more for a site than would have to be paid for an equally desirable site. *Demand* is the sole determinant of land rent, because the land supply is fixed and cannot be significantly expanded in contrast to labour and capital, which are more variable in supply. The principle of *anticipation* contends that land value can go up or down according to anticipated future benefit or detriment. Land will achieve its maximum value when it is used in a way that *conforms* to the existing economic and social standards within the territorial context where it is located.

Land market value is defined by the price of a transaction. The market value of any particular piece of land is determined by its rental value (annual yield) minus land taxes, divided by a capitalisation rate. *Land taxes* is the proportion of the rental value that is claimed for the community, and the *capitalisation rate* is a market determined rate of return that would attract investors in the use of land, considering all the risks and benefits involved. If three factors of the four mentioned above (land rental value, land market value, land taxes, capitalisation rate) are known, the fourth can be calculated.

The value of land is of course determined in various contexts simultaneously, both independently and in relationship to one another. The *physical attributes* of land include location, fertility, climate, convenience, availability, absence of intrusion, pattern of land use, etc. *Legal and administrative forces* include costs for the owner and various restrictions to the use or change of the property.[7] The *social factors* include population growth or decline, population profiles, changes in family sizes, attitudes to law and order, prestige, educational level, etc. The *economic factors* concern matters like wealth, growth, vacancy and availability.

In case owners of land and real estate are not entirely absolved by using their possession for their own subsistence, it is in their interest to promote the economically efficient use of their property. The general criteria are the highest, best and most profitable use of land. Land use ought to be be *legally permissible*, *physically possible* and *economically feasible*. The use that meets these criteria and produces the greatest net earnings is the highest and best use.

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[7] Real estate *taxation* is usually levied to provide public revenue and to return to the community the costs incurred to pay for the various public benefits, services and environmental protection. *Eminent domain* includes the right to use, hold or take land for common public uses and benefits. *Police power* implies the right to regulate land use for the welfare of the public with regard to safety, health, morals, general welfare, zoning, building codes, traffic regulations, etc. *Escheat* concerns the right to have land reverted to the public's agent when taxes are not paid or when there are no legal heirs.

There are a number of different techniques in appraising land value when market or sales data is unavailable. At the end all assessments, however, are based on some assumptions concerning the future yield of the land. In case the land is *undeveloped*, the total value is still estimated as if the land were subdivided, developed and sold. Development costs, incentive costs and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is discounted over the estimated period required for market absorption of the developed sites. In the case of a single, developed land site, an estimate of the market value of land would be based on the net residual income – that is, total income, less all costs except land value – resulting from the development of a hypothetical building of the highest and best use for a given site. The best use of the land site, the hypothetical building value and the hypothetical net income to the development as well as the appropriate capitalisation rate would be estimated.

5.2.2 Unearned profits

The value of a land site is not only dependent on direct investments in that site, but may increase or decline in accordance with the change of its position in relation to the area where it is located. For instance investments in the area around any particular land site (or even further away) may increase the value of that site without any direct investments made by its possessor. The increase of the value of the site is then an effect of investments in other land sites around, but still the owner may appropriate the increased value by selling or renting the land site to a higher price, thereby appropriating a so-called *unearned profit*. It is unearned in the sense that it comes about without any direct efforts on the part of the owner. All speculation in land is based on this very simple principle, and speculation in land is an integral part of economic and social life in any society where unearned profits can be appropriated by owners of real estate, that is, in practically all societies where land can be sold and bought.

The value of a particular piece of land may increase not only as a result of direct investments on that site, or even as a result of investments around it. Increase in value can also emerge when the prospects for the future are changed. If, as a result of land use planning, agricultural land is turned into land for housing, the value of the site increases already before any investments are made. It is the changed and more lucrative prospects for the future land use that result in increased value of the site. Thus any land speculator would try to influence those in charge of planning in order to increase the prospective yield of any site in his/her possession. In European countries, where land use planning is generally speaking subdued to the conduct of political bodies, it is in the interest of real estate owners to influence political decision makers in order to maximise the prospective profitability of his/her own investments in real estate. This is why lobbying, or corruption in case politicians are influenced by illegal methods, seems to be an integral part of land management in any country.

The extent of lobbying/corruption is an exponent of the amount of real and/or foreseen unearned profits. Speculation in real estate implies prospective profits that are huger than the prospects for almost any other kind of investments (excluding investments in purely criminal activities), which in its turn provides for affluent means to impose decision makers. In all European cities of any magnitude, the results of speculation in real estate are visually evident. Lobbying and/or corruption is further magnified by the constantly growing importance of real estate. As societies progress, land has become one of the predominant forces in determining the wealth or poverty of all people within a community.

In the economically advanced countries of the world, land rent represents allegedly more than 40 percent of gross annual production.[8] This means that provision for spatial development is not only, or even foremost, the provision for improvements in the productive use of space, but even more so it is related to all economic activities that profit from the production of spatial change. We do not build only in order to improve various activities, but we build because it is profitable for all parties involved in building, and the extraordinary chance that building provides as an economic activity related to the relative scarcity of land and the possibility of unearned profits.

5.2.3 Supply and demand

Inherent in any land-based production is a particular relation between of supply and demand, where the supply side does not react very rapidly to growing effective demand by increased production, because existing land ownership/control limits the possibility of new productive investments. Urban environment forms a comparatively inert context for user demand: supply reacts by necessity to changing demands fairly slowly in case that free space is not available and production of additional space is needed. Due to the very nature of land as a limited resource, the supply-side dominates.

The *producers* of urban space are composed by the *property owners* and *building industry* including developers, construction firms and producers of building materials as well as *financing institutions*. Finance is of utmost importance as practically all physical space that is produced depends on external funding. The main actors of development form the nucleus of power in production of urban space. They possess the power because they are the ones that initiate change and run the implementation process. One should notice that the supply-side not only includes private actors. Public institutions are in a crucial position when the allocation of development opportunities is decided. In addition, public agencies are huge suppliers of urban goods as well.

Consumers are subdued to producers in the sense that effective demand may emerge very quickly as a result of increased credits available on the market while additional new supply is slow to produce. The control of landed resources implies territorial monopolies, which grow in scale according to the degree of concentration in land ownership and the control of resources. It is of course in the interest of those controlling land to keep it that way, because a situation where demand constantly overrides supply keeps the value and return of real estate high.

One should not, however, take the cause for the effect. In literature on urban economics, a high price level in housing is often referred to as a result of high land prices or expensive labour or building material.[9] That is a very simplistic view indeed. A dwelling is a necessity for most people, and they are willing to pay as much they can afford – but not more! The average price of housing is set on the local market, and this price level is solely dependent on effective demand, which in a short term perspective has very little or nothing to do with the factual costs for producing new houses. The producers of the various components of the final product (the land site, management, building materials, labour, finance, etc.) try of course to maximise their respective benefits, but this has to be done within the limits of the prevailing price level of the local market. High prices for land do not by

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[8] Gwartney 1999, 2.

[9] Cheshire argues that higher housing costs feed through to higher labour costs. See Cheshire 2004; Cheshire & Sheppard 2002.

necessity mean high purchase prices for houses, but the opposite is true, high house prices rise the price of land.

The general level of house prices in urban regions is determined by the price level of old dwellings, because the market for old dwellings constitutes the overwhelming part of the total market for dwellings in almost any region in Europe. In the case that dwellings are produced speculatively, they are as a rule built when the general price level is high in order to maximise profits. Non-speculative housing is not determined by market fluctuations to the same degree, but public agencies tend to allocate funds for public housing in times of recession, because the price level is comparatively low and the development sector is thought to need support in order to sustain by the help of public support until the next boom emerges. As a rule, risks are socialised and profits privatised.

5.2.4 Conclusions

There are three questions of utmost political significance innate in any discussion on the value of land.

Firstly, are land prices too high and what could we do about it? Because demand is the sole determinant of land prices, and effective demand is a consequence of available credits, various regulations or price limits are rather ineffective. Normally public interfering only produces black markets. Therefore the issue of land prices is not really a matter that could easily be solved by public intervention or public policies that are directly steered at manipulating land prices. According to the OECD, however, land price controls may be a useful tool as a short-term measure and for limited purposes. Implemented in the form of pre-emption rights, publication of reference prices or controls on resale, land price control may offset speculative attitudes.[10] The control of credits for housing may be one of the few effective means that exist, but that is not very efficient either, or even possible for that matter, in a situation where the credit markets of Europe are getting integrated.

Secondly, the overshadowing political question related to spatial development in terms of factual investments and foreseen returns could be summarised in the following question: Is it acceptable from the point of view of public interest that land speculation occurs and that unearned profits are appropriated by speculators? This question has of course been raised in the international debate among real estate professionals ever since the liberation of real estate markets after the French revolution.

Thirdly, should local communities invest in huge land banks in order to counteract price fluctuations in housing and to provide for the possibility to increase the supply of built spaces quickly when needed? Huge publicly owner land banks could also secure desired settlement patterns in a way that matches rationality in terms of the overall well-functioning of the region, and curb land speculation as well.

5.3 Spatial development and land use planning

The concept of spatial development refers to the changing uses and functions of land as well as to factual development measures in terms of building. Land use planning is an instrument for defining changing uses and functions as well as for defining the foreseen development in terms of physical structures. Planning may also refer to the process of planning, that is, the procedure according to which future issues and items are defined.

[10] OECD 1992, p. 18.

5.3.1 The role of land use planning

Land use planning is part of the complex system for the production of spatial goods. The generally accepted *role of land use planning* is to produce land fit to be developed and to regulate the use of physical space in an acceptable manner. A more unorthodox – but maybe more truthful – view of planning is that planning constitutes the cornerstone of the creation of property value, as only land use planning can introduce scarcity in the property market.[11]

Planning is of huge strategic and economic importance because a town plan defines the potential future yield of any piece of real estate by setting a limit for possible exploitation in any given case and by regulating the functional context of any particular place. The planning process is, however, not carried out in a vacuum of professional integrity, but in co-operation with the initiators of change (i.e. the suppliers of space) and with other influential instances. Consequently, the power to allocate development rights or determine functional regulations is not a power exclusively in the hands of planners or even in the hands of political bodies responsible for planning. The factual power to dictate development is primarily in the hands of those investing in urban space,[12] but formally the situation is as a rule rather complicated and the national variations across Europe are huge indeed.[13]

In most countries any power must preferably be executed within the framework of legal and formalised procedures. As a minimum requirement, power has to claim that legal procedures have been followed in the process of planning. The huge differences in the legal set up and traditions of the various European countries mean that the distinction between lobbying on the one hand and corruption on the other is like a line drawn on water. It is amazing to realise that very similar procedures both in terms of the development process as such as well as the actual outcome are differently assessed due to national conditions. That what is legal in the north of Europe could be criminalised in the south.[14]

From the professional point of view of planners, planning could be viewed as rational action where the *rationality* of a particular planning document – or the rationality of the planning process as such, including an array of actors – is assessed against the overall objectives of that plan or judged according to the implemented planning procedure. The elaboration of a good plan (or planning procedure, or implementation) requires obviously a lot of professional knowledge, which is drawn from a body of knowledge composed of the professional skills of different professions. The rationality of a textbook plan is thus an overall rationality, where particular interests have to be subsumed under the *rationality of general interests* expressed in the objectives of the plan or planning procedure.

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[11] Ave 1996, p. 192.

[12] As the planner's joke has it: Where does the gorilla seat itself? – Where it wants to!

[13] ECE Compendium 1997.

[14] The legal context of spatial development on the local level in a country like Sweden is based on a liberalistic building code that provides the developer with the initiative. In a country like Italy, the building code is very sophisticated and demanding, but the building practice has resulted in a very huge share of formally illegal building in the south of Italy.
In neither the Swedish nor the Italian case, the environmental impact is always very pleasing, judged by professional criteria. Nevertheless, one is legal and the other is illegal. The Swedish legislation could of course be labelled as investor-friendly and suits the production structure of the country, which is characterised by a few very huge construction firms that operate internationally and have strong affiliations to the political establishment of the country, but a problem might be that public interests are side-stepped. In the case of southern Italy, the formal system is probably very sophisticated, but it does not operate to the satisfaction of planning professionals.

Rationality from the point of view of any singular party is of course often quite different from the general rationality of the plan. It is in the interest of every actor to maximise the return of his/her particular investments, which is most successfully done by *claiming that ones individual interests actually correspond to general interests*. That is why individual interests, landed interests in particular, are attracted to politics, which turns out to be the *conduct of public affair for private benefit.* The most successful players in the planning game are able to appropriate the general interests for their own sake. The stronger power involved, the less compromises between singular interests and the more general interest is subjugated to facilitate power.[15]

An interesting theoretical as well as practical question is whether there is anything that could be called public interest in the sense that public interest would correspond to the general interest of everybody, but not to the interests of any specified party as such? The liberalistic tradition holds that public interest is the sum of particular benefits, or alternatively, a fair compromise between particular interests. Economic theory (and game theory in particular) has spelled out, however, that there can be general interests that are different from the sum of individual interests.[16] In the case of a master plan for a town or a region, it is not impossible to imagine a situation where every actor involved is disappointed, but where the final outcome is rational with respect to general interests. Whether the world has ever seen such a plan is another matter.

The fairly normal situation would rather be that various interests engage themselves in a battle over a plan where the powerful ones reinterpret their interests in a fashion to suit general interests. Such an act could be called *rationalisation*. Thus *rationalisation presented as rationality* is thought to be a principal strategy in the exercise of power. In doing this, power executes a rationality that parties involved may not accept but have to live with.[17] Of course the battle is not always about plans, because development frequently takes place without plans or disregarding existing plans.[18]

How are environmental restrictions conceived? In a planning system where development is normally initiated by private or semi-private property owners, development is approached from the point of view of singular interests. This means that overall restrictions dealing for instance with the protection of natural and cultural heritage are not placed in a context of development, because development is understood as the development of ones own assets, and various regulations are thought of as potential threats to the promotion of private interests.

This state of affairs could be illustrated by the situation in some historic Swedish towns where the historic centre has been ascribed the status of “national interest” in order to protect it as an asset for the future. The environmental qualities of the historic centre are a development interest for the town as a whole, providing the town wants to have its fair share of growth and success.[19] Consequently, “national interest” is not just a restriction for downtown property owners, but also a development potential for the whole town and its business. At the same time, the Swedish planning and building code has allowed for

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[15] Flyvbjerg 1998.

[16] von Neumann & Morgenstern 1944; Gillies 1959; Aumann & Hart 1994.

[17] Flyvbjerg 1998.

[18] Williams & Wood 1994.

[19] In concurrent urban theory, spatial positioning is considered a precondition for development and environmental qualities, including cultural heritage, are understood as significant means for successful positioning. See Williams 1996, page 97; Zoete 1997.

the piecemeal reconstruction of the historical centres, which in effect has destroyed the major part of all historic centres in the country. This process has been critically labelled "the huge murder of culture".[20] In effect these towns have in many cases been deprived of the only true social, cultural and economic asset they have got, that is, their unique historic centres.

The same logic of development has been applied with respect to the territorial expansion of the Swedish towns. The strong construction and housing lobby has been able to superimpose large residential structures in peripheral locations, blurring the traditionally clear division between town and countryside. The resulting mishmash, the "rurban environment", is neither urban nor rural in the sense that it would possess qualities that are normally associated with urban or rural life. Sweden is of course not unique in Europe, because this kind of development can be found nearly everywhere across the continent.[21]

Is there an unsolvable antagonism between development and planning in terms of specified regulations? The answer is yes if development is initiated solely by private interests. This situation could be described as an escalating process where singular actors pursue the promotion of their individual interests while the environment is deteriorating to the point that development is reversed. Eventually everybody loose, investors as well as the public. Investors do not by necessity loose everything, however, because they can just pull out and leave the disaster for public authorities to sort out. The alternative would be that development is not left solely to private property owners but to public authorities as well.[22]

In short, if the widespread quest for liberalised land use regimes is taken literally, public bodies should operate along the same lines as private actors do at the moment. Legally speaking, most national planning and building codes would allow for such a development. Financially speaking, that could generate economic gain for public finance, because the unearned profits of land caused by planning measures would feed public funds and not private interests as is now often the case. There are seldom institutional or legal obstacles to innovative change of current development routines. It is more a question to what extent politicians want to define politics as the conduct of public affairs for private benefit – or for public benefit.

The question of restrictions versus *laissez-faire* development is a crucial issue in planning history. Modern town planning actually emerged as a reaction to the unregulated and dysfunctional development of the early industrial towns.[23] The establishment of town and country planning included a firm grip on the physical frames of development, and it rendered possible to cope with problems discussed here concerning urban-rural relations: settlement patterns, land use control, urban containment and provision of infrastructure as well as purely aesthetical matters.

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[20] Johansson 1997.

[21] What makes Sweden unique in this sense is that the country has expressed an environmental interest of top priority on the national level, but the planning system seems incapable of coping with environmental problems related to land use even on a quite modest level of ambitions.

[22] Contradictory development issues can be envisaged well in advance. In case municipal decision makers predict coming conflicts between protection and exploitation in any particular part of the town or the urban region, they could purchase the property and develop it according to public interests, or divide the property into smaller parts and reserve some of it for municipal development and other parts for private development. In most European countries this would be legally possible, but often politically difficult to achieve.

[23] Benevolo 1967; Benevolo 1993.

A general tendency of the post-war development of the legal frame of land use planning has been a tendency to switch from the foreseen physical shape of future communities to focus more on the procedural aspects of planning. At the same time, the previous hierarchical structure of planning levels where a superior level would form a set of binding instructions for the lower level has been substituted for a system where the hierarchical ordering is more or less gone. Legally binding regulations are pushed down to the executive level of single development projects, and more general plans (regional land use plans, master plans of towns, etc.) are substituted for wishful thinking in the form of development programmes and perspectives.[24] "Wishful thinking" is of course an important aspect of politics, and the function of various strategic perspectives is to pave the way for political compromises and provide unconditional legitimacy for instant projects.

The failure of land use planning is in a way made obvious by the tremendous development of environmental impact assessments (EIA), which have exploded in size (from single projects to regions) and time (from immediate impacts to long term perspectives). What they do, is to fill the void left by the renounced regulative land use planning. A reason for this could be that development interests find it easier to manipulate various EIA-requirements than to cope with the traditional restrictions of land use plans. Whatever the case may be, the problem persists: do we need restrictions to development, and if so, how to elaborate a well operating system for safeguarding both public and private development interests?

An expression like "the failure of land use planning" implies of course an attitude according to which planning has not been successful enough in pursuing its aims of safeguarding environmental qualities, and this attitude is probably more generally prevailing among planners than among other professions involved in spatial development. In economic thought there is a strong tradition of affronting public regulations, and planning is often seen as straitjacket of development. For instance the development of the southeast of England is said to suffer from too restrictive land use policy.[25] From the perspective of an economist this may seem credible, but from the point of view of a planner, the stiff land use regime could appear as the secret of the economic success of Greater London.

5.3.2 Planning theory

There is a wide array of planning theories, which could be ordered in a variety of ways.[26] In theories, which could be placed under the heading of *instrumental rationalism*, planning is seen as a cognitive problem-solving process. The involvement of "outsiders" aims at generating information, relieve the administration or increase social acceptance. Efficiency is placed in focus. A second group of theories is grounded on *communicative rationality* and human communication, not on cognitive rationality. Planning is conceptualised as a dialogue between planners and other stakeholders, triggering a process of social learning. "Outsiders" are integrated into partnership exercises, which encompass everything from joint problem-definition to joint problem-solving. Problems to overcome are related to communication and the unequal distribution of resources among the participants. The main concern is allegedly fairness of the planning process. A third group of planning theories is based on *substantive rationality*, referring to forms of rationality which aim at radical goals and criticising existing society in order to analyse the system-maintaining role of planning. A fundamental aim is emancipation of oppressed social groups.

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[24] This process is particularly evident in countries like Sweden and Finland.

[25] Cheshire 2004.

[26] Faludi 1982.

Concurrently, the communication paradigm has been in constant growth, which allegedly reflects changing planning practices.[27] Another, maybe more credible, explanation may be that the planners, establishing themselves as a profession, are in great need of legitimacy, which is sought in "theory". Based on a survey of planning practitioners, none of them had found planning theory useful.[28] However, planning theory as nonsense has been refuted on the ground that there is no planning practice without a theory about how it ought to be practiced.[29] Here "theory" is obviously used as a substitute for ideology or worldview or any other particular prejudices accompanying the decision-making of planning professionals in their everyday life.

The normative and speculative character of communicative planning theory turns evident in the argument that planning as strategic consensus-building is dependent on whether the "storyline still rings true" or not. In the world of this theory, where strategy is reduced to a storyline, the inclusiveness of all good things has no need for a specified moderator. The subject agent is reduced to "political communities".[30] The collaborative planning theory could be viewed as an instructive example of the neo-liberalistic implications of the concurrent discussion on territorial governance: neo-liberalistic ideology seeks the intellectual constructs of neo-liberalistic society.[31]

According to the classical ladder of citizen participation, elaborated in the late 60s, involvement stretches from being the subject of manipulation and therapy, over information, consultation and placation to partnership, delegated power and finally citizen control.[32] This ladder would allegedly correspond to the three theory types described above, where instrumental rationality would equal the lower rungs of the ladder, communicative rationality would indicate consultative use of participation while substantive rationality would require substantive participation.[33] In the face of the expanding communicative paradigm as story telling, participation seems to equal manipulation. As such the body of planning theory is of little use in understanding the potential of urban-rural partnership, because it seems unfitted for analysing factual development processes. Its normative power as a model for best planning practice is highly questionable as well, providing policy recommendations should have implications for spatial development in reality.

5.3.3 Conclusions

In conclusion, every nation has got a legal frame for land use planning and building of its own. The national varieties across Europe are huge, and the national practices for transforming land into land sites ready for development are very different. The crucial issue is whether urban-rural relations in terms of urban sprawl and the recognition of land protection can be addressed within existing national frameworks? Regardless the prevailing planning practices and national legal context, we could ask: Does the national planning and building code guarantee spatial development of a kind where public interests are recognised? Does the national planning and building code render it impossible to recognise public interests in spatial development? Such questions are not within the

[27] Lückenkötter 1999.
[28] Sanyal 2002.
[29] Friedmann 2003.
[30] Healey 1996.
[31] See the discussion on the World Report on the Urban Future, Jessop 2001
[32] Arnstein 1969.
[33] Lückenkötter 1999.

competence of the EU, but they are certainly important when promoting European spatial policies.

In the quest for "communication" and "governance" as a substitute for pre-fixed norms and regulation in planning, the concept of *heterarchy* is much employed in academic discussions concerning European territorial and spatial policy at the moment.[34] The concept refers to an organisational setting characterised by minimal hierarchy and by heterogeneity, and it refers to a process in which a given element is simultaneously expressed in multiple cross-cutting networks. The concept has been developed in the context of economic sociology, as a response to the increasing complexity of the firm's strategy horizon.[35]

Heterarchy thus refers to an organisational ideal in a very clearly defined context of corporate action operating under the uncertainty of a very limited time horizon. Its application on the management of spatial development complies of course with the neo-liberalistic quest for flexibility, but the spatial context is completely different from the corporate one. In spatial development, the time horizon is not (or should preferably not be) short-term, but long-term, which already the principle of sustainable development requires. Adversely to the corporate context, the organisational setting of spatial development, where the heterarchical mode of governance is supposed to be implemented, is not closed but open and rather unclear. The conceptual frog-leap where heterarchy is brought to a completely new context is rhetorically understandable but poorly argued.

5.4 Effects of land speculation: urban sprawl and urban containment

The situation where land title holders have obtained rights to sell the additional value generated by public improvements (betterment) was referred to above as unearned profits. The community added to the market value of land by making improvements, which increase demand and rent for the land. The longer the possessors hold the land out of use, the greater will be the unearned profits they obtain. A result could be that good land, suitable for the rational development of the town, is exempted from use and less desirable land more distant from the city is developed. This raises the cost of community improvements and the rental value of the unused, but better located land. A similar situation results from developing undeveloped land in remote locations that do not constitute self-evident extensions of already built-up areas. The outcome is *urban sprawl,* which induces not only additional costs of investments, but greatly contributes to the rise of operational costs for the whole community as well and affects rural areas around agglomerations in particular. The prevailing policy for counteracting urban sprawl is *urban containment* and *densification* of activities and built-up areas.

5.4.1 Urban sprawl

Urban sprawl is supposed to be an age-old phenomenon, which represents a fine balance between forces that are pushing people together in cities and those that are forcing them out. This leads to different types of sprawl in different places and at different times.[36] Urban sprawl has been identified according to four different profiles: sprawl as an emergent

[34] Lähteenmäki–Smith 2004.
[35] Stark 2000.
[36] Batty et al. 2003a.

polycentric region, as a scattered suburb, as peripheral fringes and as commercial strips and business centres.[37]

Firstly, when observed at the regional scale, urban sprawl is characterised by the emergence of secondary urban centres. The main negative impact is a general increase of mobility and especially towards the core of the region. Improvement in communication has often caused initial benefits but the long term effects have often been an incentive for new waves of urban sprawl. A solution that has been suggested is to strengthen links between the peripheral parts of the region. The positive impact could be local development in small and medium size cities of the region. These can offer a better environmental quality and accessibility as well as more and better local public services.[38]

Secondly, another type of urban sprawl is characterised by infill: scattered and low density housing development locate between urban centres or between transport corridors. Accessibility is mainly provided for by private means of transport because of the fragmented nature of trips. The low density generates high levels of land consumption both for housing and infrastructure, and high urbanisation costs. Solutions are mainly directed at promoting more compact and mixed land-use development.[39]

Thirdly, sprawl also concern the part of the population that has no other choice but to relocate because of the increasing costs of life in urban centres. Peripheral fringes take the form of the old housing peripheries of the 50s and 60s and of the new peripheries of speculative development. The obvious impacts are an increasing level of social deprivation or segregation and the degradation of the built environment. Possible solutions focus on the co-ordination of land use and transport planning at the neighbourhood scale.[40]

Fourthly, urban sprawl manifests itself in the erection of service and business centres outside the compact city boundaries, which generates congestion on main transport infrastructure as well as random mobility for leisure and shopping not captured by public transport. These areas tend to attract further unplanned housing development, setting the ground for further urban sprawl.[41]

Other solutions to the problem of urban sprawl deal with the tackling of land consumption, mobility and the decline of urban areas.[42] In case extensive land consumption is a result of low-density development, policy measures should focus on the setting of constrains to the extent to which a city can expand such as the green belt measures and the promotion of dense and mixed urban development.

Key mobility problems relate to increased inaccessibility to employment and services and increased dependence on the private car over public transport. The issues may be conceived as conflicting since the former assumes the need to increase mobility of people and goods while the second portends the reduction of the overall need to travel. The conflict could be resolved by integrating different policy measures that address the two issues. Higher accessibility could be provided for by a strategic planning of transport, focused on connecting isolated and segregated residential areas to employment and services. The integration of transport planning with land use planning could provide the best use of public transport.

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[37] Within the EC financed 5th framework programme, sprawl has been dealt with in a project named Scatter, including the case studies of Bristol, Brussels, Helsinki, Milan, Rennes and Stuttgard.

[38] Besussi, E. 2002.

[39] ibid.

[40] ibid.

[41] ibid.

[42] Batty et al. 2003b.

In the US, urban sprawl is firmly related to the decline of core areas. In Europe, this tendency is not equally strong. Regeneration programmes in peripheral areas are often integrated with transport measures for the purpose of reducing the segregation of suburban residents. Interaction between different policies and between the different effects of policies is important to deal with, and integration is therefore recognised as a key success factor.

Urban sprawl is nearly always an effect of land speculation. Either centrally located, suitable land is exempted from the market due to expectation of unearned profits, or remotely located land is developed due to the huge gap between the low costs for undeveloped land compared to the much higher revenues of developed land. In both cases land owners are likely to be the crucial player of the game, often in co-operation with those who locally conduct development. There are two principal solutions to the problem of unearned profits and rational urban development: firstly, to implement taxes high enough to effectively counteract the economic rationale of keeping land unproductive for any longer period of time, or secondly, to implement a mode of development that is based on public land ownership operated in a way that secures the returns of public investments to the community.

The *land taxes solution* implies that communities should collect the full rental value of land, which allegedly makes cities more compact and provides greater and less costly amenities for their citizens. The argument is that when people can make a larger profit by doing nothing, but keeping the land they possess out of use for a long period of time, they will do so. When the community collects the full market rent of land, they eliminate the motive for keeping land out of effective use, because the unearned profit has been collected as public revenue. This argument sounds clear enough, but it does not take into consideration an essential, social factor. The levying of land taxes according to the full market value of the land would make land ownership practically impossible for a huge part of small land title holders as possession of land would simply be too costly. Land would probably concentrate into the hands of big corporations, which usually find legal ways to circumvent land taxes by elaborated accountancy. Another effect of hard land taxes is that the turnover of the building stock is speeded up with results that could be catastrophic for environmental conditions, social continuity and cultural heritage. A policy recommendation of the OECD concerns the simplification of the land tax system, and the need for making its objectives more explicit.[43]

The second solution concerns the way development relates to *land ownership*. If any land that is planned and developed in terms of public utilities is community-owned in advance, the unearned profit will obviously be yielded to the community.[44] This mode of development would also encourage competition in development and construction since the community could demand presumptive developers of ascribed land sites to subject the various phases of the development process to tender and thereby secure competition in construction. This is important, because competition is widely eliminated in the prevailing practice where developers establish territorial monopolies within their realm of land control.[45]

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[43] OECD 1992, page 17.

[44] This practice was prevailing in the Nordic countries until the end of the 18th century when urban land was a royal possession in the last instance (Bengs 1988). OECD (1992, page 17) argues in favour of public land banking as a means for regulating land supply.

[45] Bengs & Rönkä 1994.; Bengs & Rönkä 1990.

It is important to realise, however, that development solely based on public land ownership does not eliminate speculation as such. Two fundamentally different modes of development are possible to implement, that is, the *speculative mode of development* and the *non-speculative mode of development*. In the first case, the idea of development is that an investor invests in development in order to generate maximum profits, including unearned profits from the increased value of land. In doing so, the land is usually owner by the investor, but this is not necessarily always the case, because the community may provide the developer with land and still let the developer benefit from the unearned profit.

In the case of non-speculative development, the developer is a genuine representative of the future user or the future user him/herself in person, who is primarily interested to develop use values of a kind that fit his/her demands. Also this kind of development can take place on community owned or privately owned land. From the point of view of promoting competition in building, the non-speculative model is preferable. In this development model, the various interests engaged in development, that is, developers, contractors and future users (in addition to real estate owners, financers, material producers, etc.) are separate instances, which provides for competition in all phases of the development process. The hugest obstacle to functioning markets in development is vertical and/or horizontal integration of the various phases of the development process, which could mean that for instance huge construction firms function as producers of building material, as land owners and developers as well as entrepreneurs, all simultaneously. The different roles are played by one actor, who gains a position where the various production phases are not subjected to competition.

Consequently, it is important to realise that development based on public land ownership provides for the possibility to develop towns and cities in a rational way according to public interest, but it does not guarantee that kind of development. In a corrupted public realm, land for development could of course be handed over to developers in a way that is not based on tender and competition, but rather according to particular interests. The risk with an urban development system that is based on public land ownership is that huge developers and contractors are consequently favoured on the account of smaller actors.[46]

The political question concerning different modes of development relates to the issue of unearned profits and competition in construction. Firstly, should such development modes be promoted that guarantee the appropriation of unearned profits by the community as a whole? Secondly, should development be of a kind that increases competition in production of spatial goods? A third question is related to the well-functioning of settlement structures: Should development be accepted solely on publicly owned land in order to safeguard the development of a rationally operating and environmentally appropriate physical environment?

5.4.2 Urban containment

Space consumption by urban development has become a major concern through out the world.[47] The idea of urban containment is a response to urban sprawl. This idea is also

[46] In the Soviet Union, the building industry was one of the major nodes of power in that society. In Sweden, the national housing policy in combination with planning legislation and municipal development policies in the huge cities have resulted in a construction business, which was the most the most concentrated in terms of the influence of huge firms in any OECD country already in the 80s. See Pajakkala & Niemi 1989.

[47] Porter 1997

based on the belief that compact urban development contributes to sustainability. The idea of sustainable development implies a long-term time perspective involving the care for options available for future generations. Sustainability also implies considering the spatial dimension where a short time perspective corresponds to local conditions and the successive expansion of the time horizon would correspond to a magnified spatial scale. The continental and global perspectives require a more distant time horizon than the local and regional perspectives would do. The environmental impacts of many activities are not limited to the locality in which the activity takes place, but adversely affect sustainability in larger areas over a prolonged period of time. In a long time perspective, building – a locally fixed phenomenon – is supposed to be the most decisive single cause of the extinction of species.[48]

The difference in scale may be grasped by introducing an additional concept to that of sustainability, that is, *livability*, which would indicate the spatially narrowed local or regional focus as well as the social dimension of sustainability. It seems unfruitful and counterproductive to pursue sustainability on the expense of livability. Consequently, much of the public may view high density development as a sustainable solution in a global perspective but as an unattractive local solution due to a number of functional and aesthetic reasons. Nevertheless, what residents think and their perception of intensively developed environments as areas in which to live is critically important.

A further issue with respect to sustainability concerns ecological performance in relation to urban density. Some criteria for ecological performance are supposed to benefit from lower densities, for instance the use of solar energy and the reduction of water pollution, while other criteria are supposed to perform better in higher densities such as air pollution caused by motorised mobility and energy use. The problem is how to quantify these relationships and make them comparable.[49]

The pursuit of compact cities and urban development based on containment include mixed use development of existing areas, more residential development in the inner city areas, and focusing growth within existing urban boundaries.[50] In addition, critical areas should be identified and protected, the infrastructure should be in place before development is permitted and infill development should be encouraged.[51]

In the case of the Netherlands, three prerequisites for the success of the pursuit of compact cities have been identified:[52] Firstly, planning authorities must have control over likely growth areas in the coming 20 to 25 years, and over areas of major redevelopment in cities. It is also needed to have power over the planning of new infrastructure. Secondly, a wide consensus with regard to particular development issues is needed among different government levels as well as among the wider public. Thirdly, the major part of budgets for municipal and provincial governments originates in the Netherlands from the national, not the local tax base. The national government has been able to wield its power over the financing of local developments to bring about urban growth where it was planned in the national and provincial plans.

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[48] Simmons 1994.

[49] Snellen et al. 2000.

[50] CEC 1990, p. 60.

[51] Burby & May 1997; Gale 1992.

[52] Dijst 2000.

Prospective benefits from urban densification would be less car dependency, low emissions, reduced energy consumption, better public transport services, increased overall accessibility, the re-use of infrastructure and previously developed land, the rejuvenation of existing urban areas and increased urban vitality, the preservation of green space and a milieu for enhanced business activities, in short, a higher quality of life.[53] Dense patterns of urban development are, however, not only conceived in an uncritically positive manner as it is realised that they may have a number of drawbacks as well.

When studying the real effects of intensified land use in urban areas, a variety of aspects has to be considered.[54] Firstly, any intensification has got a factual context, which may be important in determining how sustainable further intensification is. For instance low density areas may be more able to absorb further development than high density areas and mixed use areas could be less vulnerable to change than residential areas. Intensification can be of many different types and it may refer to built form or to activities as well. Intensification represents a broad range of impacts on the quality of life, on environmental conditions as well as on social and economic circumstances. The impact of various policies concerns the way intensification occurs as well as its particular impacts.

A study concerning intensification in Britain indicates that it takes place everywhere, but the impacts are very varied indeed.[55] Overall, at the national level, intensification was seen to have a negative effect on the natural and built environment and transport but a positive effect on services, utilities and social issues. It seems to be considered a very complex process, which is experienced very differently in different places. Overall, residents were more inclined to say that intensification had made their areas worse. The effects of activity intensification in particular were consistently perceived to have more negative effect on an area than building intensification. Intensification was less accepted in high status areas, which were believed to be downgraded. Similarly, those in more suburban locations were less positive about intensification than residents of more mixed-use areas. Residents were more dissatisfied in the areas where density had increased the most.

The form of intensification was considered important. Residents tended to be more negative where there had been a large amount of redevelopment as opposed to new buildings on unbuilt land, extensions or conversions. The loss of historic or traditional buildings was unpopular and residents were more amenable to housing development than to non-residential uses. Residents disliked development which was seen to be out of character with their neighbourhood and were particularly concerned with design, and this was often the factor that determined the success or failure of new developments. There was a huge care about the type of land that was used up. Intensification, which was seen to change the social character of an area, was an important issue: residents disliked changes in the social make-up of their neighbourhoods, and were concerned about issues such as safety and the image of their neighbourhood. People seemed to like the fact that there were more people in the public realm.

The response to intensification was depending on type of respondent. Older people, home owners and social classes I and II were more satisfied with their neighbourhood as a place to live, but more negative about changes brought about by intensification. Visitors were generally more positive to change than residents, but urban managers fancied intensification the most. Unsurprisingly, people seem to be more concerned about intensification where they have more to lose.

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[53] Thomas & Cousins 1996

[54] Jenks et al. 2000

[55] ibid.

A Dutch study points out an important issue with regard to urban containment and environmental regulations.[56] Since the mid-80s, compactness has been a key word in Dutch urban policy and density and accessibility became important criteria for new urban development. A dilemma of the compact city has been more and more evident: there is a confrontation of two closely related policy intentions. One is to keep cities as compact as possible, the other is to ensure that residents have an acceptable environmental quality. In the beginning of the 70s, a strategy based on compartmental sanitation of the environment was developed, that is, a sectored policy approach for soil, water, air, noise etc. During the 80s, this was put aside and a more integrated approach was introduced based on environmental themes such as acidification, climate change, drought, eutrophication and disturbance. Policy-making targeted the sources and effects of pollution. At the same time, environmental standards did not change. During the 90s, it was realised that increased densities and concentration activities conflicted with the implementation of environmental standards. A predicted solution would be to give local authorities a stronger saying in environmental matters and "this redefinition of 'environmental quality' should result in a more progressive instead of a restrictive type of environmental policy making".[57]

The Dutch experience of compact urban policies as a way to reduce traffic is cast in doubt.[58] The average commuting distance rose from 15 kilometres in 1980 to almost 21 kilometres in 1995. A reason for the misjudgement could be that the empirical analyses on the influence of compact development on car mobility ignored the increasing differentiation in household types and activity patterns. It has been proved that the influence of household income on the number of kilometres travelled by car is far more important than urban form. Technological innovations in transport will increase travel speed. Under this condition, the behavioural constants forecast an undermining of the favourable travel characteristics of compact cities and city networks. Fast transport modes seem to encourage longer journeys and increase catchment areas.[59] This has been questioned from the point of view of sustainability as well as from a social perspective, because a spatial spread could be at the expense of those who cannot afford increased mobility.[60] For people, the physical distance is not the most important aspect of travelling, but the temporal distance and the travel time constants will guide their choices of destinations. Planning of urbanisation should take notice of different activity patterns of various population categories and their specific travel time constants.

A further problem of urban densification in the Netherlands is related to land prices and development cost, and of course to the distribution of gains in the end. In a ministerial report from 1991, the leading goal for urbanisation was to build with greater dwelling density bordering the existing metropolitan areas, and more than 200 000 houses were to be built in areas bordering the Green Heart. As the national government pointed out the exact locations, property developers have been busy buying up land in those particular areas with an effect that land prices for agricultural land 6.5 folded in five years, which was foreseen to increase the public expenditures in this areas with some 1.5 billion guilders. On the other hand, if development was left to the market mechanism, the

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[56] De Roo 2000.
[57] ibid, p. 39.
[58] Dijst 2000.
[59] Jones 1993.
[60] Dijst 2000.

ambitious quantitative goals seemed unrealistic. Here, the public ambitions of a large scale building programme came in conflict with the idea that up to 70 percent of the building plots should be sold in the free market segment. The programme was in fact thought to be realistic only in the case a majority of the land was in public hands. Only then, by creating artificial scarcity, higher prices of land could be obtained in order to cover public costs for development. The outcome was thought to be that the private sector would profit considerably from the planning ambitions of the Randstad at public expense.[61]

5.4.3 Conclusions

Urban sprawl constitutes a kind of urban colonialism of the countryside, but it is not a “natural” process induced by necessity, but an exponent of speculative development, land hoarding on the part of private developers and an overall development that opens up for the appropriation by developers of the increase in property prices, created by public investments. The losses on the part of the tax payers are enormous.

It is important to realise that development based on public land ownership provides for the possibility to develop towns and cities in a rational way according to public interest, but it does not guarantee that kind of development. In a corrupted public realm, land for development could of course be handed over to developers in a way that is not based on tender and competition, but rather according to particular interests. The risk with an urban development system that is based on public land ownership is that huge developers and contractors are consequently favoured on the account of smaller actors.

The political question concerning different modes of development relates to the issue of unearned profits and competition in construction. It seems fair that values created by public investments should be obtained by the community, not by private speculators in real estate. As speculative development and private land hoarding is the basis for the establishment of territorial monopolies, it seems fair to implement a model for development that would provide for competition is all phases of the development process. This would require strong public involvement in the development process, huge public land banks and a distribution of building sites according to tender competition. Consequently, public involvement would enforce market mechanisms and not eliminate them.

An alternative to urban sprawl is densification of urban areas, that is, urban containment. The experience of urban densification and compact building indicates a number of uncertainties. Firstly, it is not clear to what extent densification complies with the principles for sustainable development. Secondly, the principle of sustainability as an overall principle has to be supplemented by local livability. Only livable environments are sustainable in the long run. Thirdly, the experiences of densification measures indicate that every case is unique, and is judged differently by the local population in each case. Therefore urban containment cannot be taken as a general reference whenever developers want to obtain additional development rights in urban areas.

The question of urban sprawl and urban containment is very important with regard to the future of urban-rural relations, affecting directly both their functional and structural relations. The principle of sprawl versus containment is not just a question of the overall urban-rural relations in Europe, but the discussion of these issues can be applied on

[61] ibid.

other geographical levels as well. The small urban centres of rural areas or the small rural villages can experience sprawl and containment in parallel to the broader tendencies in metropolitan regions. Therefore any policy discussion of these issues must be anchored in a defined geographical perspective as well.

5.5 National cases: development and property markets in France, Germany, Italy and the UK

The issue of land for development, its connections to the property markets and the role of land use planning was the focus of an international comparative project carried out in the early 90s. It was expected that the Single European Market and the Maastrich Treaty, which explicitly refers to town and country planning and land use, would open up land across Europe for development. Despite the fact that the country studies mirror the situation in the respective countries a decade ago, the inertia of the topic has preserved the actuality of these studies somewhat intact.

Five aims concerning the desirable characteristics of land and property markets were identified as a backdrop to the national studies: Within the public policy framework, the land and property market should secure that a *sufficient supply* of building land and property would be offered on each market sector. It should be secured that *all parts of the population* had access to land-use and the market, having regard to geographical factors as well. The *prices on the market should be reasonable* and appropriate, and the volatility of the money market should be avoided. A careful and *environmentally friendly responsible conversion of land* should be promoted, and *private decision* concerning land and property should be influenced and regulated *for the public weal*. The land and property market and its trends should be *visible* and there should be a *clear legal framework* for the actors on the market.[62]

Most of these aims are of course oxymoron, because they are contradictory to the idea of free market: “sufficient supply” is a function of effective demand, which has never encompassed the entire population in any country. Furthermore, prices are always “reasonable” providing there is a functioning market. “Environmentally friendly” conversion of land is something that is directly related to profitability as defined in the principle of sustainable development. That private decisions would add to the public weal is a matter of ideological interpretation in each case. Visibility and a clear legal framework seem to escape reality in most European countries. Nevertheless, these aims set the normally accepted terms for a discussion on development and property markets in different national contexts. The basic idea is that markets need “help” to be maintained in a proper and politically or ideologically acceptable way.

5.5.1 France

In France, a deregulation of property markets started in the 80s. One effect of the deregulation has been that markets have been more prone to economic fluctuations, illustrated by the boom in the late 80s and a slump in the early 90s. Another effect has been that low-income households have been increasingly excluded form the property markets.[63]

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[62] Williams & Wood 1994, pages 186–190.

[63] Acosta & Renard 1993.

During the same period, land use planning has been decentralised and the municipalities have gained growing planning power. Permits to build or to subdivide land are granted by local authorities. Public land-banking has, however, not been in wide use, except for new towns and some particular cities. Expropriation is used for huge projects of state interest, and it involves complex legal procedures including public inquiry. Pre-emption right allows the implementation of comprehensive planning in particular contexts, and this is said to have activated land use planning.

A point of critique is that public authorities are claimed to lack knowledge of the economic consequences of planning on land markets: land prices adjust to land use designations of the plans and therefore developers seek cheap land outside planned areas. Since there is no compensating fiscal treatment of land, prices depend strongly on the local plan. This state of affaires is supposed to explain the commonly held perception of unfair planning at the local level. Public participation is allegedly minimal and relevant information is supposed to be withheld in case of public inquiries.

The legal frame of land use and property markets is claimed to be increasingly unable to cope with the different consequences of urban development, and the system would need drastic simplifications. In addition, land taxation is considered to be inadequate and ineffective to undo land-hoarding. The move towards decentralisation is contrasted to the inertia of the taxation system and it has brought into question the whole decision making system.

As deregulation overruns legislation, current changes in the legal frame for land use planning has resulted in a number of statutes and decrees, which are unable to provide for coherent land development. Nevertheless, the issue is no longer supposed to be whether public ownership of urban land or the free-market framework is better for development, but how to carry out a sound land policy that will take into account the linkage between planning and market mechanisms.

5.5.2 Germany

In Germany, the commercial property market was not seen as an obstacle to economic development. Municipalities have generally attached more importance to a long-term land reserve for commercial and industrial land than for housing. The prevailing taxation policy and the dependency on the revenues from taxes of the corporate sector (*Gewerbesteuer*) force the municipalities to adopt their policy of abundant supply. Regional differences prevail, and the location within a region as well as the economic performance of the region as a whole affects the price level.[64]

The problems with the land market for residential use are supposed to be of a regional and local character and relate to social exclusion while the national level is operating satisfactorily. The small share of owner-occupation is seen as a problem: only about 40 percent of all households are owner-occupiers and the average age at which properties are bought is 40 years. The ratio between average income level, the interest rate and the level of property prices has continuously diverged, so that the opportunity for low and middle income groups to gain property is reduced or eliminated. In some growing regions, however, an increasing number of households have allegedly been forced into ownership, because of rapidly rising rents. In inner-city areas, concentration of ownership prevails and less than one fifth of the dwellings in these areas are owner-occupied. One effect is

[64] Dieterich, Dransfeld & Voss 1993, pages 252–255.

supposed to be that affordable housing can be purchased only in the countryside around cities, or in more rural regions, which results in long commuting distances and continually dispersed settlement structures. Social housing development is supposed to be more or less excluded from central areas, because land prices are too high and the limit for social rents can therefore only be maintained with unjustified massive subsidies.

The supply of building land was considered to be sufficient on a nation-wide scale, but scarce in inner-city areas and growing urban regions. Reasons given for this were powerful environmental protection policies, increased development costs and often a lengthy planning and implementation process as well as the strong position of landowners. Land markets react slowly to unexpected demand. Many problems in the residential land market are seen to be caused by the municipalities' lack of long-term land assembly and non-existing land-banking policy, because of inaccurate predictions of future demands as well as limited public finance.

Hoarding of building land is supposed to be another unsolved problem in the land market. There is no legal obligation on landowners to bring their building sites into use according to land-use plans in force. This tendency is underpinned by a land taxation that is not based on real market values. A revaluation according to current values and an increasing acquisition of land by the municipality is supposed to help to solve the problem.

5.5.3 Italy

An evaluation of the functioning of land and property markets in Italy in the mid 90s listed five issues, which awaited action providing that the Italian property sector were to become more efficient and capable of withstanding competition in the integrated Europe.[65]

Firstly, the Italian fiscal system concerning property was considered to be in need of a fundamental reform, and local authorities at the municipal level were supposed to have a greater degree of responsibility in tax income from property. This was supposed to have the alleged effect of providing the municipalities with the incentive to attract rich households and firms in order to increase their tax base. The question for the communes was supposed to be how to use in a more flexible way the fiscal tools to sustain the implementation of the city master plan.

Secondly, there was said to be little connection between land use planning and transport planning at the local level. The role of new transport networks was to open up new areas for development or to sustain market values of existing properties. One problem was that the three tier system of Italian government induced conflicts between the different levels, often ruled by different party coalitions. The re-use of vacant industrial land was seen as being both the greatest opportunity and the greatest threat to Italian cities. Two extremes were thought to need to be avoided: on the one hand to utilise industrial wasteland for housing and commercial services, which would allegedly undermine any strategy for the development of the city, and on the other hand, the use of industrial land exclusively as green areas due to excessive maintenance costs.

Thirdly, the alleged fragmentation of the decision-making system, the "legislative jungle", was supposed to render any development measures very difficult. The right place for decision was said to be the local government assemblies, near the problems of firms and citizens, away from the private rooms of political parties and enterprises.

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[65] Ave 1996, 187–194.

Fourthly, the ability to forecast the time-span for a development was considered more important than the absolute length required to get building permission, because a lengthy but predictable time-span was always preferable to an uncertain waiting period. Uncertainty was seen as a great obstacle.

Fifthly, the implementation capability of development projects was seen to have been weakened since the 60s, which had contributed to the increasing influence accorded to "greedy lawyers". Conflicts were seen as enhancing the working opportunities of lawyers, and therefore the direct negotiation approach was to be supported.

Ultimately, property values were seen to be created by urban planning and investments in public infrastructures. The designated land use, volume of construction and the type and quantity of public investments directed to each area were seem to be the main issues in the negotiations between local government and private developers.

5.5.4 The UK

The British system of land development and property markets is instructive, because it constitutes a model followed by many European countries during the last two decades of the 20th century. The basis for the system is property as an asset, a commercial commodity much more than a means of production. Market behaviour is therefore dominated by the desire to obtain the best deal rather than the desire to meet the needs of the user. The main points to emphasise in the British land market are allegedly the discretionary planning system and private land assembly, which provide for flexibility through negotiation but uncertainly as well due to speculation and development outside the plan.[66] Flexibility is obtained at the expense of certainty.

The discretionary planning system induces a lack of certainty in the British system, which is made evident by the fact that a considerable amount of development takes place on land that has not been identified for development in the planning process. This has got external effects on adjacent users of land and affects democratic accountability as well. The process makes land valuation very uncertain, because a developer may not have any certainty that the local authority will not permit another competing development in the locality. The negotiation of development permissions may involve the local authorities agreeing to development that they would not normally permit on planning grounds, because they are offered benefits by the developer. It has turned out to be very difficult to co-ordinate provision of infrastructure by the public sector with the development process.

The limited role of the state in the process of land assembly means that the private sector faces this task without compulsory purchase power. Land banking is a source of profit whenever planning permission is granted and unearned profits can be realised. In addition, land banking is an assurance of a supply of suitable land for development. Provision of housing land is one of the long-running issues in British planning and there is a strong public commitment to ensuring that sufficient land is available for the private housing market. During the 80s, the public agencies were important in acquiring land for commercial purposes by the use of compulsory purchase power, which gave at least the prospects of some master-planning of larger areas. In other times and in prosperous areas where public agencies do not exist, the process of land assembly has been left to market forces. Consequently, developers prefer to purchase land on the outskirts of urban areas where large sites can be obtained from one single seller. Finance has proved

[66] Williams & Wood 1994, pages 180–190.

to be available for developments that are expected to be profitable. The use of public compulsory purchase power to assemble land for private development has never been widely accepted, but occurs. This means that public authorities from time to time distribute economic advantages to particular private interests in the name of the public interest!

The working of the development process in the UK appears to have some weaknesses. Firstly, the system is highly cyclical with rocketing prices during booms and bankruptcies during recessions. Secondly, the system is tied to the property investment market: if investors are not willing to buy, then development cannot take place. Thirdly, private land assembly in urban areas can be so difficult that developers are encouraged to look to undeveloped land in greenfield sites. Local authorities are most of the time unable to finance land purchase. Fourthly, in depressed areas the lack of profitable development opportunities has resulted in major public actions. Fifthly, the dominance of the investment market has forced users accept very demanding terms before they can obtain property. Sixthly, planning professionals have found it increasingly difficult to influence or control the system.

Much depends in Britain on public policy decisions rather than the legal basis and procedures of the planning system. The issue of who benefits from the increase in development value by obtaining the unearned profits associated with the giving of development permission has been controversial in Britain for much of the post-war period. The use of planning gain agreements is one method by which development value is taxed, but as a system it is highly inequitable, because in some regions little benefit can be negotiated due to the alleged low level of profitability of development.

5.5.5 Conclusions

The national cases shortly described above give a picture of the overall tendency in Europe during the last decades, that is, decentralisation of the decision-making procedure influencing land use and development as well as the de-regulation of property markets. These tendencies are obviously proceeding hand in hand: de-regulation of the market is accomplished by de-centralisation of decision making. The alleged connection to increased “democracy” or “influence” on the part of the population in this process is of course a matter of ideological judgement and/or justification.

The British case is of particular importance, because the purely speculative approach to landed property that the British system is embedded in, has constituted a model for many European countries in the 80s and 90s. Looking behind the neo-liberalistic gospel, the British case indicates an inherent contradiction vibrant in the system. Private speculation based on flexibility, provided by a land allocation system grounded on negotiation and changing public “policies” instead of pre-affirmed rules and restrictions, generates uncertainty, because speculators should be treated equally with regard to development opportunities. If one gains something, others should at least in principle be given the same opportunity. Developers of course love flexibility when it means in concrete terms that increased property values can be collected. But they are very concerned with uncertainty, because the whole idea with speculation gains is founded on territorial monopolies and positional advantages that could be destroyed by adjacent competitors. In development, freedom is fine as long as it is exclusive.

An integrated part of development based on speculation is land hoarding by private developers, investments in peripheral areas where land can be obtained cheaply in huge

portions, and subsequent urban sprawl. Public land banking seems to be modest across Europe allegedly due to lacking financial possibilities. This is of course a *fata morgana*, because local communities could obtain the unearned profits resulting from increase in landed property in the same way as private developers do. Technically speaking it is no problem to design a development process where the municipality would earn a lot from land banking. Politically speaking it seems to be more or less impossible across Europe. This issue has been discussed for the last 200 years, with a lot of broad experience accumulated over time, but with little tangible results in terms of the promotion of non-speculative modes of development.

Lack of adequate taxation of landed property is widely supposed to hamper rational development and induce speculative development. Despite the fact that taxation is frequently discussed in this connection in the national cases reiterated above, the discussion is seldom very diversified or sophisticated. There should be made a basic distinction between land owned and used for productive purposes, including housing, on the one hand, and land possessed for speculative purposes on the other hand. The latter case would indicate land ownership where land is not used productively for a defined period of time. In this case additional taxation could be enforced.

A general concern in many European countries seems to be that medium- and small-income groups are excluded from the property market. An obvious reason for this is the commercial financial institutions, which have little interest in getting involved in other than profitable projects. Speculative development provides good returns. The financial options for presumptive house owners seem to have shrunk, which may be a result of concurrent changes in the financial markets but also an effect of the reduced interest for non-speculative development in local politics across Europe.

5.6 Private-public partnership and urban sprawl: the Helsinki region

The development of the peripheral parts of the Helsinki region is characterised by public-private partnerships based on private and semiprivate speculation. If one wants to give it a rough label, it could be called *capitalistic* in the sense that the rational foundation of the system has been based on the acquisition of maximised private profits. With regard to urban-rural relations, it represents a case where rural considerations never got a saying, or never even were formulated for that matter.

5.6.1 The theme

In urban regions of rapid expansion, countryside is transformed into urban environments. The concrete configuration that the built up areas of any particular region acquire over time is decisive as to investment costs in infrastructure, and in particular, it has got strong repercussions on the operational costs of the built up environment and the region as a whole. *Urban sprawl* is often used as a common label for a variety of different tendencies in urban expansion, which are characterised by prodigal land use, dysfunctional land use patterns and increasing operational costs. Urban sprawl is often associated with the uncontrolled expansion of house building, of owner-occupied one-family houses in particular, but urban sprawl can of course emerge in other ways as discussed above.

Urban sprawl is often seen in the context of a weak land use regime, and it is thought that effective land use control would exclude the possibility of sprawl. That interpretation does not take into account that urban sprawl could be a result of deliberate actions on the part of public authorities. This is actually the case in the post-war development of the Helsinki region: the particular characteristics of the region may not be attributed to elaborate planning measure, on the contrary, but the mode of development that has emerged over the years is all the same an effect of deliberate actions in accordance with the interests of the private development sector. Urban sprawl may not be something that has been sought for, but it is a result of an urbanisation that is strongly embedded in land use profitability and the increase in land value, and private usurpation of the unearned profits.

The case study of the Helsinki region includes a number of studies with regard to land ownership, land markets, urban planning, various modes of development, private-public partnership, the house market, house finance and public housing. It is the uniquely broad array of approaches that make the case study of Helsinki interesting and worth while reiterating in its complexity. The Helsinki case pinpoints the fact that urban development and the particular regional development in terms of physical shape and urban-rural structural relations is a repercussion of many interconnected factors. The case is interesting in particular because the development of the region is an example of private-public partnership for the purpose of plain private speculation in order to acquire unearned profits of the rise in land value, a process in which public funding has been harnessed to smooth the perpendicular swings of the business cycle and path the way for further concentration in the construction business.

5.6.2 The socio-economical context

The case study concerns the Helsinki region, which is here defined as the municipality of Helsinki and its adjacent municipalities, Espoo and Vantaa as well as a small enclave in Espoo, called Kauniainen. The population size of the region is at present about 1 million. If one looks to the functional urban area of Helsinki according to daily commuting patters, the region encompasses a wider area and larger population. The region belongs to category 1 of the harmonised regional types on the scale from urban to rural, and it is characterised by high urban influence and a high degree of human intervention.

The post-war growth of the Helsinki region must be understood in the context of the late Finnish urbanisation as Finland actually is one of the latest urbanised countries in Europe. In the mid 40s, a majority of the labour force was still employed in the primary sector and the country was basically agricultural with poorly developed urban centres. The rural character was further underpinned by the very low overall population density of the country. Industrialisation and urbanisation during the three first decades after the war were extremely rapid, and already in the 70s, the share of the labour force employed in the primary sector had dropped to less than 15 percent. For the capital region, this implied an original urbanisation that is still going on, a process of urbanisation called the *prime city phase* (see chapter 1). People poured into the region in large numbers, or emigrated to Sweden, in search for work opportunities. Consequently, land taken for building was in agricultural use. The region is thus a showcase for how undeveloped land and unearned profits are appropriated by the most powerful economic and political players.

5.6.3 The policy context

The case study invokes a situation where the financial means for industrialisation and urbanisation were very limited due to the forced self-reliance of the country. Most of capital accumulation had to be based on domestic savings and housing was thought to be the best way to enforce a high rate of saving and hence a high rate of reinvestment into industrial enterprises. This was the political basis for the post-war housing policy: housing provision was steered towards owner-occupation and housing finance was heavily depending on loans from commercial banks, with a common period of amortization of only some 10–15 years for ordinary home purchasers. For individuals in need of dwelling it was close to a hangman's noose around the necks. A national housing policy was designed only during the post-war period, and even that was geared into the direction of owner-occupation according to the filtering-through ideology. By supporting better-off individuals and households in their pursuit for new dwellings, the impecunious ones were supposed to find opportunities to attain dwellings left empty by the more wealthy ones.[67]

The legal conditions for development were in the 40s rather unregulated in rural municipalities, and the adjacent municipalities to the city of Helsinki, that is, Espoo and Vantaa (or Helsingin maalaispitäjä as its name was at that time) could utilise the situation by providing land for development in administrative co-operation with state authorities. Generally speaking, all municipalities were pursuing growth and the municipalities in the region were effectively competing with each other for tax payers. Because of the structural nature of urbanisation, immigrants were in their active years, looking for work opportunities. Environmentally based immigration was practically unknown.[68]

The city of Helsinki, founded in 1550, had of course a long history of steady growth and a fairly well-developed administration for handling the situation, including a comparatively huge land bank and an embryo of planning authorities, which expanded considerably only in the 60s. The adjacent rural municipalities lacked administrative competence for handling growth, their planning institutions were developed from scratch, and their land banks were practically non-existing. There was also no political interest for municipal land assembly, because the prevailing ideology was to enforce owner-occupied housing and corporate-driven development.

In Espoo and Vantaa, the appreciation of existing environmental values in terms of the value of agricultural land as well as the value of untouched nature, or of the cultural heritage, were practically non-existing. The cultural history of the region, evident in the previous land use patterns and built heritage, has practically been erased today. The original population of the region (as large parts of costal Finland) was ethnically Swedish, but they were forcefully marginalised due to the strong immigration of Finnish speaking people from the north and east of Finland. Not only were the physical attributes of that culture erased, even the Swedish names of local villages, places and geographical formations have been renamed in Finnish language. In conclusion, a virgin rural region has been turned into a peri-urban region where the tangible as well as intangible evidences of history have been annihilated.

5.6.4 The region

When looking at a map of the region, indicating the built-up areas in 1950, the centre of the region, bounded at the peninsula of Helsinki is clearly visible (Map 5.1).[69] A major

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[67] Bengs & Loikkanen 1991.

[68] Environmentally based migration refers to the pursuit for better living environment.

[69] Tuunela 1989.

part of built-up areas were to be found along the traffic corridors, rail-bound as well as road-bound. The structure is fairly logical and efficient, providing for good connections to the centre from the outskirts of the region. The overall pattern was economically efficient and environmentally friendly as huge green areas pushed themselves almost to the centre of the city, in between the built-up fingers of the structure.

In 1985, the picture was completely different (Map 5.2).[70] The region was covered by a more or less uniform carpet of built-up areas, and it was difficult to distinguish any overall clear patter. Extensive building was taking place in the previously green areas between the main arteries and part of the locations with good connections had been left undeveloped, notably along the western railway line. The relation between town and countryside was blurred. The original rural landscape had been deliberately destroyed or been returned to wilderness. The old stock of buildings had fallen into disrepair. The periphery of the region has been covered by poor architecture from the 60s onwards with little regard for cultural continuity in terms of building standards and design. The region had become “rurbanised”.

The vertical profile of the Helsinki region would not correspond to the standard image of capital regions, with a dense centre and a gradual thinning out toward the periphery. On the contrary, despite a general drop in overall density towards the periphery, one could find neighbourhoods with huge blocks of buildings in the middle of nowhere, scattered all around the forests and fields of the periphery. In addition, a peculiarity of this kind of development was the comparatively huge part of owner-occupied dwellings in the huge peripheral housing blocks in the region. This proved exceptional in an international comparison: the standard case internationally was that owner-occupied dwellings corresponded to one-family houses while residential blocks in peripheral locations were occupied by social housing, i.e. rental dwellings.[71] A further characteristic of the Helsinki region was that an initial social segregation, following the share of council housing in the different neighbourhoods, which was perennially reinforced by new development.

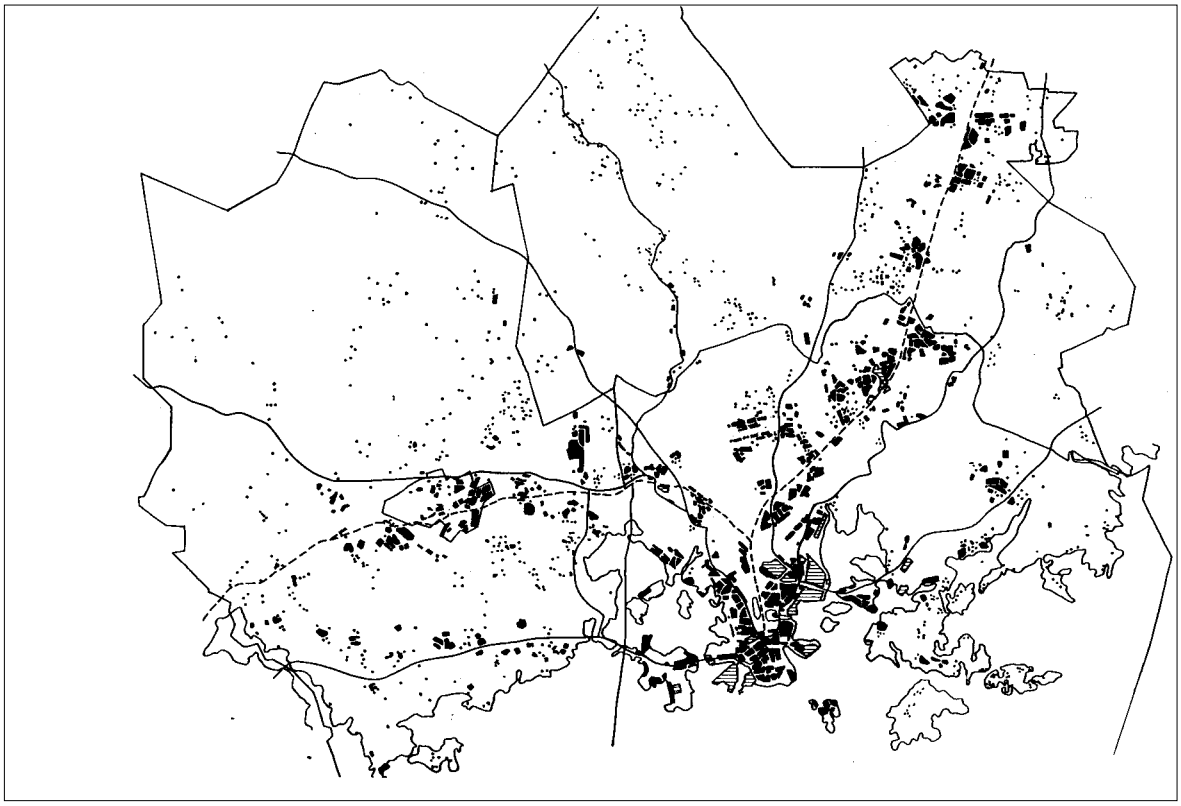
The configuration of the region was already in 1985 of a kind that had all the flaws of urban sprawl. Since then, the tendency has not stopped. The scattered configuration has meant huge surplus costs for constructing the infrastructure. In terms of operational costs for communication and public utilities, the scattered pattern of built-up areas has meant yearly surplus costs for the residents, for other users as well as for the tax payers. The question that emerges is: how could all this happen? Was there no urban planning whatsoever? Was there any rationale steering the seemingly haphazard development?

5.6.5 The dominance of the supply side

The Helsinki case study underpins the importance of the supply side in understanding urban development, and in the Helsinki case, the particular “rurbanisation “ and dys-functional built-up structure. As a rule, the supply of houses is not very much influenced by effective demand, and, in case such influences are traceable, the influence is very slow indeed. In the Helsinki case study, the answers were sought by scrutinising in detail the various components of supply (land ownership and land markets, housing markets, modes of development, the role of financing as well as the role of planning), and not just

[70] Tuunela 1989.

[71] Bengs 1987.



Map. 5.1
The Helsinki region in 1950. Source: Tuunela 1989.

Map. 5.2
The Helsinki region in 1985. Source: Tuunela 1989.

referring to general abstractions such as “markets” or “supply matching demand”. A majority of the physical structures produced over the years consists of dwellings, and therefore the focus of the study was zoomed at housing, and in particular in the periphery of the region, that is, in the municipalities (Espoo, Vantaa) adjacent to the city of Helsinki.

A house is a very specific commodity, which distinguishes it from other commodities. A house is *fixed* in location and therefore those in possession of building land or in the command of the allocation of building land, often constitute an oligopoly with regard to the production of new dwellings. This also means that the expected rise of value in real estate is partly outside the control of the property owner, owing to changes in the relative position of the real estate, but the property owner can realise an unearned profit by a smart timing of sale. Fixity in location, in combination with the demand for heavy transport in construction, results in *local markets for new dwellings*. A dwelling is expensive to produce and to purchase, representing a major lifetime investment for the purchaser. Producers as well as purchasers are therefore dependent on *external funding*. In addition to this, housing is a necessity, meaning that it causes effective forced saving, at least in societies with a high degree of owner occupation. The single factor influencing house prices more than any other matter is the price of credits, that is, the rate of interest. When credits abound and interest rates are low, the house prices are high. “Normal” people have to buy then, while investors and speculators can afford to invest when interest rates are high and real estate prices low.[72]

Houses have a long lifetime. New production is as a rule marginal in comparison with the existing stock of houses. Consequently, the *regional price level of new production is determined by the price level of the existing stock*, and small changes in effective demand can have a dramatic effect on prices. Houses are complicated to trade efficiently, and, depending on the actual phase of the business cycle, the related costs can be considerable. It requires a lot of information to maximise utility or profits.

The huge wave of migrants pouring into the Helsinki region in the 60s, 70s and 80s had created an almost constant situation of demand exceeding supply. They had little or no possibilities to realise their true preference, which, according to a number of studies, was to possess a one family house of one’s own. They had to cope with the local supply the best they could. For the supply side it was of course a bonanza of opportunities. The concentration on owner-occupation and private funding in Finnish housing meant that producers could play on the business cycle and regulate the supply according to the ups and downs of the economy. In times of booms and cheap credits, when additional hoards of migrants would pour in, the price level of dwellings rose dramatically, often close to doubling in about two years time (e.g. 1973–75 and 1987–89). The extent of speculation had even a direct effect on the development of building techniques. Prefabricated panel housing became the Finnish model, because these could be erected in great numbers during the short period of one boom, which usually lasted only some two years at a turn.[73]

5.6.6 Contract based development

A peculiarity of the Finnish post-war development in huger towns has been the practice of signing development contracts between private or semi-private developers on the one

[72] These mechanisms have changed, however, due to liberalised and globalised credit markets with less fluctuation in interest rate.

[73] In Sweden, with less purely speculative development, site-bound building techniques were developed.

hand and the municipalities on the other hand. This could be called a private-public partnership long before the whole idea got into the international focus. Typically the developer would own the land and sign a contract with the municipality for the development of a delimited territory. In some cases the landowner could be the municipality itself or even a third part, which mean that some development contracts have been made behind the back of factual landowners.[74] The developers needed a contract in order to develop the land “legally”. Land use planning is, however, a municipal privilege and the planning and building law in force from the late 50s to the end of the century did not recognise the possibility to hand out that privilege to any external part. Despite this, municipalities have signed contracts with developers, which in effect have provided the developers with comparatively free hands for steering development. In neither Espoo nor Vantaa is there any example of development contracts where the contract area would have been developed based on town plans approved in advance. The basis for the contracts was normally a very vague sketch concerning land use disposition, comparatively inexact formulations as to the total building volume to be erected as well as the relative share of housing (state financed/privately financed), commerce and other building volumes. Altogether, the contracts have not been rigorously implemented and they have been changed over time to suit the altering interests of the developers.[75]

During the period 1965–85, in Espoo 38 percent of all housing production and in Vantaa as much as 56 percent took place in contracted areas.[76] A majority of all residential blocks were produced within the contract areas. In these municipalities, the share of state financed housing was some 40 percent, but in the contract areas the share was higher: 50 percent in Espoo and 55 percent in Vantaa. The state financed housing units were as a rule placed peripherally, which enhanced social segregation between neighbourhoods, but also within them because the clustering of state financed units in order to avoid a mix with privately financed, higher-status areas. In this respect, state authorities have actively promoted urban sprawl as well as social segregation.

In both Espoo and Vantaa, 5 firms in each municipality produced more than three quarters of the total housing stock in the contracted areas. The repercussion of this contract policy of the municipalities have of course been the establishment of territorial monopolies, which have been further strengthened by the fact that the biggest construction firms have gained a disproportionate share of state financed housing.[78] In effect, the practice of development contracts has established a territorial production monopoly for a few big firms, and the way state housing finance has been carrying out, has secured basic production for the huge corporations during slumps, which of course has promoted concentration in the business further.

The developers gaining contracts have in practice obtained a kind of attainment, which has in some cases been sold further. This means that the municipality, by its own efforts, has produced surplus values that unreservedly have been handed over to developers. In some cases the municipality itself has compensated developers for alleged losses of values, which have been created by the municipality itself.

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[74] The passing over of actual landowners has taken place in areas where land ownership is scattered and where it mainly consists of small plots of one-family houses.

[75] Heino 1990; Rönkä 1989.

[76] Lampinen & Rönkä 1989.

[77] Manninen 1989.

[78] Manninen 1989.

5.6.7 Speculative development

The main roles in development are the *developer*, the *contractor* or the one who actually engages in construction, and the *purchaser/user* of the ready product. The developer is the one who organises the whole process, acquires land and necessary funding, etc. Those developers engaged in maximising profits, can be called *speculative* because they try to take maximal advantage of market opportunities and the business cycle. Foreseen profits are only partly based on actual investments and partly based on external circumstances such as increase in land value and economic conjunctures. Those who are in the business in order to produce use values for their own benefit, not for the profit, are *non-speculative*.

A conceptual distinction should be made between roles and agents. One agent may harness one, or two, or all the three main roles in development. In the case of speculative development, developers are either functioning solely as developers, purchasing the services of entrepreneurs for the actual building of houses, or they may function both as developers and construction firms. The latter case has been the usual one in the Helsinki region, where the big construction firms actually are deeply involved in development. The hugest firm of the 80s succeeded in producing some 80 percent of its total production outside market competition, that is, without having to take part in real tender competition, because it functioned as a developer itself or was through ownership associated to particularly successful development firms. This is of course the reason why this firm was successful in growing large: monopoly price setting was rendered possible due to lack of competition. The empirical studies suggested that there was a clear correlation between the size of the construction firm and the share of its production that was exempted from market competition.[79] Speculative development is often gathered as an integrated part of market economy, which it probably is, but the logic of this development form is actually to eliminate competition in construction. In this manner, the ethos of capitalism is actually corrupted.[80]

In the Finnish context, development was complicated by the fact that state financed housing was supposed to be non-profitable. The price of the end product was a result of negotiations between the developer and a state agency responsible for state financed housing, aiming at determining a “reasonable” price for each housing project. The status of allegedly non-profitable “utility developers” was in fact based on a decision by the national government, where the allegedly non-profitable developers eligible for state funding in housing were simply listed. Included into this list were developers owned by the construction industry, or by the construction material producing industry, or by retail sale corporations. There is clear statistical evidence that “utility developers” have actually favoured “their” construction firms.[81] Consequently, the state financed housing production has at least partly operated along the interests of huge corporations. This is further enhanced by the fact that during the studied period from the mid 60s to the end of the 80s, state financed prices were perpetually increasing. In privately financed production prices would fluctuate according to the business cycle, but the state financed sector proceeded as a train towards increasingly higher prices, also during slumps, which of course had an price increasing effect on the production as a whole.[82]

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[79] Bengs & Manninen 1990.

[80] Bengs & Rönkä 1990; Bengs & Rönkä 1994.

[81] Bengs & Manninen 1990.

[82] Bengs 1989.

5.6.8 The rationale of contract based development

The rationale of this private-public partnership practice was, according to the official view of the involved municipalities, unavoidable and in fact very favourable for the tax payers, because some of the costs for internal infrastructure in the contract areas were covered by the developers, and the municipalities could avoid to invest in land banks. In the late 80s, more than one third of the total unexploited building volume (defined in land use plans but not yet built) in the region was in the possession of the three hugest construction firms. The smaller firms possessed another third and the municipalities of the region just one third of the available building potential as defined in town plans. This means of course that the development in terms of areas to develop as well as in terms of the pace of development were mainly in the hands of the construction industry. The alleged initial economic gains of the municipalities have been lost hundred times over by additional municipal costs for infrastructure, services and operational costs due to an emerging dysfunctional configuration of the “rurban” landscape. Municipal land banks could have provided for the possibility to develop the physical and functional structure in a more rational way, and in addition, the unearned profits of the rise in land value could have been appropriated by the municipalities, or passed over to non-speculative developers.

The rationale of contract based development for the private developers is obvious. Those in the position to gain from the territorial monopoly of development contracts – in addition to securing production during slumps by attaining state finance and blocking minor competitors from that market – could grow big and strong. But there is another economic rationale as well, which is the most important one in the context of land productivity. A thorough study of land ownership in the Helsinki region indicated that the actual pattern of development in the peripheral parts of the region actually corresponds to the historical large-scale land ownership structure. Private developers were in an early stage, already before contracted development gained momentum, purchasing large tracts of land across the region, mainly old manorial land, which they got to a price level close to that of agricultural land. The actual urban sprawl of later times is thus directly connected to land purchases some decades earlier.

The cost for land in the contracted areas was compared to house prices of the region.[83] The share of costs for land was only some 2 percent of the market price of dwellings, and another 3 to 5 percent consisted of costs for developing the land in contract areas, such as internal infrastructure and roads of the area. This means that contract based development generated a surplus profit of some 20 percent for developers involved, compared to a situation where they would have had to operate on the land site market, purchasing readily available single plots for development. In that case the share of land compared to the price of the end product, the house, is in the range of 20 to 30 percent. The total benefit of unearned profits, which was usurped by the private developers and allegedly “non-profit utility developers” from the mid 60s to the late 80s, was estimated to some 1 billion Euros according to present value (2004)! Consequently, if somebody enquires about the meaning of “public interest” in development, one answer is that the tax payers of Espoo and Vantaa could obviously have found some better use for that sum of money than to hand it over to developers.

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[83] Bengs, Lehtimäki & Rönkä 1989.

5.6.9 Conclusions

The effects of speculative development in the massive scale evident in the Helsinki region do not invite to constitute an example of best practice – if the existence of public interest is recognised.

Firstly, the case study gives a realistic picture of the *magnitude of unearned profits in the development of rural land to urban areas*. These profits are not just a marginal and reasonable surplus for creative entrepreneurs, but a major cost for dwellers and a crucial loss for tax payers. If the aim would be to appropriate the unearned profit of development for the community, the solution involves the foundation of municipal land banks, a planning policy that would require piecemeal development based on approved land use plans, the possibility for user-driven non-speculative modes of development to operate undisturbed, and a municipal building site release that would not favour the establishment of territorial production monopolies. All this can take place only providing the financial sector offers a broad array of alternatives, including long term mortgage loans and non-speculative banking.

Secondly, when development is based on the *private acquisition of undeveloped agricultural land*, which is steered by local land ownership patterns and associated land price patterns, this may effect in a totally dysfunctional configuration of built-up areas, including huge surplus costs for construction and for operation and maintenance in particular. It is in the public interest to promote well-functioning and secure regional structures, which means that development decisions must have other grounds than the purely speculative aims of the development lobby. There is no lack of instrumental knowledge, the problem is to organise development in a fashion so that this knowledge can be harnessed. Basically it is a political and an ideological question: are other than private interests acknowledged by the community?

Thirdly, private-public partnership originating in grand-scale private speculation may induce *large-scale corruption* of the political system. Despite the fact that Finland is allegedly one of the least corrupted countries according to a number of international comparative studies, land use planning in general and the region of Helsinki in particular has definitely not been able to avoid corruption scandals.[84] Where public agencies get involved in economic endeavours with private partners by producing an enormous increase of the value of mutual assets, corruption seems to be inevitable. One way to decrease the risk of corruption is to require tender and competition in all the phases of the development process, and to secure that allegedly non-speculative developers do not institutionally depend on the other subjects involved in development, that is, finance, building material industry, building production, etc. Already prohibition for building entrepreneurs to function as developers would ease the situation considerably.

Fourthly, *sustainable development* indicates a development characterised by well-functioning urban structures and the respect for existing environmental assets in terms of nature and culture. An urbanisation based on speculative gains seems impossible to combine with the request for sustainable development. In most European countries the planning and building codes have been amended toward increased liberalism by disqualifying previously existing hierarchical planning systems and providing for the

[84] Bengs 1991a.

possibility of instant, investor-driven development. This matches very badly the idea of sustainability, which implies long term considerations and a territorial differentiation of future prospects in terms of scale and extent. Project-based haphazard development is simply impossible to fit into such considerations.

Fifthly, the Helsinki case also indicates the need for *regional co-operation* in order to achieve rational development patterns for the whole region. Such co-operation should be based on the recognition that the public must be well-informed and the need for *transparency* in any development endeavour, which is a requirement that may be difficult to accomplish when huge economic interests are involved. However, it is an important ideal providing the aim is higher than just to pay lip-service to democracy. The need for territorial co-ordination of large-scale investments in infrastructure has been recognised already for years, but as the factual functional regions of growing urban centres expand perennially, administrative structures are under constant pressure. The practice of centralising decision making concerning huge investments and de-centralising the responsibilities for social problems – a tendency that can be discerned internationally – may not be a good answer either as it is likely to reinforce segregation tendencies. With regard to urban-rural relations it is important to realise that development always seems to imply solely the urban point of departure while the rural interests are either considered irrelevant, or of minor importance, or sidestepped altogether.

5.7 Public-private partnership and structural confinement: the Stockholm region

The development of the post-war Stockholm region is characterised by extensive public involvement in safeguarding a regional structure that would suit the demands for efficient transport and would comply with further regional enlargement. The peculiar socio-economic context of Swedish urbanisation has, however, resulted in rocketing costs for dwelling and an extreme monopolisation of the construction and real estate business.

5.7.1 Theme

If the development of the peripheries of the Helsinki region was labelled capitalistic, then the Stockholm case could be named *socialist* due to forceful public involvement in the development process. Nevertheless, public authorities and private interests have co-operated intimately in the development of the region and the Stockholm case indicates a situation where public measures have provided for extensive gains obtained by the private sector. From the point of view of urban-rural relations, the case is of importance, because it represents the fairly successful implementation of a functional and spatial strategy that has aimed at a rationally operated territorial system, thus reducing investment cost and operational cost in particular. The territorial configuration has provided for the possibility to develop areas in the vicinity of traffic arteries in a kind of centre-focused finger-pattern, leaving areas in between eligible for “green” purposes. Possibilities to expand lie in further infrastructural investments, which also take place.

The Stockholm case indicates the importance of understanding the connections between national housing policy and local implementations of that policy in order to grasp emerging patterns that define urban-rural relations.

5.7.2 The socio-economic context

From 1950 to 1985 the population of the region grew from about 1 million to 1.4 million inhabitants at the same time as the city of Stockholm lost some 400 000 inhabitants, which induced a tremendous growth of the peripheral parts of the region. This phenomenon has been called a “regionalisation process”.[85] Like the Helsinki region, the Stockholm region belongs to category 1 of the harmonised regional typology. Sweden was late in urbanisation as well and the changes were dramatic, but large-scale industrialisation occurred earlier than in Finland, and the whole process was more prolonged. Nevertheless, the urbanisation of the Stockholm region could be called dramatic.

5.7.3 The policy context

Sweden is characterised by strong state intervention in housing. During the period under scrutiny, large scale development was based on the erection of huge apartment blocks, and the huge majority of all multi-storey apartment blocks were at least partly financed by state grants. In development, the allegedly non-profitable, either municipal or co-operative associations, were very active. Free pricing was limited and the rental sector was huge. The outspoken goal was that rental housing was supposed to be for everybody, rich and poor alike. The supply of houses was to be cheap enough for everybody to enjoy, and the dwelling standard in terms of both space and amenities was supposed to be high. Actually the housing policy was an integral part of social democrat politics, and it has been politically and economically important for the party in its perpetual yearning for political hegemony.

A long term effect of the housing policy has been the elimination of freely functioning housing markets and free price setting. In the Stockholm region there is an extensive black market for rental dwellings, where entitled tenants let their dwelling further to second hand tenants, which may let the dwelling even further. This system is based on the fact that the legal security of the first hand tenants is close to ownership, and that a fair share of rental dwellings is centrally located and that the rent level of the black market is high enough to induce illegal speculation. The repercussion of the Swedish housing policy is in economic terms contrary to the outspoken aims that were formulated by the initiators of that policy. Now, the average costs for housing are among the highest in the world: more than 30 percent of available income per capita is used for housing. A free market for dwellings is limited mainly to one-family houses.

5.7.4 The region

The configuration of built-up areas of the region encompasses the centre of the compact city as well as some 8 to 9 branches along traffic arteries (Maps 5.3 and 5.4). The role of the Stockholm underground and other rail bound traffic is significant, starting in the early 50s. The de-centralising tendencies of development were accompanied by centralised local government that reached regional dimensions. The political power and the city planning office of Stockholm were striving for hegemony with regard to peripheral municipalities, and a series of incorporations took place. From 1952 to 1974, the number of independent municipalities in the region was reduced from 72 to 19.

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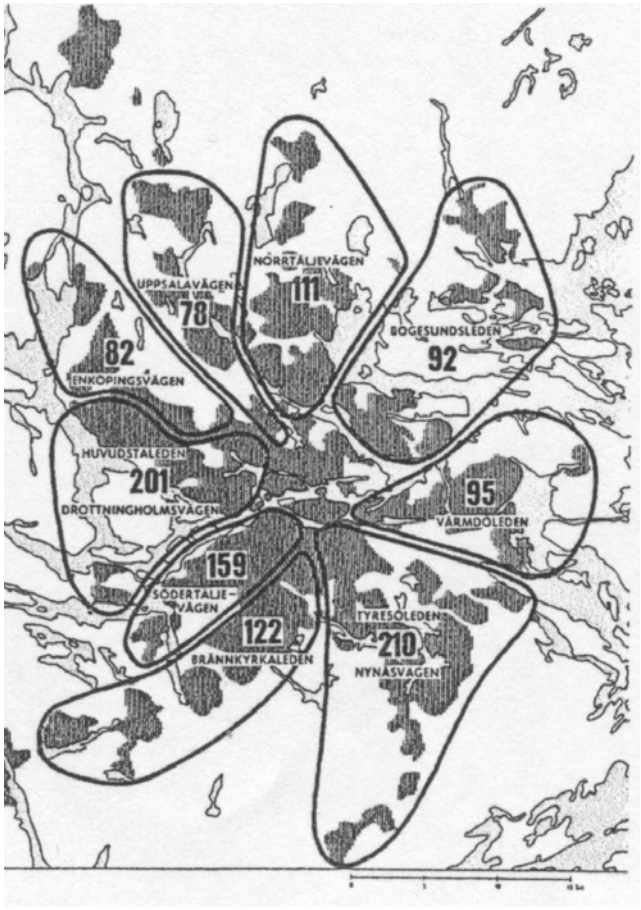
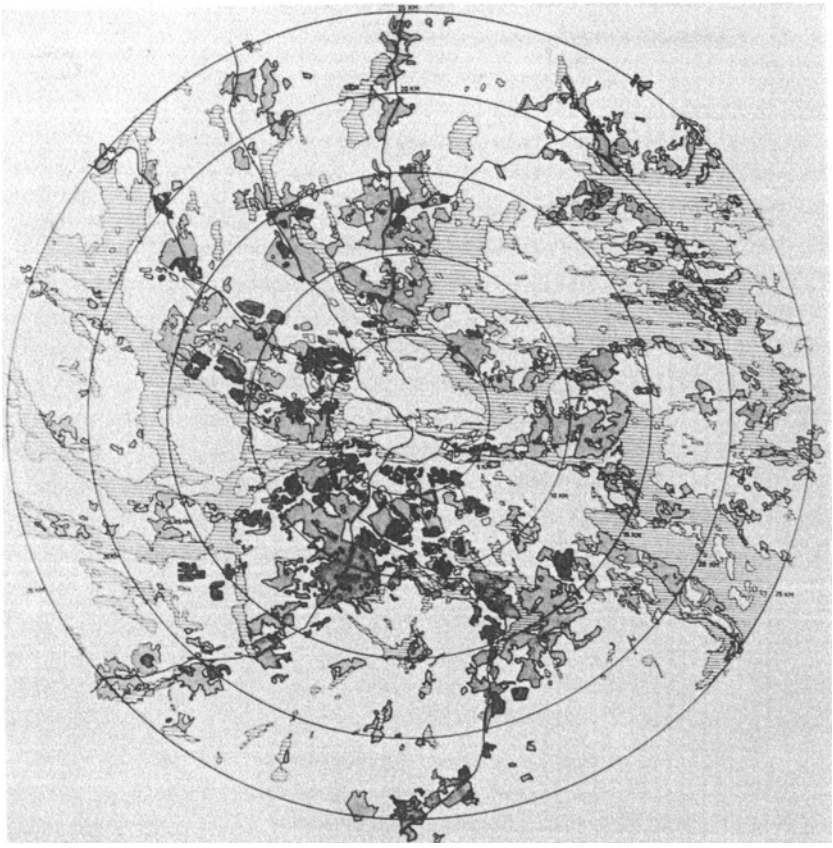
[85] Johansson 1987.



Map 5.3
The Stockholm region in 1990:
Plan propposal 1958.
Source: Johansson 1987.



Map 5.3
The Stockholm region in 1970
Source: Johansson 1987.

Initially in the 50s, there was hardly any rental housing in the peripheral parts of the region. The city of Stockholm had an extensive land bank outside its municipal borders, but further development was also based on an agreement among the municipalities concerning the future housing provision in order to manifold the production in the coming years. In 1959, a legal amendment ("lex Bollmora") provided the allegedly non-profit housing associations of Stockholm to expand their activities in the peripheral municipalities. A large-scale development took place, but mainly within the reach of public transport, which was a result of the political activities of the city of Stockholm.

Compared to the situation in the Helsinki region, a considerable part of the post-war development in the Stockholm region was non-speculative. Allegedly non-profitable housing associations are the owners of a huge proportion of all the rental dwellings, which makes the real estate market extremely concentrated and pushes free price setting into the black market. In production, it seems as if particular huge corporations have been favoured systematically, because the Swedish construction business was already in the late 80s the most monopolised in all the OECD countries, and now they are operating world wide.[86] With respect to land profitability it seems as if the community would have appropriated the total land rent and unearned profits, but the real advantage of cheap input (land in particular) has been appropriated by the construction industry, which could grab surplus by gaining local production monopolies through the particular way building land was handed over from the community to developers, and by gaining a price level in negotiation with public authorities, which probably by far exceeded factual production costs.

5.7.5 Regional enlargement

The outspoken aims for regional development in Sweden is "regional enlargement" ("regionförstoring"), which implies the idea that investments in infrastructure would enlarge labour markets and commuting areas, with the effect that the enhanced complexity of enlarged labour markets would foster economic growth. This is also the regional policy of the Stockholm region.[87]

The region is thought to profit from a more poly-centric structure and the functional region would be expanded in the coming decades to encompass medium-size towns around the lake Mälaren (Nyköping, Eskilstuna, Västerås). The implications for urban-rural relations are very interesting, because extended rapid railway lines and highways do not only mean that existing towns are functionally integrated into the region of Stockholm on a daily commuting basis. It could also mean extensive investments in high-class residential development along the shores of lake Mälaren, alongside the new arteries. This could mean a further "rurbanisation" of the Mälaren-region, which is the historic core of the country, and which possesses abundant environmental and cultural assets.

5.7.6 Conclusions

The region of Stockholm is certainly characterised by urban sprawl, but not at all to the extent that can be find in the Helsinki region. On the contrary, the territorial configuration of built-up areas underpins a well-operating and rational urban structure. Despite the completely different strategy applied in regional development, the factual outcome in the

[86] Pajakkala & Niemi 1989.

[87] Johansson & Malmsten 2004.

Stockholm case resembles those of the Helsinki case: both development models have resulted in territorial monopolies and a concentration of the development business.

In some cases, the elements of dysfunction are stronger in Stockholm than in Helsinki region. The larger rental sector has in effect led to a strong social and subsequent ethnical segregation due to the fact that several neighbourhoods are almost totally comprised of rental dwellings. In the region of Helsinki, this is not the case to the same extreme, because of a more mixed tenure development. The speculative development mode of the Helsinki region has actually resulted in a considerable share of owner-occupancy, which has had a balancing effect on the socio-economical composition of the population in the various residential areas. The social and ethnical contrasts are tremendous in the Stockholm region, where huge urban neighbourhoods filled with rental blocks border to large areas of more rural and owner-occupied areas of one-family houses. The peri-urban or “rurban” character of rental blocks stand in stark contrast to their rural neighbours.

The particular way development has been operated in the Stockholm region has caused a monopolised construction and real estate industry that is even more concentrated than the Finnish one. Consequently, competition as a constitutive element of the economy has been practically eliminated. Furthermore, land profitability is not recognised as a bases for development, but the huge developers have nevertheless been able to obtain land rent indirectly, through the negotiated, non-market determined sales prices of the state-financed housing sector. In the Swedish case, it is hard to see how changes could emerge despite the economical dysfunctions of the system, because the state-bearing party has invested its prestige in the present system. It is likely that any fundamental change will occur only in association with political crises, and the repercussion on urban-rural relations could be dramatic.

The Swedish housing policy makes evident the risks in extensive public involvement, which has generated a corrupted widespread practice of black markets, and a system for housing provision that seems to be constantly crisis-riddled because of lacking monitoring and feedback. The gigantic utility associations that own a major part of the rental dwellings are in theory the representatives and spokesmen of the inhabitants of these dwellings, but in reality the dwellers have formed their own interest organisations to promote tenants’ interests. Formally speaking, tenants negotiate with themselves about rents, etc. This example indicates a situation where the lack of markets has not been compensated for by administrative control in a way that would satisfy the tenants of rental housing.

The Swedish concept of *regional enlargement* is of huge relevance for future urban-rural relations. The extension of functional urban regions makes sense in countries with low population density. Instead of uprooting people from their rural environments, investment in public high-speed communication provides for sustainable commuting patterns despite enlarged commuting distances. In this case, the total investments for gaining enlarged labour markets are probably smaller than in case urbanisation would proceed in the traditional way with the one-sided growth of the main centre of the functional region. *Poly-centricity* could emerge as a natural outcome of this policy. However, one precaution should be made. The policy of regional enlargement should be accompanied by a strict land use regime with regard to undeveloped land along the new communication corridors. In order to reach poly-centricity and well-functioning local provision of services, the emphasis should be laid on developing the existing urban centres along the transport corridor instead of spreading out the built-up areas in thread-like patterns across the

cultural landscape. The risks for speculative development are obvious, and the policy of regional enlargement should be accompanied by a very strict land use regime in order to avoid further rurbanisation.

5.8 Conclusions

Sustainable development

To apply the principle of *sustainable development* on spatial development indicates a development characterised by well-functioning urban structures and the respect for existing environmental assets in terms of nature and culture. The overall tendency in Europe during the last decades are characterised by *decentralisation* of the decision-making procedure influencing land use and development as well as the *de-regulation* of property markets. These tendencies are obviously proceeding hand in hand: de-regulation of the market is accomplished by de-centralisation of decision making. In most European countries the planning and building codes have been amended toward increased liberalism by disqualifying previously existing hierarchical planning systems and providing for the possibility of instant, investor-driven development. The trends provide for an increase of *speculation* in real estate. A development based on speculative gains seems impossible to combine with the request for sustainable development, which implies long term considerations and a territorial differentiation of future prospects in terms of scale and extent. Project based haphazard development is simply impossible to fit into such considerations.

Flexibility and the need for certainty

Private speculation based on flexibility, provided for by a land allocation system grounded on negotiation and changing public “policies” instead of pre-affirmed rules and restrictions, generates uncertainty. This is due to the fact that all speculators should be treated equally with regard to development opportunities according to the fundamental principle of equal rights. Developers appreciate flexibility when it means that increased property values can be collected. They are, however, very concerned with uncertainty, because the whole idea with speculation gains is founded on territorial monopolies and positional advantages that could be destroyed by unforeseen competition. The re-establishment of stricter land use regimes could provide for increased certainty, which seems to be a private as well as a public interest.

The acquisition of unearned profits

The case studies give a realistic picture of the *magnitude of unearned profits in the development of rural land to urban areas*. These profits are not just a marginal and reasonable surplus for creative entrepreneurs, but a major cost for dwellers and a crucial loss for tax payers. If the aim would be to appropriate the unearned profit of development for the community, the solution involves the foundation of municipal land banks, a planning policy that would require piecemeal development based on approved land use plans, the possibility for user-driven non-speculative modes of development to operate undisturbed, and a municipal building site release that would not favour the establishment of territorial production monopolies. All this can take place only providing the financial sector offers a broad array of alternatives, including long term mortgage loans and non-speculative banking.

Competitiveness

Enhanced competitiveness requires competition in spatial development. The particular characteristics of housing provision and spatial development in general imply a number of restrictions to competition. These restrictions concern all the sub-markets, that is, the *land market* (planning, development practices), the *input market* (building materials, labour), the *construction market* (contractors) as well as the *house market* (private and public systems for provision of houses). All the various development modes, speculative as well as non-speculative forms of building supply, may imply restrictions to competition. It is in the public interest to promote competition in development by offsetting the establishment of territorial production monopolies, whether generated by private developers or by public urbanisation policies. Private real estate speculation and land hoarding is not an exponent of functioning markets, but rather a restriction to spatial competition.

Development based on public land ownership provides for the possibility to develop towns and cities in a rational way according to public interest, but it does not guarantee that kind of development. In a corrupted public realm, land for development could of course be handed over to developers in a way that is not based on tender and competition, but rather according to particular interests. The risk with an urban development system that is based on public land ownership is that huge developers and contractors are consequently favoured on the account of smaller actors.

Public-private partnership originating in grand-scale private speculation may induce *large-scale corruption* of the political system. Where public agencies get involved in economic endeavours with private partners by producing an enormous increase of the value of mutual assets, corruption seems to be inevitable. One way to decrease the risk of corruption is to require tender and competition in all the phases of the development process, and to secure that allegedly non-speculative developers do not institutionally depend on the other subjects involved in development, that is, finance, building material industry, building production, etc. Already prohibition for building entrepreneurs to function as developers would ease the situation considerably.

Cohesion

A general concern in many European countries seems to be that medium- and small-income groups are excluded from the property market. An obvious reason for this is finance, that is, the commercial financial institutions, which have little interest in getting involved in other than profitable projects. Speculative development provides good returns. The financial options for presumptive house owners seem to have shrunk, which may be a result of concurrent changes in the financial markets but also an effect of the reduced interest for non-speculative development in local politics across Europe. Financial instruments that promote non-speculative development are much needed.

Well-functioning urban regions

When development is based on the *private acquisition of undeveloped agricultural land*, which is steered by local land ownership patterns and associated land price patterns, this may effect in a totally dysfunctional configuration of built-up areas, including huge surplus costs for construction and for operation in particular. It is in public interest to promote well functioning and secure regional structures, which means that development decisions must have other grounds than the purely speculative aims of the development lobby.

There is no lack of instrumental knowledge, the problem is to organise development in a fashion so that this knowledge can be harnessed. Basically it is a political and an ideological question: are other than private interests acknowledged by the community?

Lack of adequate taxation of landed property is widely supposed to hamper rational development and induce speculative behaviour. Despite the fact that taxation is frequently discussed, the discussion is seldom very diversified or sophisticated. There should be made a basic distinction between land owned and used for productive purposes, including housing, on the one hand, and land possessed for speculative purposes on the other hand. The latter case would indicate land ownership where land is not used productively for a defined period of time. If unproductive land is needed for productive use, taxation could be a means for reaching that purpose.

Urban sprawl and urban containment

The national practices for transforming land into land sites ready for development are very different. The crucial issue is whether urban-rural relations in terms of urban sprawl and the recognition of land protection can be addressed within existing national frameworks? Does the national planning and building code guarantee spatial development of a kind where public interests are recognised? Does the national planning and building code render it impossible to recognise public interests in spatial development? Such questions are not within the competence of the EU, but they are certainly important when promoting European spatial policies.

Urban sprawl constitutes a kind of urban colonisation of the countryside, but that is not a “natural” process induced by necessity, but an exponent of speculative development, private land hoarding and the private appropriation of values created by public investments. The losses on the part of the tax payers are enormous. An alternative to urban sprawl is densification of urban areas, that is, urban containment. The experience of urban densification and compact building indicates a number of uncertainties. It is not clear to what extent densification complies with the principles for sustainable development. The principle of sustainability as an overall principle has to be supplemented by local livability. Only livable environments are sustainable in the long run. The experiences of densification measures indicate that every case is unique, and is judged differently by the local population in each case. Therefore urban containment cannot be taken as a general reference whenever developers want to obtain additional development rights in urban areas.

An aim of regional policies in many parts of Europe is “regional enlargement”, which implies the idea that investments in infrastructure would enlarge labour markets and commuting areas, with the effect that the enhanced complexity of enlarged labour markets would foster economic growth and the region would profit from a more poly-centric structure. The implications for urban-rural relations are very important, because extended rapid railway lines and highways do not only mean that existing towns are functionally integrated into core regions on a daily commuting basis. It could also mean extensive investments in development along the new transport corridors. This could mean a further “rurbanisation” of rural Europe, and the destruction of abundant environmental and cultural assets.

The question of urban sprawl and urban containment is very important with regard to the future of urban-rural relations, affecting directly both their functional and structural

relations. The principle of sprawl versus containment is not just a question of the overall urban-rural relations in Europe, but the discussion of these issues can be applied on other geographical levels as well. Therefore any policy discussion of these issues must be anchored in a defined geographical perspective.

Regional co-operation

Regional co-operation should be based on the recognition that the public must be well-informed and the need for *transparency* in any development endeavour, which is a requirement that may never be accomplished when huge economic interests and power are involved. However, it is an important ideal providing the aim is higher than just to pay lip-service to democracy. The need for territorial co-ordination of large-scale investments in infrastructure has been recognised already for years, but as the factual functional regions of growing urban centres expand perennially, administrative structures are under constant pressure. The practice of centralising decision making concerning huge investments and de-centralising the responsibilities for social problems – a tendency that can be discerned internationally – may not be a good answer either as it is likely to reinforce segregation tendencies. With regard to urban-rural relations it is important to realise that development always seems to imply solely the urban point of departure while the rural interests are either considered irrelevant, or of minor importance, or sidestepped altogether.

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6 Policy recommendations

In this concluding chapter the general context of policy recommendations is spelled out. Then is discussed the political context with reference to EU policies, followed by a short review on prevailing trends in urban-rural relations. The chapter ends with a list of policy recommendations, which concern the structural and sector policies of the EU as well as functional and structural urban-rural relations on the regional and local levels.

6.1 Introduction

Ideas expressed under the title of policy recommendations often acquire the form of a wishful request list. The recommendations are not always very well grounded in specified arguments. The prime objective of this study was to analyse urban-rural relations in order to elaborate policy recommendations: the policy recommendations should of course be grounded on factual research findings. This means one should concentrate on a limited set of matters that are more concrete than previously circulated ideas.

The aim of policy recommendations is to improve public policies, which means that they must concern matters that can be influenced in a somewhat foreseeable way by decisions and actions carried out by public authorities. This requirement may seem self-obvious, but actually it is very strict and limiting, because the major part of human endeavours is closed away by this precondition. Policy recommendations run the risk to mirror a fairly unrealistic idea of the possibilities of public authorities to conduct development. This may reflect the double nature of policy recommendations: on the one hand they are a means for rallying political support, and on the other hand they should be rational and truthful in the sense that they are anchored in empirical findings.

The concept of “relations” has got its political twin, that is, “partnership”. There is actually no such thing as “urban-rural partnership”. Co-operation or partnership is always a matter for organisations, not territories. Territories can co-operate only through territorial organisations, but then it is not the “territories” that act, but rather the corresponding organisations. A fair conclusion would be that urban-rural partnership always must be related to particular organisations involved. The principles of good governance include a set of general principles: openness, participation, accountability, effectiveness and coherence. The five principles are supposed to reinforce those of proportionality and subsidiarity, and EU initiatives should be checked systematically with regard to whether public action is really necessary, if the European level is the most appropriate one, and if the measures chosen are proportionate to the objectives. “Partnership” is obviously a form of “participation” and thereby a constitutive element of good governance.

The idea of partnership should not, however, blur the fact that the essential rationale of good governance is to promote public interests, which actually is a fundamental objective that should not be jeopardised by e.g. participation, providing that the risk is there. The positive connotation of “partnership” is related to the idea of pursuing a “win-win” situation, where all parties involved do gain. From the point of view of policy recommendations, the idea is primarily that the public should gain, that is, public interests should form the basis of any public policy. If private interests gain as well, that is very fine indeed. Consequently, policy recommendations should ideally indicate the foreseeable allocation of gains among all partners involved.

The elaboration of efficient and realistic policy recommendations requires reliable analyses of regional situations and trends related to urban-rural relationships. In the case of urban-rural relationships, fine-tuned analyses are necessary, but difficult to realise. This makes clear that policy recommendations in the field of urban-rural relationships cannot be generalised to every regional context. They require a very precise knowledge of regional situations and territorial typologies can only be useful as intermediate vectors of policy recommendations if they are associated with more in-depth analyses.

6.2 The policy context of the EU

Over the last 40 years various EU policies, communications and initiatives have directly or indirectly affected the development of rural and urban areas across Europe. These policies and their impact on urban and rural development have been subject to numerous, well-documented critical analysis and studies. However, little attempts have been made to study the outcome of these influences on urban-rural linkages.

Successive treaties have increased the influence of territorially significant sector policies of the EU on the development and implementation of national and regional spatial policies and the dynamics of urban and rural linkages. It has become clear that the following EU policies have had significant impacts on urban and rural dynamics and, to some extent, on urban-rural relationships.

- Agricultural and rural policy, particularly the Common Agricultural Policy
- Regional policy, particularly the Structural Funds with their Priority Objectives
- Community Initiatives and in particular INTERREG, LEADER and URBAN initiatives
- Article 10 Urban Projects and in particular UPP and TERRA Programme
- Transport Policy, particularly the Trans-European Networks
- Environment policy, especially the Urban Environment and Environmental Action Programmes

EU policies are indeed far from being neutral in the evolution of urban-rural relationships and partnerships, but they also interfere with a particular national/regional decisional policy context, which may lead to contrasted evolutions. Particularly interesting situations in this respect are those immediately following the entrance of certain countries into the European Union. In the case of Portugal, for instance, structural policy resources after 1986 were mainly used to strengthen the two major cities of the country (Lisbon and Porto) through strong financial support to infrastructure and industrial development. The consequence was strong urban-rural migration, with a region like Alentejo loosing a large part of its population. The impact of the CAP worked in the same direction. By contrast, when Sweden and Finland joined the European Union in 1995, they benefited from

Objective 6 resources allocated to regions with very low population density. These resources were used to support and maintain services, infrastructure and employment in the northern rural areas, strengthening the small towns and settlement nuclei. This policy contributed to slow down population decline, if not to stop it, while a part of that decline is related to population ageing.

This shows clearly that the territorial impacts of EU policies largely depend upon the way EU resources are used and this is mainly determined by national/regional governance factors. This, in turn, depends upon spatial development strategies in the context of EU policies. Where structural policies are mainly defined and implemented along sector channels, they frequently lead to territorial imbalance and therefore to a sub-optimal – and sometimes counterproductive – use of the potential of urban-rural relationships. A particular example of strongly "sectorialised" structural policies is the programmes elaborated in the 10 new Member States for the 2004–2006 period. This shows the importance of moving towards new types of programmes in the post-2006 period, with a more substantial territorial basis.

In some cases, EU regulations limit the possibilities of promoting true urban-rural partnerships. This is for instance the case of the regulations governing the LEADER and URBAN Community Initiatives which define too narrowly the respective programme areas, inhibiting the enhancement of urban-rural interference and synergy.

ESDP and urban-rural partnership

Drawing on a range of socio-economic factors and environmental sustainability priorities, the ESDP highlighted the functional interrelationships of urban areas with their surrounding countryside and the need to move away from the compartmentalisation of policies. It called for a re-evaluation of the relationships between city and countryside, based on the integrated treatment of the city and countryside as functional and spatial entities with diverse relationships and interdependencies. More importantly, it strongly argued for the development 'urban-rural partnerships'. The following policy options promoted by the ESDP should be strengthened and supplemented with more specific framework for implementation:

- Maintenance of a basic supply of services and public transport in small and medium-sized towns in rural areas, particularly those in decline
- Promotion of co-operation between towns and countryside aiming at strengthening functional regions
- Integrating the countryside surrounding large cities in spatial development strategies for urban regions, aiming at more efficient land use planning, paying special attention to the quality of life in the urban surroundings
- Promotion of company networks between small and medium-sized enterprises in the towns and countryside
- Provision of action programmes for the preservation of settlements in rural areas which are affected by reductions in population and set-side schemes
- Promotion of urban-rural partnerships to develop sustainable innovative spatial development strategies for the cities and their surrounding countryside

If these options are to be implemented, it is imperative that the key weaknesses of EU sector policies, as listed below, are addressed and the following policy recommendations are taken into account following the review of Structural and Cohesion polices in 2006.

The key weaknesses of EU structural and sector policies

The review of the relevant EU policies and the analysis of their key weaknesses and strengths, undertaken in Interim Reports 1, 2 and 3 of this study have made it clear that:

- There is no explicit and pro-active (as opposed to permissive) EU policy measure, which promotes complementarities and integration in urban-rural relationships.
- As regards EU Community Initiatives, with the exception of INTERREG III, there is hardly any recognition or promotion of urban-rural linkages.
- Lack of integration between different EU structural and sector policies can act as a barrier to the development of territorially integrated policies at the national and local levels and to the promotion of urban-rural relationships and partnerships.
- The existence of separate measures for 'urban' and 'rural' policies is a key obstacle for development of integrated urban-rural initiatives at the EU level. The narrow definition of geographical boundaries of areas that are eligible for funding limits the development of a wider spatial perspective and the inclusion of neighbouring urban and rural areas within the policy space.
- The lack of dedicated financial support (through EU funding) for strengthening and building institutional and local community capacities hinders the effective implementation of urban and rural partnerships in the context of EU policies and initiatives.
- The cumbersome and inflexible procedures of most EU funding programmes inhibit wider participation of rural partners in EU initiatives.

6.3 Prevailing trends in urban-rural relations

The context of the general evolution of settlement systems

The urban systems of the European countries should be analysed in the context of political history, which seems to explain much of the characteristics of the individual urban systems. The political turbulence of Europe during centuries and during the 20th century in particular, has caused situations where urban systems are "displaced" into new political and sometimes cultural contexts. This means that the urban systems have not grown "naturally" within stable political and/or socio-economic frames for very long periods of time. With the relative decrease of the influence of the nation state on the national urban system of each country, the urban configuration of Europe is about to change once more, and will probably adjust to enhanced European integration. The effects of integration are, however, likely to hit the various urban systems in very different ways depending on size, attractiveness and accessibility. Urban-rural policies should be designed and implemented in order to take advantage of the high quality of urban life in Europe, which is a matter where Europe differs in a positive way from the situation in some other parts of the world. From that point of view, the relative over-representation of small and medium-sized towns could be seen as a European advantage.

Europe is presently characterised by significant out-migration flows of certain segments of the population from the large cities towards rural areas. This trend does not affect only the surroundings of metropolitan areas, but more and more a number of attractive rural areas, which are very distant from the metropolitan areas, so that the links between the place of origin and the place of destination can be considered as definitely given up and

the move as irreversible. The population segments concerned are mainly retired people as well as active population in particular sectors (self-employed, home-working, cultural and artistic professions, health and social care etc.). The volume of population concerned by these migration flows will increase in future for various reasons such as population ageing, development of ICTs, information society, reduction of the quality of life and of security in large cities.

This evolution has a number of impacts. At first, it transforms the characteristics of the economic base of the areas concerned. Large cities are losing population segments with relatively high income, and more importantly, with stable income (retired people). Large cities become therefore more and more sensitive to the fluctuations and pressures of the global economy, with higher risk of unemployment and problems of social cohesion. The evolution in the beneficiary rural areas is just the opposite. While these were characterised in the past (and still are) by declining agriculture and manufacturing activities, their economic base is more and more made of stable public resources (pensions, public administration, health insurances etc.), protecting them from the fluctuations and pressures of the global economy.

In the rural regions, this evolution favours more the dispersal than the concentration of settlements. In terms of polycentricity, it contributes to limiting the growth of large cities, but concentration in and around medium-sized and small towns is generally insufficient. Trends work against sustainability in its environmental dimension because of increasing motor car-related mobility and dispersed urbanisation, threatening valuable open spaces. It however contributes to the maintaining, profitability and development of services in rural areas, which is also profitable to the indigenous rural population.

Impacts are also important in the field of urban-rural relationships. The densification of rural areas around metropolitan areas and other large cities at increasing commuting distance maintain nevertheless intense relationships between the urban and rural areas (home-work relations, culture, high level services, high level education etc.). The progressive densification of rural areas distant from metropolitan areas and large cities has different impacts. Relationships with the large cities are less intense and regular, but tend to transform these rural areas, up to a certain extent, into “consumer spaces” for city dwellers (e.g. second homes, recreation, leisure). Within the rural areas themselves, new urban-rural relationships are developing, according to the functions concerned. Medium-sized and small towns benefit from increased demand in services from the part of the new rural population. Natural areas are put under high pressure precisely by this new population.

Not all rural areas benefit from out-migration of population and activities from large cities, bringing with them income, purchase power and employment opportunities. A number of rural areas are characterised by declining population and/or employment (agriculture, manufacturing activities) and by progressive marginalisation. Most of these areas show significant weaknesses in their settlement structure (dispersed settlements, weak driving functions of small and medium-sized towns, abandonment of villages etc.).

The structure of urban-rural relations in Europe

Structural properties refer to those physical characteristics that are comparatively stable over time and in most cases have emerged as a result of human endeavour spanning over centuries. Such structural properties are established land-use patterns, settlement

structure and the distribution of population. Functional properties refer to the factual use of the physical environment such as various forms of production, consumption and communication. It is assumed that “urban” and “rural” characteristics of particular territories can be defined according to various structural and functional properties. In this sense the two categories can be defined according to for instance population density, land-use patterns, economic activities, and functions in a given system.

What is truly noteworthy about land cover/land use in Europe is that the share of agricultural land is so stable, being an attribute of areas with high as well as low population density, and being an attribute of all kinds of regions regardless the status of leading urban centre. The share of agricultural land does not decrease with increasing share of artificial surfaces either. Of course there are numerous examples of regions with a very low share of agricultural land, but on the average the share of agricultural land is very stable. This indicates the fact that agriculture is an integrated function of all the different parts, also the most urbanised parts of Europe. Agricultural land loses in relative importance only in those parts where residual land cover is prevailing.

The degree of human intervention was judged by the relative share of artificial surfaces of the total land cover. On the average, this criterion correlates with population density, but there are remarkable deviations, which are closely connected to national territories. The east of Europe, (excluding Poland) as well as Sweden, Denmark, Belgium and parts of France are characterised by a high share of artificial surfaces per capita: degree of human intervention is considerably higher than population density would indicate. This could be conceived as an ecological indicator, which places the mentioned countries in an unfavourable position, and should initiate new policies for a more prudent management of land. A high share of artificial surfaces also correlates with a high share of discontinuous urban land, which indicates urban sprawl.

One could argue, however, that even if the share of artificial surfaces per capita may be conceived as an ecological indicator, it does not add much to the issue of sustainable development, which should include the economic dimension as well. In order to scrutinise this question, the share of human intervention was compared to economic output, which could be conceived as an indicator of sustainability. According to this criterion, the situation in Eastern Europe as well as in Sweden and Belgium is depressing.

In EU10+2, there are strong indications that urban sprawl in medium size and smaller centres have been more effectively managed than in the west. In Eastern Europe, the faults of the west should not be replicated, but there are unfortunately strong indications of decreasing prudence of land management in these countries due to increased land speculation. This unfavourable process could be enhanced by investments in transport in the EU10. There, the overall accessibility is not of the EU15 standard, and a deepening economic integration requires enhanced accessibility, but this should not make allowance for urban sprawl.

Functional urban-rural relations on the regional level

A review of literature on rural restructuring has shown that in the developed market economies changes seem to bring rural areas increasingly towards the so-called post-productivist countryside. New demands related to the interactions between rural and urban areas can be identified, including demand for quality food production, public amenity space, space for housing, areas of environmental protection and for the experience of

different types of rural 'idyll'. The commodification of rural areas offers various development opportunities, but generates pressure as well.

Why do people in some areas seem quite capable of responding creatively and successfully to prevailing trends while others not. It is claimed that if policies are to meet diverse needs and circumstances, the mobilisation of the local communities and partnerships of various kinds are essential. From the perspective of the urban-rural policy-making, the questions that are raised here are: How do the various kinds of urban-rural relations correlate with the degree of success in the rural areas? What has been – or could be – the role of policy in enhancing success in the future? Could a particular focus on urban-rural relationships and partnerships be relevant in such policies? The study at hand has tried to indicate at least partial answers to these questions.

The evolution of urban-rural interactions often leads to chaotic expressions of territorial development. This clearly came out from several case studies:

– the Ryedale case-study in North Yorkshire showed dispersed but sustained densification of rural areas, increasing motor-car related mobility, development pressure, rise in house prices at the expense of indigenous inhabitants, reduction in key services, decline in rural employment etc., causing numerous territorial imbalances;
– the Irish case-study reveals a rural landscape undergoing a subtle transition from rural to peri-urban with the degree of built form and rate of urbanisation to a large extent obscured by both the relatively small scale of many of the settlements that are becoming increasingly drawn into the metropolitan zone of influence and the presence of significant numbers of one-off houses in the countryside;
– in the Dolenjska Region (Slovenia), trends show highly dispersed settlement, causing excessive costs of utilities provisions, decrease in the number of rural population and deteriorating demographic structure in rural areas; dilapidation of villages and farms and transformation of rural settlements because of abandonment of agriculture, imbalanced urban network;
– in the Catalan region of Sant Miquel de Balenya, industrial and logistic activities are gradually invading and fragmenting the agrarian territory. The region is characterised by uneven growth and lacks transversal connectivity;
– in the Portuguese Algarve, migration of population from the hinterland to the coast creates serious difficulties with regard to the management of public facilities and infrastructure, by raising the pressure upon the land to unsustainable levels. With regard to nature conservation, the increasing pressure upon the natural park Ria Formosa has caused the disruption of the area's ecosystems and the erosion of its characteristic sand banks;
– the Green Heart of the Dutch Randstad has been subject to a very long and sustained protection policy against the pressure of urbanisation. The population density in the Green heart is now however higher than national average and housing development finds its way anyway.

Structural urban-rural relations on the regional level

The overall tendency in Europe during the last decades are characterised by *decentralisation of the decision-making procedure* influencing land use and development as well as the *de-regulation of property markets*. These tendencies are obviously proceeding hand in hand: de-regulation of the market is accomplished by de-centralisation of decision

making. In most European countries the planning and building codes have been amended toward increased liberalism by disqualifying previously existing hierarchical planning systems and providing for the possibility of instant, investor-driven development. The trends provide for an increase of speculation in real estate.

The case studies give a realistic picture of the magnitude of unearned profits in the development of rural land to urban areas. These profits are not just a marginal and reasonable surplus for creative entrepreneurs, but a major cost for dwellers and a crucial loss for tax payers. Development based on public land ownership provides for the possibility to develop towns and cities in a rational way according to public interest, but it does not guarantee that kind of development. In a corrupted public realm, land for development could of course be handed over to developers in a way that is not based on tender and competition, but rather according to particular interests. The risk with an urban development system that is based on public land ownership is that huge developers and contractors are consequently favoured on the account of smaller actors.

Urban sprawl constitutes a kind of urban colonisation of the countryside, but that is not a “natural” process induced by necessity, but an exponent of speculative development, private land hoarding and the private appropriation of values created by public investments. The losses on the part of the tax payers are enormous. An alternative to urban sprawl is densification of urban areas, that is, urban containment. The experience of urban densification and compact building indicates a number of uncertainties.

An aim of regional policies in many parts of Europe is “regional enlargement”, which implies the idea that investments in infrastructure would enlarge labour markets and commuting areas, with the effect that the enhanced complexity of enlarged labour markets would foster economic growth and the region would profit from a more poly-centric structure. The implications for urban-rural relations are very important, because extended rapid railway lines and highways do not only mean that existing towns are functionally integrated into core regions on a daily commuting basis. It could also mean extensive investments in development along the new transport corridors. This could mean a further “rurbanisation” of rural Europe, and the destruction of abundant environmental and cultural assets.

The need for territorial co-ordination of large-scale investments in infrastructure has been recognised already for years, but as the factual functional regions of growing urban centres expand perennially, administrative structures are under constant pressure. The practice of centralising decision-making with regard to huge investments and de-centralising the responsibilities for social problems – a tendency that can be discerned internationally – may not be a good answer either as it is likely to reinforce segregation tendencies.

6.4 Recommendations

It is important to take into account the changing context of policies at EU level. On the one hand, the EU enlargement has added 10 new Member Countries, the spatial and socio-economic characteristics of which are rather different from those prevailing in the EU15. On the other hand, the 2007–2013 programming period will be characterised by important changes in the structural policies. It is therefore necessary to take these changes into account and to make a difference in the proposals regarding structural policies between the period prior to 2007 and that beginning in 2007.

6.4.1 Structural policies of the EU

The end of the 2000–2006 programming period

The structural funds programmes of the pre-2007 period are underway and their mid-term assessment has already been carried out. As far as programmes are concerned, adaptations and improvements might still be possible and the promotion of urban-rural complementarities and partnerships should be introduced where possible. It is however more at the level of projects that possibilities exist during the final period of the 2000-2006 programmes to promote concrete actions in the field of urban-rural partnerships. Projects are however generally developed at the regional/local level and their content has to be adapted to the regional/local contents. These recommendations are valid for the mainstream programmes as well as for the Community Initiatives « Urban » and « Leader ».

Programming period 2007–2013

The proposal for a reformed cohesion policy published in the Third Cohesion Report indicates that the regional programmes will have to be based on three key themes:

- innovation and the knowledge economy;
- environment and risk prevention;
- accessibility and services of general economic interest

All three areas are of significant in the relationship between urban and rural areas. The knowledge economy is an important element for the economic diversification of rural areas, for the supply of services to the rural population and for the development of home-working in particular. Numerous aspects of urban-rural relationships and partnerships are connected to environmental issues (use of natural resources by urban dwellers in particular). Accessibility and services of general economic interest are key components of the supply of rural areas with services which are generally located in small, medium-sized and large towns.

The very first draft of the new ERDF Regulation for the 2007–2013 period provides a series of activities likely to be supported by ERDF resources, which could be of interest for urban-rural relationships and partnerships. According to the three objectives of future structural policies, it is possible to identify the following fields of ERDF support with a possible urban-rural dimension:

Convergence:

– RTD: improvement of links between SMEs and universities and research and technology centres;
– Information society: development of local content services and applications; improvement of access to and development of on-line public services;
– Environment: waste management, water supply, urban waste water treatment; integrated pollution prevention and control; rehabilitation of contaminated sites and land; promotion of biodiversity and nature protection.
– Tourism: promotion of natural and cultural assets as potential for the development of sustainable tourism; protection and enhancement of the cultural heritage in support of economic development; aid to improve the supply of tourism services towards new higher value added services.

– Transport networks: integrated city-wide strategies for clean urban transport which contribute to improving access to and the quality of passenger and goods services, to achieving a more balanced modal split, to promoting intermodal systems and to reducing environmental impacts.
– Energy: development of renewable energies.
– Health: infrastructure and services increasing attractiveness and quality of life in regions.

Regional competitiveness and employment:

– Stimulation of innovation in SMEs by promoting university-enterprise networks;
– Development of infrastructure linked to biodiversity and Natura 2000 contributing to sustainable economic development and diversification of rural areas;
– Stimulation of renewable energy production
– Promotion of clean urban public transport
– Access, outside major urban centres, to transport and telecommunication services that are of general economic interest: strengthening secondary networks by improving links to regional railway hubs, airports and ports or to multimodal platforms; promoting access to and the efficient use of ICTs by SMEs, by supporting access to networks and the establishment of public internet access points.

European territorial cooperation:

– Development of cross-border economic and social activities through strategies for sustainable territorial development (development of SMEs, tourism, culture, cross-border trade, cross-border small-scale infrastructure to better access to transport, information and communication networks and services; cross-border water, waste and energy systems; cross-border use of social and cultural infrastructures;
– Promotion of cross-border labour mobility, integration of labour markets

In the context of rural development policies, the EAGGF will contribute to and support numerous actions which may also have urban-rural dimensions. In the context of the rural development policy, the ERDF will also support various activities with a possible urban-rural dimension: *the development of infrastructures to improve accessibility, the acceleration of the rolling out of telecommunication networks and services in rural areas, the reinforcement of links between urban and rural areas and the development of tourism and rural amenities.*

It is worth noting that, with the exception of the ERDF contribution to rural development policies, the urban-rural dimension is never explicitly mentioned, although the eligible activities and assets described in the draft ERDF Regulation may have an urban-rural dimension. In this respect, it is recommended that the urban-rural dimension be more strongly emphasised in the final Regulation. Another additional possibility for stressing the urban-rural dimension in future structural policies would be to mention it explicitly in the « Overall strategy for cohesion policy », being currently prepared by the European Commission.

6.4.2 Sector policies of the EU

Various EU sector policies have impacts on and potentialities for urban-rural relationships. It is important that such impacts be made more clearly explicit. This would make possible a more efficient use of EU sector policies for developing strong and sustainable urban-rural partnerships.

The 6th environmental Action programme places the environment in a broad perspective, taking account of economic and social conditions. Two, among the four areas for action of EAP6 could be beneficial to urban-rural partnerships: nature and biodiversity and natural resources and waste. The new concept of “thematic strategies”, proposed as a way of tackling particular complex environmental issues, could find application in the field of urban-rural relationships, in particular in less developed regions.

It is also worth considering the EU priority of promoting services of general interest there where freeing market forces can lead to particular social groups or parts of the EU being excluded from having access to essential services. In its Green Paper published in May 2003, the Commission has envisaged, for implementing these services effectively, to involve NGOs and civil society. The purpose is to ensure, depending on the type of service concerned, that the service is universally available, that the continuity of the services offered and their quality is maintained and that prices are affordable. This is of particular importance for remote and/or weakly populated rural areas. The promotion of services of general interest is likely to strengthen the relationships between these areas and small and medium-sized towns, where services are generally provided.

While the EU Transport Policy is mainly focussed on the realisation of the TEN-T which favour the development of major corridors, some segments of this policy are also relevant for urban-rural relationships, such as the construction of cross-border routes and the improvement of existing ones, the public services obligations etc. which may be beneficial to a number of rural areas and related urban centres.

As far as the CAP reform is concerned, the Brussels council of October 2002 decided upon a reduction in expenditure in real terms under Pillar 1, but no clear decision was taken on future resources of Pillar 2. In June 2003, the Agricultural Council of Ministers in Luxemburg agreed a reform of the CAP for the periods 2004-2006 and 2007–2013. Among the four measures adopted, it was decided to strengthen the second Pillar. The share of the second Pillar presently spent outside the agricultural sector is however very weak and it is not yet clear in how far the 2003 CAP reform can in future contribute more to urban-rural relationships and partnerships. Experiences made under the Leader Community Initiative provide however numerous examples of fruitful contribution to urban-rural relationships in rural areas which should be considered in the future rural development policy.

In conclusion, various EU sector policies could be more beneficial to efficient urban-rural relationships and partnerships in the sense defined by the ESDP, provided these issues are made more explicit and considered in the implementation of sector policies. It is therefore recommended to draw the attention of authorities involved in the implementation of related EU sector policies on the potentialities of these policies for urban-rural issues. Practical solutions with model character should be worked out and disseminated in order to raise awareness on concrete possibilities.

6.4.3 Functional urban-rural relations

The improvement of the quality of life in large cities, the rehabilitation of brownfields etc. are certainly good strategies to limit up to a certain extent, the out-migration of urban population towards rural areas. Such strategies are probably more efficient in the case of potential out-migration towards the rural areas surrounding metropolitan areas and large towns, than in the case of potential out-migration towards more distant rural areas,

because the reasons for moving are rather different. In the rural areas themselves, the settlement policy should attempt to limit dispersal and pressure on natural areas.

There is an important task for new forms of public transportation: networks with high capillarity and medium/low intensity; connections of rural settlement nuclei with medium-sized and small towns and with the major public transport networks. Innovative solutions have to be developed, combining efficiency and profitability. Valuable natural areas have to be more strictly protected.

It is advisable to concentrate most investments in infrastructure and facilities in small towns for reasons of territorial, social and economic efficiency. Insofar as they make possible the provision of diversified infrastructure, facilities and services, thereby attracting and supporting economic activities, the larger population centres should be the object of special attention.

The functional strengthening of small and medium-sized urban centres makes possible the development of networks based on complementary functions between urban and rural areas, safeguarding the diversity of the rural areas and taking advantage of the development potential of small and medium-sized cities with a perspective of cooperation and integration.

Abandoned villages can be rehabilitated for the development of soft tourism and second homes. Flexible and multi-functional transport solutions should be worked out which are suitable to the transportation of people and goods and to the delivery of mail and care to the elderly in remote villages as well as to school population.

In addition to the strengthening of the settlement pattern, indigenous economic activities have to be promoted and enhanced. Precise policy recommendations require exact knowledge of the indigenous potential of each region. A number of examples can however be provided, such as:

- the production of high-quality agricultural products, taking advantage of the proximity of some urban markets and of the development of soft tourism;
- the use of forest biomass for energy production, in particular seeking to meet the needs of the urban population and industries;
- the use of marginal agriculture land to introduce noble forestry species and the support to industries that rely on forest resources, such as the timber industry;
- better use of the demand by local residents (in particular those living in the region's small towns) for week-end and outdoor recreation activities, thus contributing to the increase of the economic added value generated in the rural areas;
- fostering the exploration of certain specific tourist niches, such as outdoor, nature and old age tourism.

The development of such activities very often requires cooperation with stakeholders settled in towns and likely to provide advice, knowledge, technologies, financial resources, insurances, access to markets etc. Economic revival in depressed rural areas is generally dependent upon efficient urban-rural relationships and partnerships.

Strategies for improving sustainability, internal cohesion and stability of the regions concerned are to a large extent dependent upon the improvement of relations between urban and rural areas. Such strategies should have an integrated character and should comprise a wide diversity of complementary measures. Examples are for instance:

- the definition of new roles for the countryside, positioning it differently through the enhancement of its own potential (for instance cultural heritage);
- the maintain of agricultural functions, as far as these are environmentally compatible;
- the strengthening of the regional level, as far as territorial development policy and land use planning are concerned;
- institutional arrangements that facilitate meaningful horizontal and vertical coordination in relation to strategic territorial planning.

Territorial sustainability is more than an objective per se. Internal development stability in a particular region can significantly influence inter-regional connections, success on the national scale and even facilitate international connections.

6.4.4 Structural urban-rural relations

The prevalence of agricultural land across Europe is an asset of tremendous importance. Firstly, it provides for the option to produce food locally. Consumers could have the possibility to literally control the production of the food they are consuming. This could also be an economic advantage as the demand for locally produced, secure food in on the rise. Secondly, the abundance of agricultural land in regions of high urban influence provides for the possibility to utilise agricultural land for recreational purposes. It is an environmental asset that cannot be underestimated. Consequently, the protection and conservation of agricultural land and Greenfield land in general in the densely populated parts of Europe in particular should be a high priority.

If the aim would be to appropriate the unearned profit of development for the community, the solution involves the foundation of municipal land banks, a planning policy that would require piecemeal development based on approved land use plans, the possibility for user-driven non-speculative modes of development to operate undisturbed, and a municipal building site release that would not favour the establishment of territorial production monopolies. All this can take place only providing the financial sector offers a broad array of alternatives, including long term mortgage loans and non-speculative banking.

The experiences of densification measures indicate that every case is unique, and is judged differently by the local population in each case. Therefore urban containment cannot be taken as a general reference whenever developers want to obtain additional development rights in urban areas. It is not clear to what extent densification complies with the principles for sustainable development. The principle of sustainability as an overall principle has to be supplemented by local livability. Only livable environments are sustainable in the long run.

Regional co-operation should be based on the recognition that the public must be well-informed and the need for transparency in any development endeavour, which is a requirement that may never be accomplished when huge economic interests and power are involved. However, it is an important ideal providing the aim is higher than just to pay lip-service to democracy.

Public-private partnership originating in grand-scale private speculation may induce large-scale corruption of the political system. Where public agencies get involved in economic endeavours with private partners by producing an enormous increase of the value of mutual assets, corruption seems to be inevitable. One way to decrease the risk of corruption

is to require tender and competition in all the phases of the development process, and to secure that allegedly non-speculative developers do not institutionally depend on the other subjects involved in development, that is, finance, building material industry, building production, etc. Already prohibition for building entrepreneurs to function as developers would ease the situation considerably.

It is in the public interest to promote competition in development by offsetting the establishment of territorial production monopolies, whether generated by private developers or by public urbanisation policies. Private real estate speculation and land hoarding is not an exponent of functioning markets, but rather a restriction to spatial competition. Enhanced competitiveness requires competition in spatial development. The particular characteristics of housing provision and spatial development in general imply a number of restrictions to competition. These restrictions concern all the sub-markets, that is, the *land market* (planning, development practices), the *input market* (building materials, labour), the *construction market* (contractors) as well as the *house market* (private and public systems for provision of houses). All the various development modes, speculative as well as non-speculative forms of building supply, may imply restrictions to competition.

With regard to urban-rural relations it is important to realise that development often seems to imply solely the urban point of departure while the rural interests are either considered irrelevant, or of minor importance, or sidestepped altogether. The rural aspects should be included as well.

A general concern in many European countries seems to be that medium- and small-income groups are excluded from the property market. An obvious reason for this is finance, that is, the commercial financial institutions, which have little interest in getting involved in other than profitable projects. Speculative development provides good returns. The financial options for presumptive house owners seem to have shrunk, which may be a result of concurrent changes in the financial markets but also an effect of the reduced interest for non-speculative development in local politics across Europe. Financial instruments that promote non-speculative development are much needed.

Competitiveness can be promoted by public and private actions, but fundamentally only by facilitating for market competition according to the idea of free markets. In concrete terms, public policies should aim at dismantling obstacles and barriers to competition among economic actors. The question is important with regard to urban-rural relations, which are partly a function of land use. The control of land implies the existence of territorial production monopolies, and private land ownership as such is a barrier to the free flow of investments in space. On the other hand is private land ownership a fundament of the market economy. The concept of “urbanisation” indicates the shifting relations between urban and rural areas, including degree of human intervention in the form of (re)working land for various purposes. The way land is developed is obviously a public matter because it concerns public interests. From the point of view of policy recommendations, the development process should be of a kind that reduces the monopolistic and oligopolistic tendencies in spatial development, and provides for competition in all phases of the development process.

Cohesion is traditionally pursued with the argument to promote fairness among citizens in the various parts of Europe, which would enhance the legitimacy of European integration. An additional argument is underscored in the third cohesion report, where cohesion is

said to improve competitiveness as well, being a prerequisite for economic development and not only a question of fairness or good will. On the regional/local level in terms of land use and territorial development, the idea of cohesion would indicate that social segregation should be reduced, which means that areas are segregated with regard to the socio-economic status of their respective populations. In terms of urban-rural relations, the allocation and diffusion of different forms of housing tenure are of crucial importance. The concentration of social (council) housing in a particular area would normally degrade the socio-economic status of that area. A problem is that private interests seeking for profits would try to promote tendencies toward segregation in case they are in for home ownership development. Therefore particular policy recommendations have to identify gains and losses of various actors and how these correspond to various modes of development.

Co-operation refers to the principles of good governance as well as fairness and even emancipation. Urbanisation and spatial development involves a number of players who all pursue to maximise their own interests. In questions related to land use and co-operation between territorial units, the appropriation of land for development is the central question. In most national legislations, the right to determine land use is the prerogative of public authorities. The proper way of carrying out this prerogative would be to promote public interests in spatial development, and in addition, to promote competition in development. If the right to steer land use and development is passed over from a public body to private interests through co-operation, the whole idea with co-operation has obviously failed. Privatisation is often pursued with the argument to facilitate for more competition, but this is not accomplished if a public monopoly is replaced for a private one. Consequently, co-operations relates to interests involved and the kind of promotion that is foreseen to take place. Co-operation should be understood in the tangible context of factual spatial development and the dissemination of gains.

Urban-rural relations in Europe

Part Three: Annexes

Annex 1

List of maps, tables and graphs

Maps

Graphs

Tables

Annex 2

List of indicators developed and datasets provided to the ESPON Database

The project started the work on indicators with an extensive and detailed list of indicators that were judged as capable for the identification of the structures and the flows between urban and rural regions. The pool of indicators was divided in main dimensions. The comprehensive list gave an opportunity to all project partners to comment on it and to discuss and decide about the most relevant indicators. The list was discussed from several perspectives, namely in relation to the conceptual background of the project, to the reviews of analyses on key trends shaping urban and rural areas in Europe and to the interests of the policy makers. After selecting, developing and testing different indicators the following list was formed.

Dimension	n°	Elaborated indicator	Category	Time series
territory	0	area in km^2	harmonised	
demography	1a	average population total	harm.	1999
	1b	average population male	harm.	1999
	1c	average population female	harm.	1999
	2a	population density	harm.	1999
	2b	population density	non-harmonised	different years
	2c	population urban	non-harm.	different years
	2d	population rural	non-harm.	different years
	3	population change	harm.	1990, 1995, 2000
	4	size of households	harm.	1995, 2000
	5	number of households	harm.	1995, 2000
	6	age structure (age groups to be concretised)	harm.	1995, 2000
	7	net migration	non-harm.	1995, 2000
	8	immigration by (country of) origin on NUTS V or otherwise as national data	non-harm.	1995, 2000
economy/ socio-economy	9a	GDP pps per inhabitant in EU average	harm.	1995-2000 yearly
	9b	GDP pps per sector according to NACE (6)	harm.	1995, 2000
	10a	labour participation rate (active population)	harm.	1995-2001 yearly
	10b	female participation rate (interrelatedness) (active population female)	harm.	1995-2001 yearly

	10c	male participation rate (interrelatedness) (active population male)	harm.	1995-2001 yearly
	11a	active population aged over 25 years	harm.	1995-2001 yearly
	11b	active population aged under 25 years	harm.	1995-2001 yearly
	12a	persons employed total	harm.	1995, 2000
	12b	persons employed agriculture	harm.	1995, 2000
	12c	persons employed industry	harm.	1995, 2000
	12d	persons employed in service	harm.	1995, 2000
	12e	persons employed per sector according to NACE (6)	harm.	1995, 2000
	13	unemployed total (number and rate)	harm.	1998-2001 yearly
	14	productivity per sector		1995, 2000
	15	absolute and relative share of agriculture (referred to GDP and to employment)		1995, 2000
	16	tourism: number of arrivals and overnight stays	non-harm.	1995, 2000
	17	construction, according to employment by NACE (s. 12e)		1995, 2000
	18	level of education	non-harm.	1995, 2000
structures	19	year of passing the 50%- and 15%-mark of share of population employed in agriculture in working population	non-harm.	?
	20	land use (built-up areas, sealed areas, forest, agriculture, other areas)	harm.	1990, 2000
	21	ratio between built-up and vacant land (brown fields, green fields)	harm.	1990, 2000
	22	natural heritage	harm.	1990, 2000
flows	23	functional regions, transport flows, expanding labour market, etc.	non-harm.	

Table A.1: Indicator “wish-list” of ESPON 1.1.2 in May 2003, at NUTS3 level

The categorisation of the indicators into harmonised and non-harmonised data derived from the assumption that the data sets for the indicators will either be made available through one common data base like e.g. REGIO or CORINE or as collection of data sets coming from several individual data bases like data bases from national statistical institutions. Another division could be made according the collectors of the data: the project 1.1.2 itself or other ESPON projects (in particular ESPON 3.1)

The next phase of the indicator list mainly consisted of checking the availability and quality of the respective data. It turned out that a huge number of indicators – regardless of the category – had to be deleted from the list. The reasons here fore were various:

- Only part of the data that was supposed to be extracted from harmonised data bases was actually available in these databases (e.g. households, employment per sector).
- Some sources of the non-harmonised data was judged so heterogeneous that there was no point in gathering these data.
- Several data that was expected to be provided by other ESPON projects (e.g. net migration, natural heritage) could not be made available, at least not in due time, as the projects faced the same kind of data restrictions as 1.1.2.

The list of actual operational indicators seemed to remain rather short.

Dimension	Elaborated indicator	Category	Time series
demography	average population total	harm.	1999
	population density	harm.	1999
	population density	non-harm.	different years
	population urban	non-harm.	different years
	population rural	non-harm.	different years
	population change	harm.	1990, 1995, 2000
	immigration by (country of) origin	non-harm.	1995, 2000
economy/ socio-economy	GDP pps per inhabitant in EU average	harm.	1995-2000 yearly
	tourism: number of arrivals and overnight stays	non-harm.	1995, 2000
	level of education	non-harm.	1995, 2000
structures	year of passing the 50%- and 15%-mark of share of population employed in agriculture in working population	non-harm.	?
	land cover (agricultural land, artificial land, wilderness)	harm.	1990, 2000

Table A.2: Indicator list of ESPON 1.1.2 in August 2003, at NUTS3 level

The factor analysis that was undertaken to test the significance of land-use data in explaining spatial variation used a slightly different list of indicators.

Dimension	Variables	Time series
demography	Population density	1999
economy/ socio-economy	Gross Domestic Product pps per inhabitant, in EU average	2000
structures	Percentage of artificial surfaces	1986-1996
	Percentage of agricultural land use	1986-1996
	Percentage of forest areas	1986-1996
flows	Density of road and rail network	2001
	Market accessible from each NUTS III by car in 1 hour	1999
	Population accessible from each NUTS III by car in 1 hour	1999
	Index of population centrality	1999
	Trips generated per person	2001

Table A.3: Variables used in the factor analysis

The project team decided to collect selected data from National Statistical Institutions (NSIs) to be included in the common ESPON data base. The data request implemented by the project encompassed the following indicators:

1. immigration (= number of immigrants) by (country of) origin 1995 and 2000
2. number of tourists' overnight stays 1995 and 2000
3. number of tourists' arrivals 1995 and 2000
4. level of education, i.e. number of pupils/students by school level like e.g. primary education, preferably referring to ISCED97, 1995 and 2000
5. year of passing (meaning being less than) the 50%- and 15%-mark of share of population employed in agriculture in total working population

The quality and coverage of the collected data proved to be very heterogeneous. Data gaps appeared concerning

- the temporal requirement (1995 and 2000): data is not available for both years or data is only available for other years, e.g. 2001
- the spatial level (NUTS III): data is available at NUTS II-level or at national level only, data for some NUTS III units is missing, e.g. Northern Ireland
- the spatial scope (EU 29): partly huge data gaps especially in the (South-)East-European countries, e.g. no reaction of Poland or Bulgaria to the data request that was sent several times, difficulty in communication due to language skills
- the definition of the data sets: e.g. immigration data on some countries was made available as number of immigrant arrivals per year or as number of foreign residents residing in the region.

The heterogeneity of the delivered data sets resulted in elaborate organising work to prepare the final data sets and to make them manageable for further data processing. Some data sets are really far from complete, but as they were considered important both by the project 1.1.2 and the co-ordinating project 3.1, it was decided that they shall also be proposed for the ESPON database (the restrictions of the data are listed in Tables A.6-A.8).

In addition, the work with national definitions of urban and rural produced further non-harmonised data, namely the share of urban and rural populations based on national classifications (not comparable between countries!).

Also some key datasets of the harmonised data were prepared for the database, namely: artificial surfaces, artificial surfaces per capita ("ecological indicator of land use") and artificial surfaces per GPD pps ("indicator of land use sustainability").

In conclusion, to the **ESPON database** the project contributed the following indicators and typologies:

- share of urban population based on national classifications
- share of rural population based on national classifications
- typology or urban/rural population based on national classifications
- typology or urban-rural characteristics based on harmonised criteria
- artificial surfaces
- artificial surfaces per capita
- artificial surfaces per GDP pps
- immigration (2000)
- tourists' overnight stays (1995 and 2000)
- tourists' arrivals (1995 and 2000)
- level of education, i.e. number of pupils/students by school level (1995 and 2000)

The main purpose of the indicator was to feed the typology work, namely the construction of a typology on urban-rural characteristics and the statistical analysis of various data in relation to the typology. After several draft versions of the typology, the final set of criteria was selected.

Dimension of urban–rural typology	Variable	Time series
Urban influence	Population density	Total area: CLC90; Total population: 1999
	FUA ranking (from ESPON Action 1.1.1)	
Human intervention	Share of artificial surfaces	CLC90
	Share of agricultural land use	CLC90
	Share of residual land use	CLC90
Urban influence in relation to human intervention	Urban–rural typology	

Table A.4: Variables applied in the urban–rural typology

Finally, the urban-rural typology itself was then analysed in relation to a set of indicators, as documented in detail in Chapter 3.

Indicator	Time series
Population change	from 1995 to 1999
Employment in agriculture, forestry and fishing	1997
Level of education (from ESPON Action 1.1.1)	
Level of tourism (from ESPON Action 1.1.1)	
Lagging typology (from ESPON Action 2.1.1)	
GDP pps	1999
GDP pps per capita	1999
Change of GDP pps per capita	from 1995 to 1999
Artificial surface per capita	CLC90
Artificial surfaces per GDP pps	Land cover: CLC90; GDPpps: 1999
Agricultural land use per GDP pps	Land cover: CLC90; GDPpps: 1999
Residual land use per GDP pps	Land cover: CLC90; GDPpps: 1999
Share of discontinuous urban fabric	CLC90
Accessibility to transportation terminals	2001

Table A.5: Indicators used in the analysis of urban–rural typology

Country	Inflow	Foreign residents	No data	Why no data?
AUSTRIA	x		x	the data is too expensive
BELGIUM	x			
BULGARIA			x	search not successful, maybe due to language skills
CYPRUS			x	search not successful, immigration data for 2001 only
CZECH R.		x		
DENMARK	x			
ESTONIA			x	search not successful, no precise reasons
FINLAND	x			
FRANCE			x	no data on NUTS3-level available, only inflow at national level
GERMANY	x			
GREAT BRITAIN			x	data partly only on NUTS2 available
GREECE		x		
HUNGARY			x	search not successful, no precise reasons
IRELAND			x	only NUTS4 data available for 1996
ITALY		x		
LATVIA			x	search not successful, no precise reasons
LIECHTENSTEIN			x	data partly only on NUTS2 available
LITHUANIA	x			
LUXEMBOURG	x			
MALTA			x	search not successful, immigration data for 2001 only
NETHERLANDS	x			
NORWAY	x			
POLAND			x	search not successful, maybe due to language skills
PORTUGAL		x		
ROMANIA			x	the data is too expensive
SLOVAKIA			x	search not successful, maybe due to language skills
SLOVENIA	x			
SPAIN		x		
SWEDEN	x			
SWITZERLAND		x		

Table A.6: Summary of the collected immigration data

Country	Overnight stays 1995	Overnight stays 2000	Arrivals 1995	Arrivals 2000	No / incomplete data	Why?
AUSTRIA	x	x	x	x		
BELGIUM	x	x	x	x		
BULGARIA					x	search not successful, maybe due to language skills
CYPRUS					x	tourism data is not understandable (Greek)
CZECH R.					x	search not successful, no precise reasons
DENMARK					x	tourism figures only available at national level
ESTONIA	x	x	x	x		
FINLAND	x	x			x	data are missing, maybe tourism data refers to different definitions
FRANCE					x	the data would have to be bought and would come in non-electric form
GERMANY					x	mostly available, but data gaps in DEB due to data protection
GREAT BRITAIN					x	tourism data partly, only on NUTS2
GREECE					x	tourism data is not understandable (Greek)
HUNGARY					x	only data for the year 2002 are available
IRELAND	x	x	x	x		
ITALY	x	x	x	x		
LATVIA		x		x	x	data are missing, maybe tourism data refers to slightly different definitions
LIECHTENSTEIN	x	x	x	x		
LITHUANIA	x	x	x	x		
LUXEMBOURG	x	x	x	x		
MALTA					x	tourism data is not understandable
NETHERLANDS					x	data only available on NUTS2 level and since 2000
NORWAY	x	x	x	x		
POLAND					x	search not successful, maybe due to language skills
PORTUGAL	x	x	x	x		
ROMANIA					x	the data is too expensive
SLOVAKIA					x	search not successful, maybe due to language skills
SLOVENIA	x	x	x	x		
SPAIN	x	x	x	x		
SWEDEN	x	x			x	data are missing, maybe tourism data refers to different definitions
SWITZERLAND	x	x	x	x		

Table A.7: Summary of the collected tourism data

Country	Number of pupils by school level	Population by highest level of education	Compliance with ISCED97 categories	1995 Complete data	2000 Complete data	No / incomplete data	Why?
AUSTRIA		x	medium			x	only data for NUTS 2
BELGIUM	x		high			x	only data for NUTS 2
BULGARIA						x	search not successful, maybe a difficulty in communication due to language skills
CYPRUS						x	search not successful, no precise reason
CZECH R.						x	search not successful, maybe a difficulty in communication due to language skills
DENMARK		x	medium	x	x		
ESTONIA		x	medium	x	x		
FINLAND	x		medium		x	x	only data for 2000
FRANCE		x	low		x	x	only data for 2000
GERMANY	x		low			x	data for national classification of educational level is available
GREAT BRITAIN	x		high		x	x	only data for NUTS 2 and only for 2000; data for national geographical classification is available.
GREECE						x	search not successful, no precise reason
HUNGARY	x		medium		(x)	x	data for 2002 instead of 2000
IRELAND	x		high	(x)		x	data for 1996 instead of 1995
ITALY	x		high	x		x	only data for 1995 - but with data gaps; only ISCED97 5 available for 2000
LATVIA		x	medium	(x)	x	x	data for 1996 instead of 1995
LIECHTENSTEIN	x		high	x	x		
LITHUANIA		x	medium		(x)	x	data for 2001 instead of 2000
LUXEMBOURG	x		high	x	x		
MALTA						x	search not successful, maybe a difficulty in communication due to language skills
NETHERLANDS	x		low	x	x		
NORWAY		x	high	x	x		
POLAND						x	search not successful, maybe a difficulty in communication due to language skills
PORTUGAL	x		high	x	x		
ROMANIA						x	search not successful, maybe a difficulty in communication due to language skills
SLOVAKIA						x	search not successful, maybe a difficulty in communication due to language skills
SLOVENIA		x	medium		(x)	x	data for 2002 instead of 2000
SPAIN	x		low		x		
SWEDEN						x	search not successful, no precise reason
SWITZERLAND	x		high		x	x	only data for 2000

Table A.8: Summary of the collected education data

Annex 3

List of missing data

1) It is very unfortunate that the CORINE 1990 Land Cover Data for Cyprus and Malta does not exist and that is has not been possible to provide such data on Norway, at least not for ESPON. Also the data on Sweden is also rather inaccurate, as the national classification does not fully comply with the CORINE classification. Especially the data on agricultural land use is partially misleading.

2) The CLC 2000 data did not come available in time to be used in the project. It is unfortunate as it would have provided opportunities to get a more dynamic picture of the major trends what comes to development of land use patterns underlying urban-rural relations.

3) As described in Annex 2, it was decided that data on five indicators would be collected from national sources, as harmonised European data was not available. Especially data with long time series (covering at least some decades) seemed to be very hard to get, even in the form of national level statistics. The data collected on tourism, immigration and educational level included several data gaps and restrictions in comparability (for an exact description of the data gaps, see Annex 2).

4) The development of indicators of a slightly "alternative" nature proved to be difficult. Two examples can be mentioned:

a) An indicator of the "agricultural urban-rural detachment" would be the average distance of cattle transport from farms to slaughterhouses. However, the authorities are very reluctant to publish information on this which forces the lobby groups of animal welfare pursue their own studies. The Eurogroup for animal welfare (http://www.eurogroupanimalwelfare.org) has carried out follow-ups of animal transport vehicles between eastern and southern Europe, reporting trips of thousands of kilometres (e.g. from Lithuania to Italy) with live horses in the vehicles (Joint report prepared by the International League for the Protection of Horses (ILPH) and the Royal Society for the Prevention of Cruelty to Animals (RSPCA), published by the RSPCA in 1999).

b) One attempt to study the "international urban-rural relations" was to study the flows of German tourists in Europe. The Germans travel the most among the Europeans - the travel intensity (the proportion of the population older than 14 years, that travel on holiday for at least once a year for at least 5 days) for the period 1995-2000 was 76 %. However, as the case study (carried out by TAURUS, based on a report of the annual "Reiseanalyse") revealed, the data on tourist flows is far from adequate to serve an analysis of urban-rural relations of major tourist flows. The surveys conducted collect information only on the country of destination and on the motives of the tourists – not on the regions visited and the types of areas appreciated.

Annex 4

List of references, including the use of results from projects outside the ESPON programme

This annex consist of three parts, presenting:
1) the use of results from the MOLAND project at the JRC (Joint Research Centre of the European Commission)
2) the use of results from the JRC study on classification of urban and rural areas
3) the references (= bibliography) of the project

1) Use of the results from the MOLAND project

MOLAND project of the JRC (Joint Research Centre of the European Commission) was presented to the ESPON community as an opportunity for cooperation. The aim of MOLAND is to provide a spatial planning tool that can be used for assessing, monitoring and modelling the development of urban and regional environments. The main feature of the project is to allow quantitative and qualitative comparisons at pan-European level. For more information, see http://moland.jrc.it/.

The digital databases on land use transport network changes during the last 50 years might have been helpful in the elaboration of the case studies, but due to time restrictions the project 1.1.2 did not enter negotiations with JRC about the use of the data. Instead, the project used the web-material and publications of the project to support the case study work. Of special interest were the maps of Algarve, Helsinki and Dublin, as they were case study areas in both projects.

2) Use of results from the JRC study on classification of urban and rural areas

DG Regio encouraged the project 1.1.2 to contact a JRC team, which had been working with classification of urban and rural areas. The work is a spin-off of the disaggregation of population density made in the GI-GIS project of the 5th FP, and continues now in the JRC. The purpose was to exchange ideas about the methodologies adopted in each project. However, due to the different geographical scale of the approaches (NUTS3 vs. urban agglomerations) it is not possible to directly compare or combine the findings. In addition, the JRC approach is still being developed further. A summary of their working paper has been prepared (see next page), as the approach might be of interest for the ESPON community, especially what comes to future work (e.g. in ESPON II).

The **Institute for Environment and Sustainability** of the JRC has proposed a draft classification system of the urban and rural areas in Europe. The suggested classification units are the municipalities, though a major role is played by urban agglomerations that ignore administrative boundaries. The work starts from population density per administrative unit and from land cover and uses different GIS-algorithms to identify the agglomerations. The draft proposes three major groups: urban, semi-urban and rural, each of which has been subdivided further.

The method is proposed as an improvement to the method used by DG Agriculture to classify municipalities into urban and rural, where the estimation is based solely on measurement of major land cover classes in CORINE Land Cover. A municipality is classified as urban if the artificial areas occupy more than a certain threshold. The definition may produce some unexpected results, as e.g. municipalities with a very small territory may be classified as urban, and major cities as rural because of their large territories.

From the policy perspective a municipality-based classification is considered useful. The method of the JRC tries to take into account the structure of population density inside the municipality and in the neighbouring municipalities. Two layers of information are used here: the disaggregation of the 1991 census data by municipality with the help of CORINE land cover and the subset of the 2002 Landscan global population database in Lat-long co-ordinates. A series of filters have been applied to process the data, to convert the population layer into a population density layer, depicting urban nucleus with at least 5000 inhabitants.

The draft proposal for a typology of rural/urban areas consists of three groups: urban, semi-urban and rural. Each class can be subdivided by size of nucleus, by land cover profile, by topographic roughness etc. The criteria is the following:

Urban
- fully urban municipalities: > 99% in an urban nucleus of >5000 inhabitants
- mainly urban municipalities with moderate rural area: 50-99% in an urban nucleus of >5000 inhabitants

Semi-urban
- municipalities with an urban nucleus and large rural area: dominant municipality of an urban nucleus (criteria for dominant municipality = if it has >50% of the population of the nucleus)
- suburban: intersects an urban nucleus of >5000 inhabitants and is not in the previous categories

Rural:
- peri-urban rural areas: does not intersect with any urban nucleus of >5000 inhab. but is in the area of influence of an urban agglomeration (defined through a “gravity indicator”)
- remote rural i.e. distant from urban agglomerations.

The division is still a draft where several criteria and related thresholds need a close examination – especially the class “suburban municipalities” is said to need further reflection. Furthermore, one approach to improve the overall methodology would be to define an “area of influence” of an urban agglomeration depending on the size of the municipality. The possibilities of the “new CORINE”, CLC 2000 data should also be explored.

For more information, contact Javier Gallego at the Institute for Environment and Sustainability, JRC: http://ies.jrc.cec.eu.int/

3) References = Bibliography

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Annex 5

List of publications of the TPG members resulting from the research undertaken so far

Publications / papers

Bengs, C. (2004). Introduction to a discussion on the Third Cohesion Report: Policy-relevant research and research-relevant policy. March 2004. European Journal of Spatial Devevelopment. http://www.nordregio.se/EJSD/bengsoncohesion.pdf

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Davoudi, S. & D. Stead (2002). Urban-Rural Relationships: an introduction and a brief history. *Built Environment* 28:4, 269-277.

Davoudi, S. (2003). From urban-rural dichotomy to urban-rural relationship. Paper presented at AESOP-ACSP Joint Congress, 8-12 July 2003, Leuven, Belgium.

Neubauer, J. & C. Bengs (2004). Urban-rural relations in Europe. Paper presented at a Conference “Regions in Competition and Cooperation” / Uddevalla Symposium, 17-19 June 2004, Fredrikstad, Norway.

Prezioso M. (2004). ESPON Project 1.1.2: "Urban - Rural relations in Europe". Proceedings of National Seminar - Ministero delle infrastrutture e dei trasporti & Fac. Economia Tor Vergata I partner italiani nei progetti ESPON.

Selected presentations

Bengs, C. (2003). Urban-rural relations in Europe. Project presentation at the University of Rome Tor Vergata, Faculty of Economics, 9 October 2003.

Bengs, C. (2003). Urban-rural relations in Europe. Project presentation at the Ministry of Environment, Finland. Seminar on ESPON projects, 12 February 2003.

Davoudi, S. (2004). Ireland 2004 Presidency of the EU: Territorial Cohesion: Meeting new challenges in an enlarged EU Conference, organised by the Irish Department of Community, Rural and Gaeltacht Affairs, 25-27 May 2004, Galway, Ireland.

Davoudi, S. (2003). 2003 International Seminar on Government of Territories, organised by Universidad Internacional Menendez Pelayo, 15-19 September 2003, Valencia, Spain.

Prezioso, M. (2004). STM approach - towards a common and cohesive European policy, in Proceedings of International Conference: Present and future of the European Spatial Development Perspective, 5 March, Faculty of Architecture, Polytechnic of Turin.

Annex 6

Indication of performance indicators achieved

Number of spatial indicators developed: - in total covering - the EU territory - more than the EU territory	 6 6 0
Number of spatial indicators applied: - in total covering - the EU territory - more than the EU territory	 27 27 0
Number of spatial concepts defined	12
Number of spatial typologies tested	4
Number of EU maps produced	60
Number of ESDP policy options addressed	28

Annex 7

Case studies of the project in brief

a) Regional level studies

Urban-rural relations in the Portuguese hinterland – the case of Figueiró dos Vinhos

Name of the area/region :	Figueiró dos Vinhos / Pinhal Interior Norte
Country :	Portugal
Most important town :	Figueiró dos Vinhos
Population of the area :	7 352 inhabitants
Size of the area (km²) :	173 km²
Population density of the area :	42 inhabitants per km²
Focus of the case study : Figueiró dos Vinhos, located in a remote rural area, is characterised by both strong depopulation and secondary residences settlements. This case study deals with this representative example of rural-urban relations in depressed areas, whose both integration and local economic dynamic depend mainly on making optimal use of its natural and cultural resources.	
Authors of the case study : Eduarda M.Costa, Mário Barroqueiro, Ana Estevens, *Centre for Geographical Studies (CEG), University of Lisbon*	

Urban-rural relations in Southern Portugal – the case of Algarve

Name of the area/region :	Algarve/Southern Portugal
Country :	Portugal
Most important towns :	Faro,Loulé, Portimão, Olhão, Silves and Albufeira
Population of the area :	395 218 inhabitants
Size of the area (km²) :	4 989 km²
Population density of the area :	79 inhabitants per km²
Focus of the case study : This area, mainly characterised by strong urban and coastal pressures, high commuting flows and specialization in tourism, experiences the imbalanced development of its urban and rural areas. The positive demographic and economic performance of this region, especially based on tourist industry activities and administrative functions, has favoured inter-municipal cooperation and allowed for the reinforcement of the rural-urban relations. This case study aims to show how the diversification of the economic base and the increase in spatial mobility can be the key processes for the configuration of the rural-urban relations.	
Authors of the case study : Eduarda M.Costa, Mário Barroqueiro, Ana Estevens, *Centre for Geographical Studies (CEG), University of Lisbon*	

Land values in Barnim

Name of the area/region :	Barnim/Brandenburg
Country :	Germany
Most important towns :	Eberswalde, Bernau
Population of the area :	167 914 inhabitants
Size of the area (km²) :	1 494,30 km²
Population density of the area :	112 inhabitants per km²
Focus of the case study : Barnim is an administrative county in the Land Brandenburg and its southern part belongs to the suburban area (hinterland) of Berlin, the capital of Germany since 1991. This case study focuses on the suburbanization phenomenon of Berlin due to lower land prices and good accessibility to the capital, taking as a model the suburban area of Barnim.	
Author of the case study : Simone Reinhart, *TAURUS - Institute at the University of Trier*	

Land values in Berlin

Name of the area/region :	Berlin/Berlin
Country :	Germany
Most important town :	Berlin
Population of the area :	3 388 434 inhabitants
Size of the area (km²) :	891,7 km²
Population density of the area :	3 800 inhabitants per km²
Focus of the case study : As the old linkages with the surrounding Brandenburg became possible after the re-unification in 1990, many inhabitants of Berlin could get an own home there due to the significant land price differential between Berlin and Brandenburg. The case study focuses on the strong interrelations existing between urban and rural areas in association with land prices, taking as a model the city-regional linkages between Berlin and its surrounding municipalities referring to commuting and migration data.	
Author of the case study : Simone Reinhart, *TAURUS - Institute at the University of Trier*	

Urban-rural relations in the Dolenjska region

Name of the area/region :	Dolenjska/South-eastern Slovenia
Country :	Slovenia
Most important town :	Novo Mesto
Population of the area :	136 474 inhabitants
Size of the area (km²) :	2 675 km²
Population density of the area :	51 inhabitants per km²
Focus of the case study : Dispersed settlements and low level of urbanisation, mostly caused by the hilly terrain's structure, are the main characteristics of the Dolenjska area. However the recent increase of urbanisation has emphasised population migrations from the countryside to the towns causing the abandonment of rural settlements. One solution would be to increase accessibility by opening the region for socio-economic diversification, but consequently it would most probably lead to uncontrolled developments. This case study focuses on the great challenge consisting in saving regional identity while developing functional and economic cohesion of the Dolenjska region.	
Authors of the case study : Maja Simoneti, *Ljubljana Urban Institute, Ljubljana, Slovenija* Jelka Hudoklin, Irena Selak, *ACER*	

Urban region of Győr, a case study of urban-rural relations

Name of the area/region :	Győr/North-western Hungary
Country :	Hungary
Most important town :	Győr
Population of the area :	195 471 inhabitants
Size of the area (km²) :	1 124,56 km²
Population density of the area :	174 inhabitants per km²
Focus of the case study : The case study deals with the changes of economic structure and land use aspects in the Region of Győr, Hungary. The purpose is to demonstrate that in the political and socio-economic context the processes of spatial change and urban-rural relations were different in Eastern from Western Europe. Since 1990, assimilation to the West-European processes has been a dominant tendency in the East European regions, emphasised by a fast and often excessive liberalisation.	
Author of the case study: Erzsébet Visy, *Hungarian Public Company for Regional Development and Town Planning*	

Counter-Urbanisation and Its Implication for Rural Areas, a case study of Ryedale in North Yorkshire

Name of the area/region :	Ryedale/North Yorkshire
Country :	England
Most important towns :	Malton & Norton, Pickering, Kirkbymoorside and Helmsley
Population of the area :	51 000 inhabitants
Size of the area (km²) :	1 507 km²
Population density of the area :	34 inhabitants per km²
Focus of the case study : Ryedale is the most rural district of North Yorkshire and has a quite low urban integration. This case study focuses on issues of population flows and residential relocation under the two themes of socio-economic diversification and territorial interdependence. The aim is to examine the social, economic and demographic implications of counter-urbanisation processes for the rural areas of North Yorkshire and mainly Ryedale.	
Authors of the case study : Simin Davoudi, Michelle Wishardt, *Centre for Urban Development and Environmental Management, Leeds Metropolitan University*	

Rururbanization Case Study, Sant Miquel de Balenyà

Name of the area/region :	Sant Miquel de Balenyà/County of Osona (Catalonia)
Country :	Spain
Most important town :	Vic
Population of the region * :	129 543 inhabitants
Size of the region (km²) * :	1 263,8 km²
Population density of the region * :	102 inhabitants per km²
Focus of the case study : This area, characterised by uneven growth and lacks in transversal connectivity, has undergone a recent and profound rurubanization devoted to the processes of urban renewal. The aim of this project is to put forward a proposal for a future Urban Territorial Plan of this area south of Vic, the capital of Osona.	
Authors of the case study : Andreu Ulied & Laura Turró Bassols, *Mcrit sl.*	

* these figures concern the county of Osona, source: website http://www.idescat.es

The Blue City – Combating peripheralisation in North East Groningen

Name of the area/region :	Blue City (*Blauwe stad*) in Oldambt/East Groningen
Country :	The Netherlands
Most important town :	Groningen
Population of the region * :	154 634 inhabitants
Size of the region (km²) * :	907 km²
Population density of the region * :	170 inhabitants per km²
Focus of the case study : The so-called Blue City *(Blauwe stad)* in North East Groningen is an interesting attempt to ”combat peripheralisation”. The rural area known as Oldambt will be transformed in favour of residence and recreation area. The policy makers expect a positive economic influence of the ”invasion” of the rich residents as, for instance, it could bring new jobs. However this project has faced a relative opposition from the local population, worried about the project impacts on their way of life. The case study of urban-rural relationships in the Blue City primarily considers structural relationships and to a lesser extent a number of related functional relations.	
Author of the case study : Bas Waterhout, *OTB Research Institute for Housing, Urban and Mobility Studies, Delft University of Technology*	

* these figures concern the Eastern Groningen region.

Urban-Rural relationships in the Randstad and the Green Heart

Name of the area/region :	The Randstat/Western Netherlands
Country :	The Netherlands
Most important towns :	Amsterdam, Rotterdam, The Hague, Utrecht
Population of the area :	7 402 000 inhabitants
Size of the area (km²) :	8 294 km²
Population density of the area :	892 inhabitants per km²
Focus of the case study : Randstad, a ring of urban development in the western Netherlands, contains the four largest cities of the country and encircles an open green area called the Green Heart, whose municipalities are regarded as rural. Despite being the most highly urbanised part of the Netherlands, population trends in the Randstad have until recently been characterised by urban deconcentration. In this context, problems in preventing urban sprawl become fundamental and the attractive Green Heart’s area has been subject to a very long and sustained protection policy against the pressure of urbanisation. This case study focuses on urban-rural relationships in the Randstad and the Green Heart, considering a set of related functional relations.	
Author of the case study : Dominic Stead, *OTB Research Institute for Housing, Mobility and Urban Studies, Delft University of Technology*	

Application of a methodology for the sustainable development. The case study of the Provincia of Roma

Name of the area/region :	Provincia of Roma/Lazio
Country :	Italy
Most important town :	Roma
Population of the area :	3 849 487 inhabitants *
Size of the area (km²) :	5 352 km² *
Population density of the area :	719 inhabitants per km² *
Focus of the case study : Urban-rural spaces still represent an empty space to be filled within the laws and the models that physical and development planning are facing today in Italy. This report aims at discussing urban-rural typologies in a perspective of planning for the vast provincial area of Roma. With its frameworks and powers of	

intervention, it cannot neglect facing the “metropolitan district” issue, as one of the fundamental terms to be carefully considered when speaking of the Italian Capital city in a possible European federalist vision. Based on a research on subsidiarity typologies for new local and over-local development, the work tests an innovative method, for the inclusion of new formulas and principles toward which economic-territorial regionalisation is intended to be oriented, in particular sustainability.
Authors of the case study : Maria Prezioso, *University of Rome “Tor Vergata”* Nicola Lugeri, *Agency for environmental protection and technical surveys (APAT)* Alessandro Locatelli, *University of Rome “La Sapienza”*

* source: website http://www.aviewoncities.com/rome/romefacts.htm

Helsinki Region: Land use and development

Name of the area/region :	Helsinki Region
Country :	Finland
Most important town :	Helsinki
Population of the area :	970 000
Size of the area (km²) :	764 km²
Population density of the area :	1270 inhabitants per km²
Focus of the case study : The case study of the Helsinki region includes a number of studies with regard to land ownership, land markets, urban planning, various modes of development, private-public partnership, the house market, house finance and public housing. The Helsinki case pinpoints the fact that urban development and the particular regional development in terms of physical shape and urban-rural structural relations is a repercussion of many interconnected factors. The case is interesting in particular because the development of the region is an example of private-public partnership for the purpose of plain private speculation in order to acquire unearned profits of the rise in land value, a process in which public funding has been harnessed to smooth the perpendicular swings of the business cycle and path the way for further concentration in the construction business.	
Authors of the case study : Christer Bengs, *Helsinki University of Technology*	

b) National level cases studies: Ireland and France

see http://www.hut.fi/Units/Separate/YTK/research/ur/cases/ for full versions

Annex 8

Working document and questionnaire of WP 4: Policy recommendations

July 2003

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Content

Acknowledgement

We would like to express our appreciation and thanks to the following people who took their time to respond to our questionnaire survey. It would have been impossible to achieve a representative sample of the urban-rural policies and initiatives which cover most EU counties and meet the objectives of this work package:

Boje Groth, Niels	Forest and Landscape Research Institute, Denmark
da Costa, Prof Eduarda Marques	Centre of Geographic Studies, University of Lisbon, Portugal
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Lindedahl, Christian	UWASA, Finland
Meldon, Jeanne	NIRSA NUI, Maynooth, Ireland
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Soren Smidt-Jensen, Soren	Forest and Landscape Research Institute, Denmark
Spiridonova, Julia	National Centre for Regional Development, Sofia, Bulgaria

Turró, Bassols, Laura	Studies on European Policy, MCRIT, Barcelona, Spain
Vajdovich Visy, Elisabeth	VATI Hungarian Non Profit Company for Urban Development and Town Planning, Hungary
Zonneveld, Dr Wil	OTB Research Institute, Delft University of Technology, The Netherlands

We would also like to thank *Margaret Burton* (CUDEM Research Administrator) for her invaluable help with the financial management of the project.

PART ONE

Introduction

Over the last 40 years various EU policies, communications and initiatives have directly or indirectly affected the development of rural and urban areas across Europe. These policies and their impact on urban and rural development have been subject to numerous, well-documented critical analysis and studies. However, little attempts have been made to study the outcome of these influences on urban-rural linkages[1].

Successive Treaties have increased the influence of territorially significant sectoral policies of the EU on the development and implementation of national and regional spatial policies and the dynamics of urban and rural linkages. Drawing on the ESDP and other sources, it has become clear that the following EU policies have had significant impacts on urban and rural dynamics and, up to some extent, on urban-rural relationships.

1. Agricultural and rural policy particularly the Common Agricultural Policy
2. Regional policy particularly the Structural Funds with their Priority Objectives
3. Community Initiatives and in particular INTERREG, LEADER and URBAN initiatives
4. Article 10 Urban Projects and in particular UPP and TERRA Programme
5. Transport Policy particularly the Trans-European Networks
6. Environment policy especially the Urban Environment and Environmental Action Programmes

A comprehensive review of these policy areas was provided in the First and Second Interim Reports. The Second Interim Report also highlighted the key strengths and weaknesses of each policy area and put forward a preliminary list of recommendations for each. Drawing on those analyses, this executive summary provides key recommendations for improving the EU structural and sectoral policies in such a way that they become more effective in promoting a beneficial relationship between urban and rural areas in Europe.

[1] Davoudi, S, and Stead, D., 2002, Urban-Rural Relationships: an introduction and a brief history, *Built Environment*, 28(4) pp. 269-277

ESDP and urban-rural partnership

Drawing on a range of socio-economic factors and environmental sustainability priorities, the ESDP highlighted the functional interrelationships of urban areas with their surrounding countryside and the need to move away from the compartmentalisation of policies. It called for a re-evaluation of the relationships between city and countryside, based on the integrated treatment of the city and countryside as functional and spatial entities with diverse relationships and interdependencies. More importantly, it strongly argued for the development 'urban-rural partnerships'.

The following policy options promoted by the ESDP should be strengthened and supplemented with more specific framework for implementation:

- Maintenance of a basic supply of services and public transport in small and medium-sized towns in rural areas, particularly those in decline
- Promotion of co-operation between towns and countryside aiming at strengthening functional regions
- Integrating the countryside surrounding large cities in spatial development strategies for urban regions, aiming at more efficient land use planning, paying special attention to the quality of life in the urban surroundings
- Promotion of company networks between small and medium-sized enterprises in the towns and countryside
- Provision of action programmes for the preservation of settlements in rural areas which are affected by reductions in population and set-side schemes
- Promotion of urban - rural partnerships to develop sustainable innovative spatial development strategies for the cities and their surrounding countryside

If these options are to be implemented, it is imperative that the key weaknesses of EU sectoral policies, as listed below, are addressed and the following policy recommendations are taken into account following the review of Structural and Cohesion polices in 2006.

What are the key weaknesses of EU structural and sectoral policies with regard to urban-rural relationships and partnerships?

The review of the relevant EU policies and the analysis of their key weaknesses and strengths, undertaken in Interim Reports 1 and 2, have made it clear that:

1. There is no explicit and pro-active (as opposed to permissive) EU policy measure which promotes complementarities and integration in urban-rural relationships

2. As regards EU Community Initiatives, with the exception of INTERREG III, there is hardly any recognition or promotion of urban-rural linkages

3. Lack of integration between different EU structural and sectoral policies can act as a barrier to the development of territorially integrated policies at the national and local levels and to the promotion of urban-rural relationships and partnerships

4. The existence of separate measures for 'urban' and 'rural' policies is a key obstacle for development of integrated urban-rural initiatives at the EU level. The narrow definition of geographical boundaries of areas that are eligible for funding limits the development of a wider spatial perspective and the inclusion of neighbouring urban and rural areas within the policy space

5. The lack of dedicated financial support (through EU funding) for strengthening and building institutional and local community capacities hinders the effective implementation of urban and rural partnerships in the context of EU policies and initiatives

6. The cumbersome and inflexible procedures of most EU funding programmes inhibits wider participation of rural partners in EU initiatives

What can be done?

Key Policy Recommendations

In order to overcome the above shortcomings there is a need to:

1. Promote urban-rural complementarities and partnerships in all relevant EU policies

Example: Introduction of a specific objective in the regulations of EU policies with significant territorial impacts (Transport, CAP, Environment etc.), pertaining to the development of synergies between urban and rural areas.

2. Promote the territorial / spatial dimension as a way of integrating and coordinating measures for urban and rural issues in structural policies and widen and consolidate the geographical delineation of eligible areas for EU funding

Example: introduce and mainstream a new type of *Horizontal Priority* in Objectives 1 and 2 Structural Funds, possibly based on functional urban regions, which requires the promotion of complementarities between urban and rural areas and promote sub-regional strategies for consolidated boundary delineations that are based on functional urban-rural areas under the Structural Funds Programmes.

3. Integrate the existing measures for urban and rural areas in Community Initiatives

Example: merge Community Initiatives 'Urban' and 'Leader+' into a single programme which allows the coverage of both urban and rural areas.

4. Streamline and simplify the complex and cumbersome administrative procedures

Example: current procedures for Structural Funds Programmes require highly skilled and well resourced partners and hence disadvantage less experienced groups including rural partners.

5. Promote partnership and development of effective institutional infrastructure at the sub-regional / inter-municipal scale

Example: make the establishment of partnership arrangement between neighbouring urban and rural areas (often at a sub-regional scale) a key criterion for the assessment of applications for EU funding.

6. Dedicate ring-fenced resources for the development of local community capacity building in the relevant EU funding programmes

Example: within the different EU policies and programmes, allocate specific financial support for building community capacities to enable effective participation of often less experienced rural communities in the development of urban-rural projects

PART TWO

CHAPTER 1

National policies affecting urban-rural relationships

1.1 Rational for questionnaire survey of urban-rural policies

Whilst it was possible to use existing literature and secondary materials to ascertain the extent to which EU policies promote complementarities between urban and rural areas (see Interim Reports 1, 2 and 3 Part One), the same method did not prove to be appropriate for examining the degree to which national policies affect urban-rural dynamics in European countries.

Hence, in order to examine the existence and nature of urban-rural policies in different European countries, a questionnaire surveys was undertaken during the first half of 2003. The objective of the questionnaire (see Chapter 3 section 3.1) was to *collect examples of current national and regional policies in Europe that address the issue of urban-rural interdependencies directly or indirectly.* Such policies may include for example those aiming at: regulating the development pressures from urbanisation on rural areas, or strengthening the economic structure of declining rural areas or policies which primarily aim at regional development, transport, industry, agriculture, spatial planning, environment and urban development, but have also indirect impact on urban-rural relationships.

The questionnaire was sent to all members of Trans-national Project Team working on ESPON Project 1.1.2 in early February 2003. Respondents were asked to provide at least two policy examples. Given that most of the team members have responsibility to provide information for more than one European country, it was envisaged that a full coverage of EU (27) would be provided. In cases where it was not possible to cover a specific country, the questionnaire was sent to the relevant members of ESPON monitoring committee via the project's lead partner.

By July 2003, 21 completed questionnaires from 14 EU countries (70% of countries covered) have been returned (see Table 1). As can be seen from Table 1, there are still major gaps in terms of country coverage, which is due to a lack of response from the recipients of the questionnaire. The remaining parts of this report provide key analysis and findings of the survey as relates to national policies affecting urban-rural interdependencies.

Table 1: Questionnaire Responses on Urban-Rural Policy, July 2003

Project partners	Countries to be covered	Countries covered	Title of policy
ECP	Denmark Austria Belgium Norway Sweden Switzerland	Denmark (1) Austria (1) Switzerland (1)	• Urban and Rural Zoning: The Planning Act (URZ) • Sectoral Planning (Salzburg) (SPS) • Grundzuge der Raumordnung Schweiz (GRS) *
NIRSA	Ireland	Ireland (3)	• National Development Plan (NDP) • Ensuring the Future – A Strategy for Rural Development (ETF) • National Spatial Strategy (NSS)
SEFEMEQ	Italy	Italy (4)	• Environmental defence and territorial development for overcoming territorial imbalance (Brescia Province) (TPIB) • Territorial plan of the Province of Chieti ** • Territorial plan of the Province of Siena (TPS) • Territorial plan of the Province of Napoli **
CURS	Finland	Finland (1)	• Working Group on Urban-Rural Interaction (WGURI)
AE-TS	France		
TAURUS	Germany Luxembourg	Germany (3)	• Joint regional planning Berlin-Brandenburg (JRPBB) • Policy for Regional Planning (PRP) • Joint programme for the improvement of the regional economic structure (JPI)
RDPRU	Greece		
ÖIR	Bulgaria Hungary Slovenia	Bulgaria (1) Hungary (1) Slovenia (1)	• Policy for strengthening the economic structure of declining rural areas (DRA) • Policy for Granting Urban Status (PGUS) • Strategy of Regional Development of Slovene (SRDS)
OTB	Netherlands	Netherlands (1)	• Spatial Diversity (SD)

CEG	Portugal Spain	Portugal (2) Spain (1)	• Reduction of the Asymmetrics and Promotion of the Regional Dynamics (RAPRD) • Interventions of the Central Administration Regionally Deconcentrated (CARD) • Regional Development Plans for Objective 1 regions (O1R) ***
CUDEM	UK	UK (2)	• Urban White Paper (UWP) • Rural White Paper (RWP)
Total	**20**	**14**	**23**

***** The translation for the Swiss case arrived too late to be used in this report, but will be included in future work.

** The same policy applies in three different areas as some time between 1999 and 2002, only one case (Siena) is therefore used in order to avoid distortion of the outcome.

*** The Spanish case arrived too late to be integrated into this report, but has been included as a case study.

1.2 Country overview

From our analysis of the responses to the questionnaire, the following observations can be made:

Denmark and *Austria* share similar concerns for protection of the countryside from urban sprawl. Denmark actually wishes to increase the independence of rural areas.

This is also the case in *Germany*, to a certain extent. Here the idea is to build up infrastructure to link smaller centres. The focus is on a policy of 'decentralised concentration' and 'territorial cohesion'.

The *Netherlands* has a pre-existing policy of demarcation of rural and urban areas. This is being up-held but some measures are relaxed to allow urban dwellers better access to rural areas for leisure and recreation.

In *Ireland* concern is on preventing mass movements of rural populations to urban areas. The policies entail stimulating the development of smaller urban areas/towns to hold rural communities together and distribute population growth more widely.

In *Italy* there is a desire to foster interdependency and regulate settlement in rural and urban areas. Also diversification of rural employment is seen as a means of retaining rural populations.

In *Bulgaria*, strengthening rural communities by diversifying employment is also central to their policy. Using SMEs to interlink rural and urban is also being promoted.

In contrast to the conservation concerns in some of the western European countries, *Hungary* is encouraging rural areas to apply for town status. This is considered to be a mechanism for facilitating rural development.

In *Portugal*, a key issue is improving the accessibility of rural areas. This will enable integration and make rural-urban relationships a practical possibility.

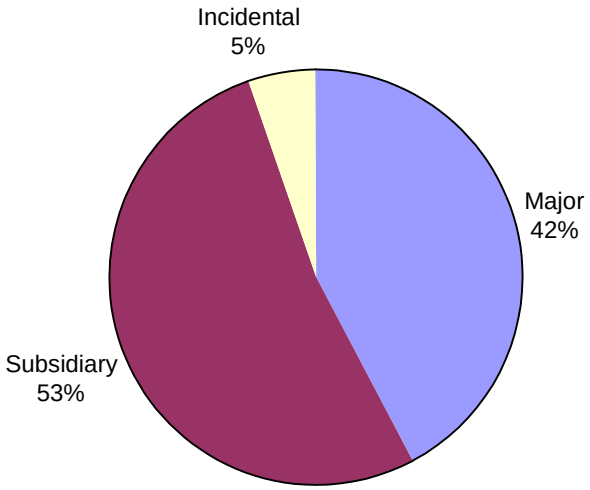
Achieving this connectivity through improvements to infrastructure is a key part of the policy of *Slovenia*.

Finally in the *UK* provision of services for rural areas is an issue, so is restricting development of the 'urban fringe' and developing towns to compete with larger urban centres. This latter policy has appeared in some of the UK led Interreg projects.

1.3 Level of attention to urban-rural relations in national policies

Whilst there are hardly any EU policies that promote complementarities between urban and rural areas, the situation in member states is more promising, yet far from ideal.

Figure 1: The extent of the Urban Rural Focus



As shown in Table 2 below, in 42% of policies received the concerns for making links between urban and rural areas or addressing urban-rural interdependencies were a *major* issue. In 53% such concerns were *subsidiary* to the main objectives of the policy, and in 5% they were *incidental*.

Table 2: The nature of the policy

Country	Q1; Policy Title	**Q2; Initiation date**	**Q3; Initiating body**	**Q4; Scope and application**	**Q5; Implementing Body**	**Q6; Urban-Rural focus?**
Denmark	URZ	1970 initially	National Parliament	The whole country	National government, counties and municipalities.	Subsidiary
Austria	SPS	1995	State Government of Salzburg	Central Salzburg Region surrounding the capital of Salzburg	The regional and local level by municipalities.	Subsidiary
Ireland	NDP	1999	National Government	The whole country	Department of Finance (overall co-ordination) and other govt. dept.s, regional assemblies and authorities, local authorities and private sector.	Subsidiary
	ETF	1999	National Government	Rural regions	Government dept., public sector agency, regional authorities and voluntary sector.	Major
	NSS	2002	National Government	The whole country	National Government, regional and local authorities.	Major
Italy	TPIB	2001	Local authority (Province of Brescia)	Provincial territory and its municipalities.	Region Lombardy (supervisory), local authorities and private sector.	Subsidiary
	TPS	2000	Local authority (Siena Province)	The provincial territory and its municipalities.	Region Toscana (supervisory), local authorities and private sector.	Subsidiary
Finland	WGURI	1998	National Government (Committee on Urban Policy and Committee on Rural Policy)	The whole country	Joint working of public authorities	Major

Germany	JRPBB	1995	Regional authorities, ministry of environment and spatial planning (B'burg) ministry of urbanization, environment and technology (Berlin)	2 Lander (and just the part of B'burg linked to Berlin). Institutional co-operation in planning. Legally binding since 1998.	A regional authority especially installed as joint department of spatial planning for Berlin and B'burg.	Major
	PRP	1965	National authorities	National, but specific issues delegated down to federal level.	Local level.	Subsidiary
	JPI	1969	National authority in co-operation with regional authorities	Concerns whole country, but actions eligible to some regions.	Mainly Lander level.	Subsidiary
Bulgaria	DRA	2000	National Government and EU	Specific regions or municipalities – so called declining rural areas	Local authority, private sector, joint working	Major
Hungary	PGUS	1991	National Government	Whole country	Ministry of Interior and local authorities.	Major
Slovenia	SRDS	2001	The Central State	Specific regions	Local authority, private and voluntary sector.	Major
Nether-Lands	SD	Unclear	National Government	A large part of the country.	'Local land use plan'.	Major – but not to increase linkages
Portugal	RAPRD	2000	Commission of Co-ordination of the Alentejo Region	Part of the Alentejo Region	Municipalities, Enterprises Associations, Regional and Local Development Agencies, Regional and Local entities of the Tourism Sector etc.	Subsidiary
	CARD	2000	Commission of Co-ordination of the Lisbon and Tagus Valley Region	Lisbon and Tagus Valley Region	Marine-Port Institute, Port Institute of the Centre, Metropolitan of the South of Tagus, Road and Transport Agencies and Municipalities.	Subsidiary

UK	UWP	2000	National Government	England (urban areas)	Lead bodies are local authorities and special purpose area-based initiatives.	Subsidiary
	RWP	2000	National Government (department of Environment, Transport and the Regions)	England (rural areas)	Local authorities.	Incidental

Although this indicates a growing recognition of urban-rural interdependencies amongst EU member states, it still points out to a major problem of compartmentalisation of policy. This is reflected in the fact that for the majority of policies reviewed (58%), concerns about urban-rural links were either subsidiary or incidental.

There are a number of reasons for the lack of specific attention to urban-rural relationships (URR) in national policies, and indeed EU, policies, among them the following reasons play a significant role:

- Firstly, there is little understanding about the exact nature of urban-rural interdependencies among policy makers and professionals. Whilst it is acknowledged that developing links between urban and rural areas is an important part of making policies for regional and sub-regional levels, little is known about the dynamics of these relationships.

- Secondly, urban – rural linkages continue to be seen as a simple linear process of rural food supply to urban dwellers and urban supply of manufactured goods to rural population. Such a perception of urban-rural interdependencies is far from the existing complex flows of people, goods, capital, information and services which criss-cross the boundaries of urban and rural.

- Thirdly, the urban-rural dichotomy continues to prevail people's perception of urban and rural areas.

The incidental policy set was, surprisingly, the UK Rural White Paper; all the more surprising as the UK 'sister' document, the Urban White Paper, gives slightly more weight to URR than the rural equivalent. In the case of the urban paper URR is treated as a subsidiary policy aim because greenbelt (i.e. rural land surrounding towns and cities) protection is needed to ensure development is steered to urban sites, which means rural restraint benefits the cities that need new investment - a kind of negative URR. The rural paper tends to treat rural issues in isolation as a solely rural phenomenon, in line with traditional UK government policy history.

1.4: Policy Initiation

While some of the returns mentioned policies which had been in place for thirty five years or more, policies which focused on urban-rural relations (URR) as their major purpose were all relatively recent in conception: most had been developed and adopted in the last five years, including 50% of the total since 2000. The oldest is that adopted in Hungary twelve years ago, but it has a somewhat administrative – rather than functional – emphasis. More recent examples are to be found in Bulgaria, Slovenia, Finland, Germany and Ireland: the latter has the most recent policy and the one that is most closely focused on managing functional relationships.

The agencies which had initiated URR policies varied from 13 (68%) initiated by national governments to 6 (32%) initiated at regional/ provincial level. The predominance of national level initiation suggests a limited potential for policy formulation at regional level, or it may simply reflect the traditional importance of agricultural policy in URR policy debates and the dominance of national governments and the EU in determining agricultural policy. The absence of local authorities from the list of initiators suggests two things: the generally small geographical size of local authorities in the respondent countries (which, therefore, may not cover both urban areas and rural areas) and a lack of urgency of URR issues in local political discourses in EU countries.

1.5: Geographic scope

The scope and application of the policies varied somewhat, probably reflecting governance structures and subsidiarity issues. In the largest category (53%) the URR policy covered the whole country. In 26% of cases a specific region was covered. In one case (5%) two adjoining regions shared a policy – the Brandenburg and Berlin Lander. In the cases of Bulgaria and Slovenia (10% of the total), only a particular kind of rural region (those held at national level to be in decline) was covered by the policy. In the case of Ireland (5%) one of its three URR policies was aimed specifically at rural regions rather than the county as a whole.

1.6: Implementing bodies

In no country was the responsibility for implementing policy solely the preserve of national government: rather, a partnership approach involving national, regional and local level agencies in some combination was predominant. In 32%of the policy sets national, regional and local levels together were seen as key partners. A similar number (32%) relied primarily on local authorities. 26% of policies were the joint responsibility of regional and local authorities together. In 5% of cases a regional authority took responsibility and in another 5% of cases a special purpose authority took responsibility. The latter case was the joint spatial planning authority for Berlin and Brandenburg, connecting two Landers. Some complex bodies were found to be responsible for implementing URR policies, the most complex being those found in Portugal, where a combination of municipalities, enterprise associations, regional and local development agencies and local tourism bodies jointly implemented URR policy in the Alentejo Region.

In some cases private or voluntary sector involvement was mentioned in survey returns. Ireland, in its rural development strategy (Ensuring the Future) and Slovenia (Strategy of Rural Development of Slovenia) sought to involve the voluntary sector. Five URR policy sets made specific mention of a role for the private sector; two Italian provinces (Brescia and Siena), one of the Irish URR policies (National Development Plan), the Bulgarian Declining

Rural Areas policy, and the Slovenian Regional Development Strategy all specifically included the private sector. However, this clearly cannot be taken to mean that voluntary and private sectors do not have a role in implementing policy elsewhere, given the critical necessity for both sectors to be represented for policy to be effective. A more likely explanation for these low return figures is that the private and voluntary sectors do not have a primary responsibility for implementation and management of the policy sets.

1.7: Overview of policy priorities

The survey has revealed a great variety of relevant policies and it is not possible to identify a clear and simple characterisation that would encompass the content of all responses. A detailed listing of policy categories included within the broad policy sets is provided in Figure 2 below and a summary of the policies included are shown in Table 3. Many policy sets mention complex mixes of policy approaches. For the purposes of this section only the main aim of the policy is counted.

Table 3: Brief description of the policy

Country	Policy	Q7; Summary	Q8; Aims and objectives	Q9; Instruments and measures	Q10; Key spatial concepts *
Denmark	URZ	The Act is to synthesise the interests of the country. Specifically urban-rural zoning is to avoid urban sprawl for economic reasons and protect rural areas for aesthetic reasons.	Stop the sprawl of urban into rural, create a clear boundary between the two with complementary, but specific functions. Develop services for the hinterland from the cities.	National Reports for Spatial Development, regional plans, municipality and local plans.	Rural districts defined as areas outside urban zones. Also sub-divided; rural areas in proximity to urban centres, rural municipalities and sparsely inhabited areas.
Austria	SPS	A spatial planning policy to limit industrial development and housing to certain areas and to avoid urban sprawl.	Define a polycentric development model with four layers; regional, secondary and supplementary centres and those with most limited development.	For the last category a binding limitation on habitation of 15% per ten years. Connection of rail terminals to specified industrial areas.	Peri-urban policy, polycentric-axial development model.
Ireland	NDP	Plan designed to underpin the development of a dynamic competitive economy (2000-2006)	Fostering balanced regional development and broader social and economic aims.	To be delivered through three Operational Programmes and two Regional Programmes, Cap measures and the Peace Programme.	Gateways – urban growth centres to complement the existing urban centres and to drive development throughout both Regions.
	ETF	Address the issues of economic and social underdevelopment in rural areas and improve the conditions and role of smaller urban centres.	Promote rural employment, counter migration and depopulation and meet the needs for public service delivery in rural areas.	Implementation through the National Development Plan and Regional Operational Programmes.	No comment
	NSS	Strengthen the 'drawing power' of areas outside of Dublin, bringing people, services and employment closer together, reducing congestion, etc.	Promote strategically located places as part of an 'all-Ireland network' which will energise the potential of rural and urban areas. Balance activity between over and under developed areas.	Support the development of key 'hubs' and 'gateways' to connect rural and urban areas. National transport framework to facilitate connections.	Potential, critical mass, gateways, hubs and linkages. Also complementary roles (eg towns to act as 'local capitals' providing services to rural areas.

Italy	TPIB	Creation of interdependency through certain sectoral policies, especially environmental protection, water and soil defence.	To organise the territory as a polycentric settlement system and ensure participation.	Introduce a permanent conference of municipalities 'mountain communities.'	Subsidiarity, polycentricity, sustainability, infrastructures accessibility, environmental protection and conservation.
	TPS	A strategic plan to regulate the possibilities of development in rural and urban centres.	To assure the permanence of the traditional rural landscape structure.	Establishment of high level services and sustainability of local services.	As with TPIB above.
Finland	WGURI	Comparison and interaction of urban-rural policies	Creation of new kinds of links between the urban and rural areas	Spreading information through reports, seminars and internet.	No comment
Germany	JRPBB	To lead the development of linkages between Berlin and Brandenburg into a sustainable and balanced future perspective.	To establish equivalent living conditions. To make the urban areas attractive for inhabiting, restore existing assets of buildings and renew brown field sites. Limit land consumption and reduce impact on nature, but develop the landscape spatially.	Treaty between ministries, joint programme and plan for regional development, territorial impact assessment and adjustments in the separate plans for urban land use of both B'burg and Berlin.	Decentralised concentration (system of central towns on few hierarchical levels) disburden the agglomeration zone and improve the development perspectives of 'disadvantaged zones'. Sustainable development, protection of the environment, land use management and location policy.
	PRP	To try and encourage the 'ideal development' of the territory.	To reduce the differences of economic development and infrastructure supply and maintain sustainability.	Territorial impact assessment (legally instrument).	Decentralised concentration, and sustainable development.
	JPI	Funding of regions (mainly rural) that are lagging behind.	Establish and maintain jobs to equalise living conditions across regions.	Investment assistance and support funding. Also some pilot projects.	Regional economics; export-basis theory, territorial cohesion, decentralised concentration, hierarchical system of central towns.

Bulgaria	DRA	Improvement of efficiency of agricultural economies, diversification and better links between urban and rural.	Creation of opportunities for versatile activities and alternative income generation, development of urban rural partnerships, reduction of migration and preservation of rural communities.	National plan for development of agricultural and rural areas, regional and local plans for development, land use and spatial development plans.	Integrated development, economic diversification, sustainable development, environmental protection, land use management, peri-urban, rural, urban-rural.
Hungary	PGUS	Rural communities now able to apply for town status and thereby obtain better financing.	Obtaining urban status allows for more services and so improve centre periphery relations.	Legal application by municipality.	Peri-urban, centre-hinterland.
Slovenia	SRDS	Stimulate development of regional centres, sharing functions between them, forging urban rural partnerships.	To ensure differences between regions do not increase and preserve minimum density of settlements.	Improvement of the infrastructure and thereby the competitive position of the region.	Polycentric development of the network of cities and other settlements.
Nether-Lands	SD	Safeguarding an unspoilt countryside and the demarcation of areas. Keeping urban and rural physically apart.	Make a clear-cut division between urban and rural areas.	Restrict development in rural areas, but invest in high quality recreational space and accessible nature reserves.	The 'green heart' and the 'buffer zone'.
Portugal	RAPRD	Confront the asymmetries in life conditions between depopulated interior and densely populated sub-areas of the country. Also alter the agricultural basis, sustain water provision and increase rural tourism.	Increase influence of irrigated field area, raise capacity of agro-industrial transformation and new accessibility, diversify regional productive base.	Innovative actions in agro-industry, support actions for the tourist industry , reconversion projects of the airport infrastructure of military base.	Combat physical desertification and de-population, integrated development, multiple objectives, irrigated field, economic diversification, managerial agriculture, deep rural area.
	CARD	Relieve congestion in urban areas and improve accessibility in remote areas.	Promote sustainable and balanced development in the region and improve competitiveness.	Improvement of road and port systems, implementation of rail changes.	Accessibilities, territorial equity.

UK	UWP	The use of physical means, spatial planning etc. to improve quality of life in declining urban areas.	More restriction in the development of the urban fringe, supporting rather urban regeneration programmes.	Traditional planning system measures, boosted by recent national planning guidance.	Urban renaissance, neighbourhood renewal
	RWP	Guidance on issues facing rural communities and the countryside. A framework for policy at the national level and a programme for action at the local level.	Promotion of a living, working, protected and vibrant countryside, with good services, diverse economy and ability to voice its concerns.	Health, education, transport and housing programmes and £2.6 bill to rural programmes and £100mill to market town regeneration.	Rural proofing, countryside indicators, reducing development pressure.

* The analysis for this question has been undertaken as a part of work package 2

The most common, if vague, aim for the policy sets concerned seeking 'balanced regional development' (26%). Sixteen percent of the policies emphasised prevention of sprawl/ merging of rural and urban land and another 16% mentioned the maintenance of viable rural services and economies as the main aim of the policy set. There is an interesting contrast here between those restrictive polices which seek to use rural protectionism to contain unwanted urban growth (and therefore help make urban development more compact and sustainable) and those which seek to promote the attraction and quality of life of rural areas. The latter approach is more typical of places suffering rural depopulation (e.g. the Irish Strategy for Rural Development, ETF, but also the UK Rural White Paper), whilst the former is more common where urban-rural migration is a bigger problem (e.g. the UK Urban White Paper, and Berlin-Brandenburg joint regional planning).

Both the Brescia Province TPIB and Sectoral Planning Salzburg (together 11%) specifically targeted the achievement of polycentricity as a key policy goal which involved URR issues. Other main policy aims were each preferred by 5% (i.e. one mention each) of the policy sets (that is three times 5%). The protection of distinctive rural character was preferred in the Territorial Plan for Siena; making urban-rural links was key for Finnish Working Group on Urban-Rural Interaction; developing agriculture through more effective irrigation was key to the RAPRD in Portugal and improving the status, services and finances of rural towns was a key issue for the Hungarian Policy for Granting Urban Status programme.

1.8: Instruments and measures

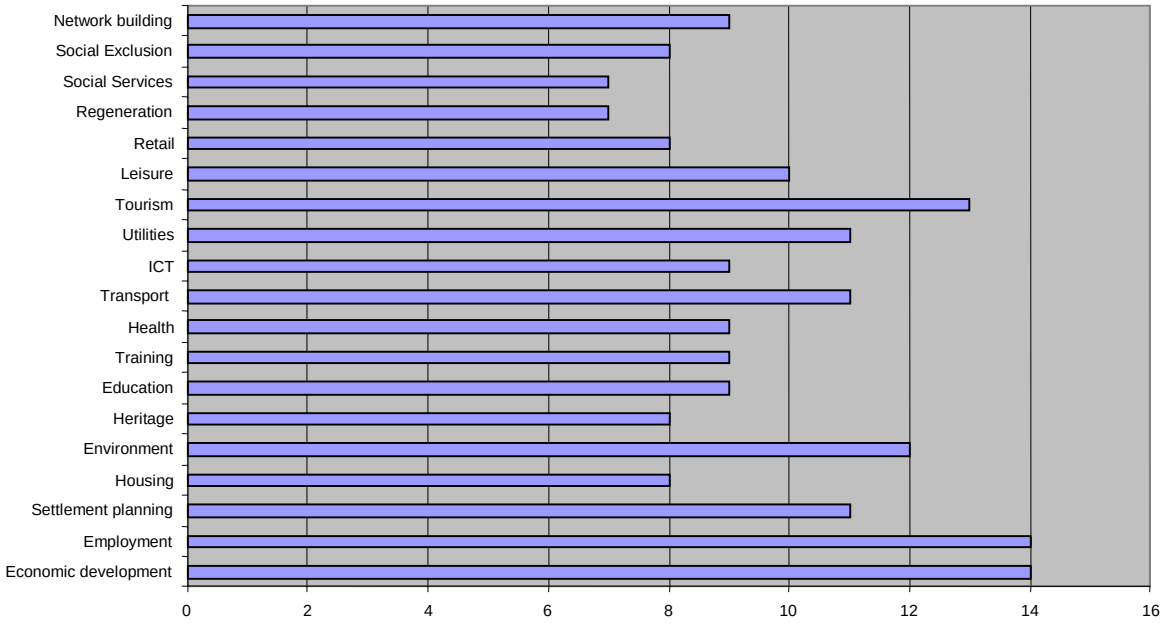
If there is a wide variety of priorities stated in the policy sets, there is an even wider variety of approaches taken to implementing those policies. The largest category, at 16%, favoured the use of established spatial planning hierarchies from national to local level as the main instrument to achieve the policy set, as found in Denmark, England and Ireland. The Netherlands Spatial Diversity plan and Salzburg Sectoral policy (11%) both favoured hard restrictions on growth of rural settlements, whilst another 11% favoured rural infrastructure improvements (Irish National Spatial Strategy and the Slovenian Regional Development Strategy). All other approaches were favoured by 5% of policy sets. These ranged from high level rural service improvements to retain viable rural settlements (territorial plan for Siena) through large scale rural economy investments to counteract Foot & Mouth Disease (UK Rural White Paper) to better information dissemination about rural programmes (Finland WGURI).

1.9: The focus of the policy

The key themes addressed by policies are shown below in Figure 2, (the actual national policies concerned are shown in Table 4). Again, no dominant

thread of thinking is readily apparent, but there is a tendency for economic policy objectives to assume a greater significance than other objectives.

Figure 2: Type of activities



A greater number of policies have a concern for promoting economic development, employment and key growth sectors (tourism) than are concerned with provision of key social assets, such as housing and retail services. However, in some cases – UK and German initiatives, for instance – there is explicit recognition that what is needed is a comprehensive approach, simultaneously addressing a wide range of social, economic and environmental actions. Economic development is mentioned by 78% of policy sets, making it, together with employment policy, the most important single sector of policy. Tourism/recreation is mentioned in 72% of policy sets and tourism has clear economic and employment implications for urban-rural policies. It could be said that the economy and jobs represent the most influential element in the urban-rural policy sets examined in this report.

Table 4: Q11 What type of activities/issues does this policy cover?

Activities	D	Ireland			Italy		F	Germany			B	H	S	N	Port		UK		Total %
	URZ	NDP	ETF	NSS	TPIB	TPS	WGURI	JRPBB	PRP	JPI	DRA	PGUS	SRDS	SD	RAPRD	CARD	UWP	RWP	
Economic Development		X	X	X			X	X	X	X	X		X	X	X	X	X	X	**77.7**
Employment		X	X		X	X	X	X	X	X	X	X	X		X		X	X	**77.7**
Settlement planning	X		X	X	X	X	X	X	X				X	X				X	**61.1**
Housing		X	X	X			X	X	X					X				X	**44.4**
Environment	X	X	X	X			X	X	X				X	X	X	X		X	**66.6**
Heritage			X	X			X	X	X						X			X	**44.4**
Education		X	X		X	X		X	X			X	X					X	**50**
Training		X	X		X	X	X	X	X				X					X	**50**
Health		X	X		X	X		X	X			X	X					X	**50**
Transport		X	X	X				X	X	X	X	X	X			X		X	**61.1**
ICT		X		X			X	X	X	X	X		X					X	**50**
Utilities (water, energy, waste)		X	X	X	X	X		X	X	X	X				X			X	**61.1**
Tourism/ Recreation	X	X	X	X			X	X	X	X	X			X	X	X		X	**72.2**
Leisure/Culture/ Sport		X		X	X	X	X	X	X						X	X		X	**55.5**
Retail					X	X	X	X	X				X			X		X	**44.4**
Regeneration					X	X		X	X				X				X	X	**38.8**
Social Services			X	X				X	X			X	X					X	**38.8**
Social Exclusion		X	X		X	X		X	X								X	X	**44.4**
Network building/ Partnerships		X			X	X	X	X	X			X	X					X	**50**

Note; Not given for Sectoral Planning (Salzburg)

However other issues remain important, with, for instance almost 67% of policies referring to environment and 61% of policies mentioning settlement planning, transport and utilities the next most mentioned elements. The latter two are unsurprising, given that the twin aims of retaining economic viability and protecting distinctive rural environments are traditionally key characteristics of so many rural policy sets and settlement planning is the most obvious spatial planning intervention to help achieve the twin aims.

1.10: Effects of policies on urban-rural relations

The discussion above has analysed the contents and approaches of policy sets which impinge more or less strongly on URR. This section tries to establish how much the discourse encouraged by these policies has actually raised consciousness amongst policy makers about urban-rural relations per se, and the extent to which the pursuit of improvements in urban-rural relations is being explicitly addressed through policy (See Table 5). Has URR become an important aim of policy, or is it a marginal by-product of other urban- or rural- centred policies?

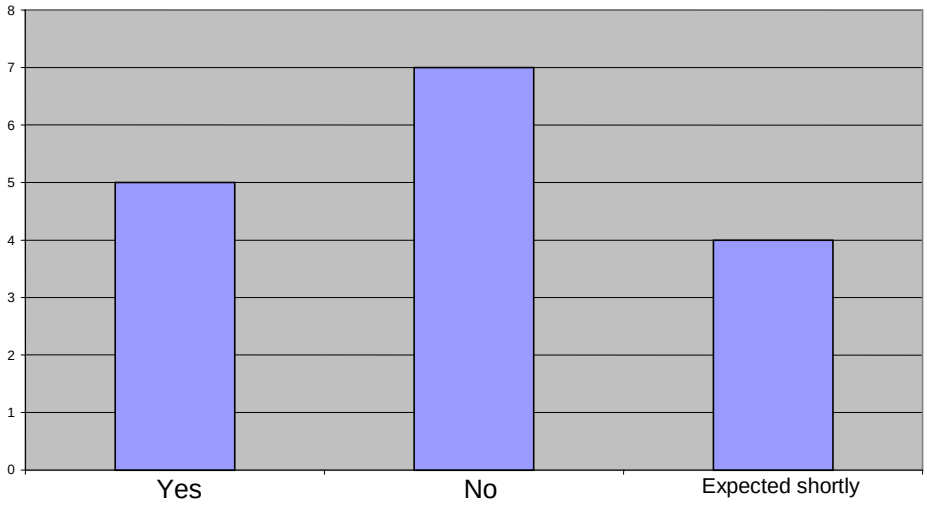
The most often quoted expected effect of URR policies (32%) involves improving the relative attraction and viability of rural areas to reduce urban-rural disparities and to reduce rural dependency on urban service provision and labour markets. The Danish Urban and Rural Zoning policy, the Hungarian PGUS and the Rural White Paper in England are all examples. The closely related aims of increasing urban-rural complementarity, balance and interdependency are sought by 17% of the policy sets, including those of the Irish National Spatial Strategy and the JRP for Berlin-Brandenburg. Also favoured by 17% is the pursuit of multiple links between urban and rural areas. For example the Bulgarian DRA policy seeks links in terms of economic links, company networks, land-use co-operation and other complementary functions, whilst the Slovenian SRDS covers linkages of transport, telecommunications, regional development and 'communal infrastructures'. There is an interesting contrast between policies seeking greater dispersion from an overcrowded capital (from Dublin in Ireland) and those seeking to contain or return growth to cities (the English Urban White Paper and Sectoral Planning Salzburg). In Portugal rural depopulation has resulted in policies to promote rural infrastructure to support employment growth and investment. Interestingly, the Netherlands Spatial Diversity plan represents an unusual policy aim to make green spaces surrounding cities more accessible to urban populations for recreation, suggesting urban restriction policies may have been too strict in the past. At the same time the English Urban White Paper seeks to strongly resist growing development pressures at urban peripheries to promote more harmonious URR.

Because the policy sets described here are largely very recent introductions, it is unsafe to draw strong conclusions about their effects. What is reported above is based on expectations, to some extent speculation, and assumptions that the stated aims of policy sets will actually be achieved. The next section confirms the conditional nature of any conclusions made now. However these findings are useful in 'signposting' the likely direction of URR policy effects. Unfortunately the signs are pointing in several directions at once, with the main themes being; a) improving the relative viability of rural locations vis-à-vis more robust towns and cities, b) building stronger links, complementarities and interdependencies between urban and rural places and c) restricting either urban or rural growth to advantage either rural or urban places. The next stage of the study will help to clarify and resolve these apparent contradictions in policy direction.

1.11: Evaluation of policies

Although many of the policy sets are too early in their policy cycle to evaluate in a meaningful way, it is worth summarising the current state of play of evaluations of URR policies. The majority of policy sets in the survey (58%) had received no serious evaluation attention and none was proposed soon. A further 11% had received a partial evaluation; 16% would be evaluated soon. Only 16% had been properly evaluated (see Figure 3 below).

Figure 3: Evaluation of the policy



In the case of Urban and Rural Zoning in Denmark, the evaluation had found that rural population decrease through improvements in rural services had not been countered in the way intended. The response to this finding has been a switch in policy towards 'softer' planning regulation designed to encourage diversification of former farm land and buildings. In the case of Sectoral Planning Salzburg a self-evaluation had found a continuing move from rural areas to main cities, suggesting policy was ineffective. New approaches, such as housing subsidies for rural housing are now being considered. The PGUS policy in Hungary found limited success in promoting the supplier role of towns for their hinterlands, and 'more robust policy' is proposed, as yet unspecified.

Table 5: The focus of the policy

Country	Policy	Q12; Effect on urban-rural relationships	Q13; Formal evaluation? If so recommendations?
Denmark	URZ	Local centres have been developed to provide a range of services for their 'hinterland' and so make rural areas independent of many services found only in larger cities.	Yes, decrease of rural population has not been countered. So softening of planning regulations on the use of former farm areas has started and diversification encouraged.
Austria	SPS	Reduction in settlement growth of the municipalities and the channelling of demand to the capital and regional centres. Exact impact unspecified.	Self-evaluation, defined measures not sufficiently effective. Other sectoral strategies, such as housing subsidies may be more advantageous.
Ireland	NDP	Measures are designed to distribute growth more widely through the regions, relieving pressure on Dublin and supporting rural development. Improving infrastructure of disadvantaged regions should increase socio-economic cohesion between urban and rural areas.	Mid-term review to commence shortly.
	ETF	To put in place a strategic framework for rural development and ensure balanced and sustainable development rather than contribute to URR per se.	No, review will commence shortly.
	NSS	By drawing attention to the complementarity of roles.	No, too new.
Italy	TPID	Countering the reduction of agricultural employment with new types of rural development.	No comment
	TPS	Creating an inter-urban network system and a services network, while respecting the environment.	No comment
Finland	WGURI	It has become a discourse, regional development actors no longer able to ignore. Hence indirect effect. New kinds of links have been created and will get legitimacy through benefit to each population. Rural areas in weaker position than urban though.	No. The group has found it hard to assess, difficult to grasp – too close to the experience of ordinary life.
Germany	JRPBB	Joint regional policy implemented to balance the impacts of all structural dynamics and flows between the urban (agglomerated, metropolitan) zone and the rural (surrounding, sub-urbanised) zone by planning activities.	No formal evaluation.

Germany	PRP	Attention is given to all spatial types and their interdependencies, but especially on urban or agglomerated areas and their relationship with the suburbanised surroundings.	None as yet, though some analysis of the spatial situation and changes to it.
	JPI	Urban rural disparities to be addressed by funding and the supply of infrastructure and interventions in the labour market.	No formal evaluation of the policy outcomes, just of the administration and funding.
Bulgaria	DRA	Create new links between urban and rural areas; economic links, company networks (SMEs in towns and countryside) land-use co-operation and the promotion of complementarity of functions while preserving the identity of rural and urban communities.	Annual reports on development of agriculture and rural areas.
Hungary	PGUS	Impacted through developing the supplier role of towns in terms of employment, health and education provision, transport and social services.	Evaluated yearly by Ministry of Interior. Success in a limited sphere acknowledged. But a more robust policy is needed to address urban rural relations and attain a more balanced urban system.
Slovenia	SRDS	Improving traffic, telecommunication, regional development and communal infrastructures. Establishing linkages between urban and rural communities.	No
Nether-Lands	SD	Restrictive policy has become more relaxed, focusing on access to rural by urban, so city citizens can use green spaces.	No, but academic evaluations have been undertaken, see questionnaire.
Portugal	RAPRD	Generally by promoting economic and social development, tourism, implementing the 'irrigation global system' and improving accessibility between urban and rural areas.	Initial informal evaluation not encouraging as to the fulfilment of the aims of the policy. Fuller evaluation of each measure to follow.
	CARD	Improving transport and therefore accessibility increases the opportunity for URR and for employment crossing the two areas.	Evaluation expected at the end of 2003.
UK	UWP	By reducing commercial, employment-related development pressures on the urban fringe it is expected that URR will be more harmonious.	No formal evaluation known.
	RWP	Some re-balancing attempted by strengthening towns to compete with urban areas. Also focusing on maintaining a viable countryside by restricting development into certain areas.	No.

A partial evaluation of RAPRD, Portugal, was 'not encouraging' (not yet clear why) and the administration and funding elements of the JPI in Germany had been evaluated, but the results are not known. The most striking finding here is the majority of policy sets for which no evaluation is yet intended. This suggests that, despite the urgency, newness and largely experimental nature of URR policy sets, measurement of their effectiveness is not seen as important by the implementing authorities. Apart from making it more difficult for this study programme to come to conclusions about policy effects, this seems to indicate an extraordinary complacency about URR policies right across the EU.

There is, of course, an inherent difficulty in seeking to uncover national policy approaches to managing urban-rural relationships through a survey which focuses on specific policy documents. Much national policy is represented by substantial accretions of layers of policy, built up over time, and specific policy documents operate within this enveloping context of policy. So, in the UK for example, the Urban and Rural White Papers need to be seen in the context of national thematic policy guidance and of regional planning strategies. Much of this subscribes to doctrines of protection of the best agricultural land and rural environments, managing physical development through establishing settlement hierarchies, and the pursuit of sustainable development. In this context, Ireland perhaps represents an interesting case in that it has recently comprehensively reviewed and overhauled its spatial planning system. This has enabled it to develop a system which adopts approaches which resonate with the framework provided by ESDP and to recognise key contemporary issues – including the issues of the development pressure facing its capital city and the continuing problem of rural depopulation.

1.12 Selected examples of national policies[2]

Bulgaria: Policy for strengthening the economic structure of declining rural areas

Description:

A national programme depending on local authorities, private sector and joint working, defined by the Law on Regional development (1999) of the Bulgarian Legislature. The policy is aimed at *strengthening of the economic structure of declining rural areas* is regulated by the Regional Development Law, which defines also the **"**Areas for purposeful impact (API)". *Declining rural regions* are one of the types of API and are defined as areas in which the majority of the able-bodied population is engaged in agriculture. They are characterized by income level below the national average, underdeveloped infrastructure and negative demographic processes. The policy aims at integrated development, economic diversification, sustainable development, protection of the environment and land use management, The SAPARD Programme (EU) also plays a role in the policy for strengthening of the economic structure of declining rural areas. It finances the implementation of the two major objectives of the National Plan for Development of

[2] We have included 5 detailed policy case studies, the remaining cases to represent the other respondent countries will be completed in the next phase of the study.

Agriculture and Rural Areas in the Republic of Bulgaria (2000-2006): 1) Development of efficient agricultural production and competitive food processing sector; 2) Sustainable development of rural areas.

How the policy affects URR:

Improvement of the economic links between the towns and the villages; improvement of the transport access to and connections with the transport centres; consideration for the specific life-style in the city and in the village; provision of access to information and knowledge by means of development of the communication infrastructure; development of recreation zones for the urban population; improvement and development of the services network for rural settlements.

The main aims and objectives of the programme are: Development and diversification of economic activities, creation of opportunities for versatile activities and alternative income generation; Improvement of the conditions of work and living, diminishing of migration of the local population; Preservation of rural communities and development of urban-rural partnerships.

The focus of the policy:

The policy focuses on the creation of new kinds of links between the urban and rural areas:

- Improvement of the economic links between the towns and the village;
- Promotion of company networks between small and medium-sized enterprises in the towns and countryside
- Promote co-operation in the development of infrastructure and service facilities;
- land-use co-operation (for work, recreation, leisure).
- Promotion of complementarily functions while preserving the identity of the urban and rural communities.

How the policy is implemented:

The key instruments and measures include: The national plan for development of agriculture and rural areas - 2000-2006 - mainly SAPARD (EU funded) measures; regional and local plans for development; land use and spatial development plan.

Comment:

This policy deals with URR as an integral part of a national economic and spatial planning programme. EU SAPARD funding has enabled some focus on the URR dimension which might otherwise have been played down. The orientation of the policy reflects Bulgaria's great need for investment and development in a competitive global climate and an economy which is unusually, for Europe, dependent on agriculture for employment and exports.

The emphasis is on rural development rather than on protection of rural areas from urban incursions.

Germany: Gemeinsame Landesplanung Berlin-Brandenburg (GLBB)

– Joint programme for regional development and a development plan for the functional region; [includes: the joint programme for regional development of Berlin and Brandenburg (LEPro) and the joint plan for regional development for the functional region Berlin-Brandenburg (LEPeV)]

Description:

The Berlin and Brandenburg *Länder* together are a functional region linked by joint labour market, joint housing market, industry, transport, services, education, culture, trade, landscape etc. The linkages have been getting more dynamic every year since the re-unification 1990. To reflect this reality Berlin and Brandenburg have linked their regional/spatial planning authorities. This region is undergoing the most rapid transformation of any part of Germany, connected with Berlin's new role as the federal capital, hence the need for urgent coherent planning.

GLBB is a partnership between the Berlin and Brandenburg *Länder*, begun in 1990 with a treaty on joint regional planning and institutional co-operation agreed in 1995. It is unique in Germany (the Hamburg and Bremen *Staadstaten* have informal regional planning agreements with their surrounding *Länder*).The initiating bodies were the regional authorities: ministry of environment and spatial planning, Brandenburg, and ministry of urbanization, environment and technology, Berlin. The Joint Spatial Development Department was formed in 1996 and the first development plan based on the Treaty has been legally binding since 1998. There is a regional planning conference and council, for decision making, made up of the five regional planning communities of groups of local authorities.The policy is mainly sub-regional in scope. The Brandenburg Land completely surrounds Berlin, but the GLBB policy only involves the Berlin urban fringe area of Brandenburg.

The GLBB aims at a comprehensive range of regional objectives encompassing transport systems, efficient land utilisation, development and regeneration, economic growth, infrastructure and fabric renewal. The spatial policy aims most relevant to URR include pursuit of sustainable development, to limit the land-consumption, to reduce impacts on natural fauna and flora and to develop the landscape as space for economic purposes, social life and nature.

How the policy affects URR:

An underlying concept of GLBB links to the widespread German spatial planning concept of *decentralized concentration* (system of central towns on few hierarchical levels). This approach aims to reduce agglomeration pressures in the urban pressure points and to redirect development pressures to improve the development prospects of the disadvantaged localities. This, in turn, links to arguments in favour of *polycentricity.* The overall aim of this approach is to share the benefits of development as equitably as possible between the different people and localities of the joint region, following constitutional law requiring equality of economic opportunity. But scarce public funds mean that infrastructure investments and promotion policies will need to focus on areas of opportunity.

The key related concept of *sustainable development* is added to the concept of decentralized concentration, especially for the fields of protection of environment, land use management and location policy. Protection natural resource potentials is given high priority, both for Brundtland principle reasons and to retain and improve the attractiveness of urban living. Brandenburg still has a high level of agricultural production and many attractive natural areas, which will need careful protection from uncontrolled development pressures.

The urban fringe of Berlin *(inner development area)* has a settlement density about half that of similar regions elsewhere in Germany, so the sudden increase in development pressures (population growth of about 300,000 1990-2010) makes the fringe unusually vulnerable to over-rapid and ill-considered projects and the urban sprawl of out-of-town retailing and leisure and commuter settlements. The URR focus of the regional plan is therefore one of urban development constraint combined with well-planned facilitation of 'sustainable' new developments which minimise urbanisation impacts. Eight growth centres in the immediate Berlin hinterland, with good railway connections, will take the brunt of the expected controlled suburbanisation.

The *outer development area* of the regional plan includes parts of Brandenburg with some of the lowest population densities in Germany and still suffering depopulation to the regional centre. A priority for the plan here is to provide a catalyst for new employment generation and urban renewal to stabilise population and improve quality of life. A network of eleven *regional development centres* will be combined with natural area protection and recreational resource development appropriate to this predominantly rural area. Six of these centres, in the more accessible 'urban crown' area will act as nodes for new public infrastructure and development Five of these centres are in very rural or mining areas suffering depopulation.

A settlement expansion hierarchy is included in the plan, with strict minimum limits on the amount of open space to be protected from development. The main growth centres, all centred on railway stations, will be allowed to increase their populations by 50%. At the next level, smaller towns will be allowed to grow by 25%, and over 200 villages will be restricted to 10% growth, to protect the 'cultural landscape'.

The focus of the policy:
The overall policy deals with the whole range of 'city-region' (*Verflechtungsraum)* issues. As such it is not a distinctly urban-rural strategy. The special approach of GLBB is that the policy of joint regional planning aims to deliver a balanced treatment of these issues both for the agglomeration zone of Berlin and for the sub-urbanization zone of Brandenburg.

How the policy is implemented:
First is the Treaty between the ministries for spatial/regional planning to the Länder Berlin and Brandenburg; followed by a joint programme for regional development of Berlin and Brandenburg (LEPro); than the joint plan for regional development for the functional region Berlin-Brandenburg (LEPeV). As part of the latter a TIA (territorial impact assessment), covering, e.g. transport system, shopping malls is needed. Following these actions adjustments will need to be made in the respective plans for regional development and for municipal urban land use planning of both Berlin and Brandenburg.

To complement the formal planning procedures described above, informal collaborative planning is also encouraged within the GLBB. An example given is that of the *regional parks* in the Berlin hinterland. In these parks, informal networks representing the different natural resource, recreational resource, development and planning bodies meet to determine how best to preserve the value and accessibility of rural land for urban dwellers and local residents. A chain of regional parks totalling 2,000 sq km around Berlin is intended.

Comment:
According to the federal structure of Germany, the level below the national one is represented by the. The national level has very few legal powers over spatial planning, which makes the *Länder/ regional* level much more powerful than in most other EU countries. The *Länder* have extensive administrative and legislative rights and duties, following the principal of subsidiarity. These *Länder* can either be larger territorial units consisting of several counties (=*Flächenland*, e.g. Bavaria) or smaller units only involving a metropolitan territory (=*Stadtstaat*, e.g. Berlin). The situation of these *Stadtstaaten* is quite specific, as the administrative delineation cuts the strong functional linkages between *Stadtstaat* and its surrounding / its sub-urbanization, that together form a functional region (*Verflechtungsraum*), however defined. These conditions can be problematic for some policy fields like labour market, transport, housing market and other aspects of spatial planning such as urban-rural relations, because this functional region belongs to 2 *Länder* with their own administration and their own legislation. To meet this problem, the *Länder* Berlin (*Stadtstaat*) and Brandenburg (*Flächenland*) have jointly agreed to pursue "enduring joint regional planning" and have formally committed to political co-operation for spatial planning through the GLBB.

Denmark: Urban and rural zoning legislation: The Planning Act, 1970

Description:
Denmark has been divided into rural and urban zones since 1970. Formerly zoning was only undertaken in regions of the largest cities. With the introduction of the Planning Act in 1970, the entire territory of Denmark was divided into urban zones, summer cottage areas and rural zones. All of Denmark is involved, with implementation by national government, counties and municipalities.

The Planning Act synthesizes the interests of the whole country by nationally establishing the overall framework for regional and municipal planning through national planning initiatives, directives and guidelines (national level), regional plans (county level) and municipal plans (local level). Within this framework urban-rural zoning is carried out from the principal level to the concrete designation by local plans. The idea of the policy was twofold: On the one hand urban sprawl was going to be avoided for economic reasons- On the other hand rural areas were going to be protected for æsthetic reasons and for the protection of the primary sector. Formerly, zoning was undertaken only in the regions of the largest cities. By the time of the planning reform in the early 1970s urban-rural zoning was made obligatory across the whole territory of Denmark because the "urban and rural zones act", was incorporated into the Planning Act.

*According to the Danish planning legislation, rural districts (*landdistrikter*) are defined as all areas outside urban zones. Further, housing in rural districts is predominately individual owner-occupied dwellings. Due to the increasing daily commuting and the Danish tight tissue of cities rural areas close to the larger cities are effectively commuter suburbs.*

How the policy affects URR:

The scope of the policy is to *restrict urban development to the cities* and summer cottages to summer cottage zones. Thus, the planning act divides Denmark into urban zones, summer cottage areas and rural zones with very restricted rules for development in rural zones. The rural zones include the countryside and all villages not situated in urban zones. In general, only buildings and constructions related to agriculture and forestry is permitted in the rural zones.

The division of the country into urban and rural zones has a main intention of protecting the countryside from urban sprawl and unplanned development. Zoning protects recreational and valuable landscapes and ensures good agricultural production opportunities. Zoning creates a clear boundary between urban areas and the countryside and protects recreational and valuable landscapes and ensures that agriculture retains good production opportunities.

The focus of the policy:

Spatial planning aims at making the local centres able to provide a broad range of services for their hinterland, intending to make rural areas independent of many services normally only found in the larger cities. *However, balanced urban-rural territorial development is addressed implicitly, with* no explicit mention of rural-urban interdependencies in Danish planning policy*. In each regional plan, covering rural as well as urban areas in a county, a range of municipal and local centres is pointed out. The regional and municipal spatial planning aims at making these cities able to provide a broad range of services for their hinterland and in that way also being able to make rural areas independent of many services only found in the larger cities. The high-order service funtions is located in the national centres (*Landsdelscentre*) as assigned by the national plan for spatial development.*

How the policy is implemented:

The Planning Act and spatial plans on national level (e.g. National Reports for Spatial Devlopment), regional level (Regional Plans) and local level (Municipality Plans and Local Plans).

Comment:

The effect of the 1970 Act policy has been questioned. The protection of the rural areas, along with concentration of agriculture has reinforced the rural depopulation, raising the development of rural areas as a political concern. Accordingly, the authority of issuing building and planning permits in rural areas have been decentralised and a certain deregulation of the rules has taken place. Formerly, building and planning permits in rural areas were issued by the regional authorities, i.e. the counties. This has recently been changed. Rural zone permits are now issued by the municipalities, at the risk of a loss of integrated overall planning of the open lands, independent of specific local interests.

Further, a softening of the regulations on construction and the use of former farm buildings for other purposes has taken place to promote development in the rural zones. Some construction projects no longer require a "rural zone permit". Former agricultural buildings can be used for craft and industrial enterprises, small shops and one dwelling as well as for storage and offices, and expansion for rural SMEs made easier.

Danish national concern for balanced urban-rural territorial development is addressed *only implicitly* through national planning policy, therefore not systematically or coherently. This is, probably, the norm for spatial planning approaches in EU countries. It is likely that, as in Denmark, concern with URR issues is embedded implicitly, even unconsciously, in many national spatial planning regimes. This would help explain the difficulty of identifying spatial policies that address URR for the purposes of the current study.

Finland: Working Group on Urban-Rural Interaction

Description:
Initiated late 1998 by the National government, meaning jointly the Committee on Urban Policy and Committee on Rural Policy that invited several policy and expert bodies to participate in the working group

The Working Group was part of a national movement throughout Finland to foster discussion and discourse between the urban and rural bodies, interests and agencies, to learn from each other, identify the URR issues of the country and to promote urban-rural policy initiatives. During the first years discussion mainly took the form of joint working between public authorities. It has gradually involved more actors from the regional and local levels, including voluntary sector. The working group has indeed started to talk about "urban-rural interaction policy", which means quite a heavy statement in the field of Finnish regional development policies (comparison to urban and rural policies is implicit here).

The motto of the policy is that it is possible both in the urban and rural to live a good and versatile life, but one prerequisite for that is to create new kinds of links between the urban and the rural areas. Urban-rural interaction is said to need two parties. These parties can be identified among the existing regional development actors (eg. the local action groups for the rural and the regional centre programmes for the urban). The agenda of the working group includes several themes related to the urban-rural links, starting from settlement structure and distance work, ranging to leisure housing and joint cultural activities.

How the policy affects URR:
The working group is, however, just a discussion forum without any funds of its own, so its activities concentrate on spreading information through reports, seminars and internet ('available in Finnish only') and promoting urban-rural initiatives.

The focus of the policy:
The goal of the Working Group is to promote the common aims of the urban and rural policies by fostering dialogue and initiating projects. The key interaction themes include:

promotion of knowledge and skills, business services, functioning labour market, Commuting, settlement structure and housing policy, telework, and services for residents. There are also 5 “interaction themes with surplus value” including: strengthening of local initiative, co-operation between villages and urban neighbourhoods, locally produced food, culture, and from leisure housing to second homes.

How the policy is implemented:
The policy is implemented through urban-rural initiatives and projects, some of which supported by EU funding such as Leader+. The Working Group has proposed a division into urban and rural areas and into a common interaction zone on the borders of the two. The indicators for defining this zone include commuting, labour force, migration, education level, land use and traffic volumes. Based on these indicators, 148 municipalities have been identified as common interaction zones where close links between urban and rural policies are most needed.

Comment:
The most difficult problem in developing the Finish urban-rural interaction policy is the thin political understanding and support. At the local and regional levels, the picture is only being pieced together. However, a number of experiments and projects already exist which can provide a learning experience. The Working Group aims to take more responsibilities for the actions in which ministers play a role. The key issue is to bring the development guidelines of different ministers and other sectoral authorities closer to each other. The aim is to introduce the principles and practices of urban-rural interaction as essential constituents of both urban and rural policies.

Netherlands: Spatial Diversity

Description:
(Spatial diversity has been a basic principle underlying Dutch spatial planning at every level for eighty years. One of the central aims is to make a clear-cut division between urban and rural areas, between built-up areas and ‘green’ areas. The central hypothesis is that well-being/quality of life is dependent on cities having clear cut boundaries and an unspoilt, attractive countryside. The key underlying theme of policies effecting the relationship between urban and rural areas is ‘restrictive policy’.

There is great spectrum of spatial policy reports and policy instruments but none focus on the relationships between urban and rural areas. At the present there are two so called planning key decisions (see the Compendium on the Netherlands) which are relevant: 1) one called the Fourth Spatial Planning Memorandum, but a new, Fifth Memorandum has been published about a year ago. These planning memoranda, although of a general nature, are mainly focussed on urban areas and the safeguarding of the countryside; 2) the second one is the Structural Outline for Green Areas (*Structuurschema Groene Ruimte)*; this planning key decision is entirely focussed on the countryside, except for the policy item ‘green structures in cities’. The procedure for a second outline has started but has been abandoned. The government has taken the decision (Autumn 2002) to integrate the two policy documents. Whether this will lead to an improved relationship between policies remains to be seen. Because of the ongoing struggle to form a new coalition government the fate of any future planning key decision document hangs in the air.

Planning strategies at national level focus either on rural or urban issues. Agricultural support policies mainly follow the CAP logic, but the Dutch have increasingly seen farmland as a 'public good' with ecological and recreational value and have been using some agricultural support monies to encourage public good policies (anticipating the recent CAP reforms). Attempts to integrate U&R policy instruments include the 'City Landscapes Vision' published in 1995 by the Ministry of Agriculture, Nature Management and Fisheries. This tried to place the developments in urban and rural areas in a coherent framework and to analyse and resolve the challenges for cities and rural areas in an integrated manner. However the city landscapes idea was quietly dropped as the rural defence lobby reacted to perceived threats from expanding cities. Instead 'the green metropolis' idea was preferred, focusing on measures to safeguard urban fringes and defend their rurality.

How the policy affects URR:

Dutch spatial policy currently avoids addressing URR : it tries to separate urban and rural areas as two distinctive domains. Local and provincial councils in the Randstad areas are, nevertheless, advocating a more relaxed approach, not so much in terms of allowing house building in the Green Heart but to invest in more high-quality recreational space and accessible nature reserves - the 'Green Metropolis'[3]. An open area like the Green Heart should be more of a public good for the citizens of the urban areas of the Randstad. The U-RR therefore, consists mainly of the rural areas servicing the needs of urban dwellers more effectively, whilst agricultural policy deals separately with the sectoral needs of that industry.

The focus of the policy:

The historic foci of Dutch spatial policy affecting URR have been on water control, the Green Heart Metropolis and national parks. Looking at the current range of related policies it is clear that the contents of such policies deal mainly with issues of economic development (especially rural diversification), settlement planning (especially urban containment), and control of housing developments outside urban areas. In recent years environment/ ecological issues have become more significant, but this follows on a long tradition of Dutch environmental domination and management to protect both rural land and cities from surplus water encroachment and to control water table levels. The recently emerged 'public good' orientation towards rural land, especially peri-urban land, has encouraged more coherent approaches to planning for tourism and recreation, leisure and sport.

Rural areas are nowadays seen as fulfilling a host of functions, which over the years has led to a plethora of policy designations and, as urban pressures on rural land increase, the issues and policy decision will become more complex and fraught.

How is the policy implemented:

The national government is the key player here, 1) providing regulatory regimes; 2) providing funds for the building of major urban areas, at the present via contracts/covenants between central and local government; 3) providing funds for the reconstruction of rural areas (especially when new, so called green structures have to be developed).

According to the principle on which the Dutch planning system is based ('framework planning') a key role is played by the 12 provinces. The Dutch ministry of Spatial planning, housing and the environment also has an inspectorate system keeping an eye on what is happening at the provincial and community level. The Fourth Memorandum (Extra) distinguishes between areas where the national government is in charge of the restrictive policy (the Green Heart of the Randstad for instance) and areas where the councils of the provinces take the lead. The implementation of the restrictive policy runs through the statutory planning system. Ultimately a key role is played by the local land-use plan (*bestemmingsplan*), the only binding plan in the Netherlands.

Comment:

There are several strands of sectoral policies partially turned into spatial policies over the years. Regional economic policy, in the past addressing backward regions (concentrated in the north and south-west of the country) has turned into a 'general spatial-economic policy'. Policies from the fifties and sixties to provide new employment and new employment centres to compensate for lack of agriculture have been replaced by the general spatial-economic policy, which effectively integrates rural and urban areas under one policy heading.

CHAPTER 2
Urban-rural initiatives in Europe

2.1 Rational for the questionnaire survey

As shown in the previous chapter, there are limited numbers of policies which focus on the links between urban and rural areas in European countries. However, across Europe many local authorities and voluntary sectors are engaged in activities which cut-across the boundaries of urban and rural areas and aim at developing beneficial relationships between them. In the UK, for example, there are no less that 40% of all English local authorities which are partners in at least one urban-rural initiative. In order to map and explore such activities in different EU countries, a questionnaire survey was conducted during the first half of 2003.

The questionnaire (see Chapter 3 Section 3.2) was sent to all members of Trans-national Project Group working on ESPON Project 1.1.2 in early February 2003. The objective of the questionnaire was to *collect examples of urban-rural initiatives / projects / actions which involve joint working of local authorities (with or without other partners) in urban and rural areas.* Such initiatives may include for example those involving co-operation between local authorities/ municipalities in urban and rural areas on specific areas of action (such as joint marketing for tourism, or integrated actions targeting young people, or co-ordinated activities for urban and rural housing problems) or on strategic spatial issues.

Respondents were asked to provide at least two examples of urban-rural initiatives. Given that most of the team members have responsibility to provide information for more than one European country, it was hoped that a full coverage of EU (27) would be provided. In cases where it was not possible to cover a specific country by the TPG partners, the questionnaire was sent to the relevant members of ESPON monitoring committee via the project's Lead Partner.

2.2 Questionnaire response rate

By June 2003, 13 completed questionnaires from 8 EU countries (45% of countries covered) have been returned. As can be seen from Table 6 there are still major gaps in terms of country coverage, which is due to a lack of response.

Table 6: Questionnaire Responses on Urban-Rural Initiatives, June 2003

Project partners	Countries to be covered	Countries covered	Initiatives
ECP	Denmark Austria Belgium Norway Sweden Switzerland	Denmark (2)	• Development Council for Vendsyssel with specific reference to the initiative 'Sustainable Rural Districts' (DCV) • FYNTOUR (FYN)
NIRSA	Ireland	Ireland (3)	• Strategic Planning Guidelines for the Greater Dublin Area (SPGD) • Sustainable Recreational Use of Natural Assets (SRUNA) • Dublin Waste Management Strategy
SEFEMEQ	Italy		
CURS	Finland	Finland (1)	• Probotnia(PB)
AE-TS	France		
TAURUS	Germany Luxembourg		
RDPRU	Greece		
OIR	Bulgaria Hungary Slovenia	Bulgaria (1) Hungary (1) Slovenia (1)	• Specialised programme 'Creation of Thematic Park "Poleto (The Green Field)"' (CTP) • Initiative for strengthening of inter-municipality co-operation in the city of Gyor (GYOR) • Regional Development Programme of South Primorska (RDSP)
OTB	Netherlands		
CEG	Portugal Spain	Portugal (2) Spain (1)	• Integrated study of Mobility and Systems of Transport in Municipalities of the Association of Medium Tagus (ISM) • Dynamization and Tourist Development of Alqueva (DDA) • Strategic Plan Osona XXI (OSO) * (arrived too late to be incorporated into this phase of the study)
CUDEM	UK	UK (1)	• Town and Country Compacts (TCC)
Total	**20**	**9**	**13**

The remaining parts of this report provide key analyses and findings of the survey as relates to examples of urban-rural initiatives.

2.3 The main characteristics of initiatives

The first part of the analysis deals with the formation of the initiatives in order to ascertain when and how they were established, what their primary aims and objectives are and what measures and instruments they use to achieve them (see Table 7 below). These analyses are then followed by identifying the overall focus of the initiatives (Table 8) and the key activities addressed by them (Table 9).

2.3.1 Starting date of initiatives

Chapter 1 showed that there are limited numbers of policies at national level which specifically address the interdependencies between urban and rural areas. However, despite this policy vacuum, as shown in Table 7, local authorities and other partners in many EU countries seem to be increasingly engaged in various forms of joint working on issues that affect urban-rural relationships since the early 1990s. One of the earliest initiatives is the Danish Development Council for Vendsyssel which has been operating since 1992. Indeed, a third of the initiatives were set up in the mid to late 1990s. However, it is encouraging to observe that the number of urban-rural initiatives has been on the rise in recent years and half of all cases were established in the early 2000s, with the most recent one being the Creation of Thematic Park in Bulgaria, which started in 2003. This is a clear indication of the growing interests among local authorities and municipalities to set up joint urban-rural working.

Figure 4: Starting Date of Initiatives

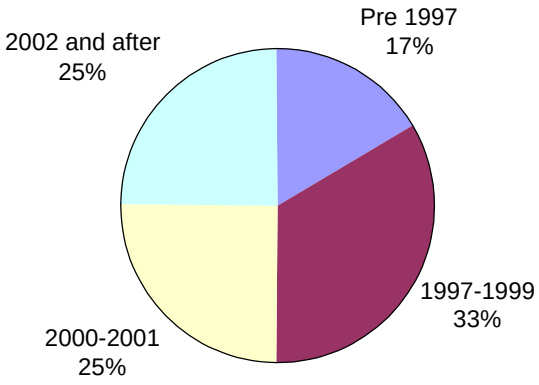


Table 7: The main characteristics of the initiative

Country	Q1; Initiative	**Q2; Start and end date**	**Q3; Brief description**	**Q4; Aim and objectives**	**Q5; Measures and instruments**
Denmark	**DCV**	1992 (2002 for Sustainable Rural Districts) No end dates	DCV is a co-operation of 9 rural and urban municipalities in North Jutland.	Division of labour to be created between cities and rural districts leading to interdependency based on provision of complementary services.	Service ideas, such as support for entrepreneurs, car-sharing schemes for people in rural districts and development of educational facilities and cultural life.
	FYN	1996	A regional umbrella organisation to promote and develop tourism in the County of Fyn.	The long-term promotion and protection of natural and cultural assets.	No comment.
Ireland	SPGD	1999-2011	A government supported regional project, which attempts to guide the rapid growth and building activity in Dublin and the Mid-East Regions.	Balance the growth of the Metropolitan Area with a concentration of development into major centres in the Hinterland. These 'development centres to be located on existing transport corridors and separated by 'Strategic Green Belts'.	Legislation (Planning and Development Act 2000) and infra-structural projects to be funded by local authorities.
	SRUNA	1998	Develop a demonstration model in planning which will facilitate the sustainable recreational use of natural resources.	Apply the principles of Agenda 21 to this rapidly expanding city region. To encourage participation of the socially excluded.	No comment.
	DWM	1998	Integrate a mix of policy measures to address the growing waste problem in the best interests of the region.	Reduce, recover and recycle waste, reduce the amount going to landfill sites.	Civic and amenity centres, Bring centres, Composting plants and thermal treatment plants.
Finland	PB	2001 No end date	A joint project of two R&D departments financed by the state at the regional level.	Increase co-operation and exchange between urban and rural actors, to achieve increasing welfare and a 'good regional atmosphere'.	Studies to assess needs of urban and rural populations and provide information to them. Marketing support for small rural enterprises to allow them to sell their products in the main urban centres.

Bulgaria	CTP	2003	The protection, rehabilitation and development of areas of outstanding characteristics, identity and recreation potential.	Create in and around Sofia a complex area for leisure, recreation and sport which is ecologically and environmentally sound.	Working out a structural scheme for functional zoning and a master plan of Sofia and its region.
Hungary	GYOR	2002 No end date, ongoing initiative	A decision by the city of Gyor to form an alliance with the surrounding region to overcome mistrust and the fear of domination.	Promote co-operation in the development of infrastructure and service facilities and land-use (for work and residence).	Currently developing a legal framework of co-operation and a joint policy with the consent of the local authorities.
Slovenia	RDSP	2001	A broad based programme including spatial planning.	Economic development of the region which respects the environment and cultural heritage.	Municipal economic and regulative instruments, but partnership between private and public sectors encouraged.
Portugal	ISM	May 7 2002 – March 10 2003	A project started by the municipalities and funded by the EFRD and Transport departments	Diagnose and define strategies for a more effective transport system	Too early, will be implemented after the study project is completed.
	DDA	2001	A diversification project to promote tourism in the region.	To co-ordinate actions which will develop tourism as a sustainable economic activity.	Through the Centre of Innovation and Tourist Initiatives of Alquera.
UK	TCC	1999	A study project to assess the current scale of joint working between rural and urban areas and investigate the most effective methods and models.	To analyse what activities may contribute to a more reciprocal relationship between urban and rural areas and make recommendations for the future.	Support from the Countryside Agency (an important national pressure group) and the Centre for Urban and Regional Studies at the University of Birmingham.

Whilst some initiatives have a specified timescale (such as Strategic Planning Guidelines for the Greater Dublin Area which covers a period of 1999-2011, others are either indefinite (such as 'Strengthening of inter-municipality co-operation in the city of Gyor' in Hungary which has no end date), or the end date has not been specified by the respondents.

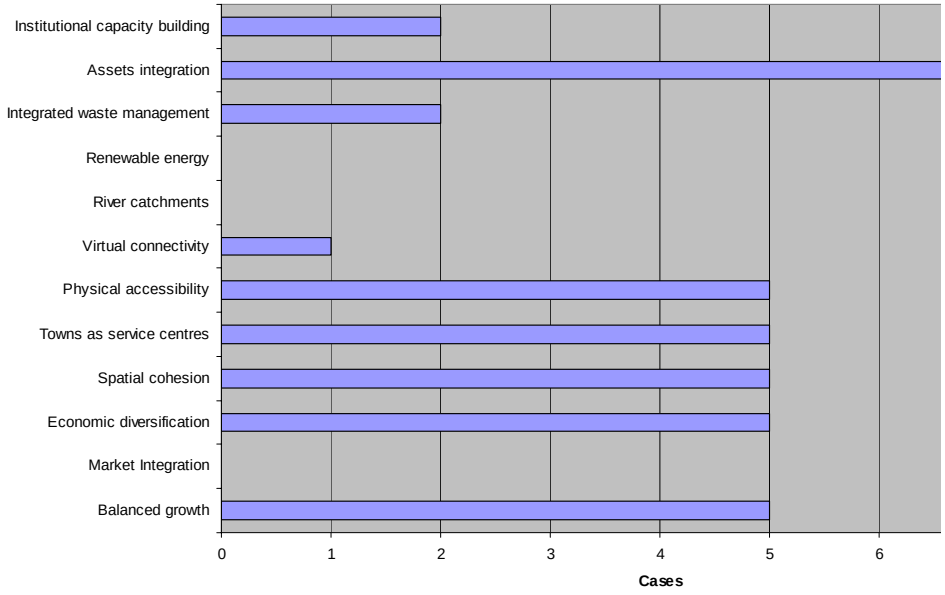
2.3.2. Initiation of the urban-rural initiatives

As shown in Table 7, the initiatives have been set up through various routes. These can be grouped into five categories. Some have been initiated by the *national or regional governments*, such as the Strategic Planning Guidelines for the Greater Dublin Area in Ireland which is a government-supported regional project. Others have emerged out of bottom-up *co-operation of municipality* such as Development Council for Vedsyssel which is a co-operation of nine rural and urban municipalities in North Jutland in Denmark. A third group are those which have been promoted by *a major city* aiming to link with its hinterland. City of Gyor in Hungary provides a good example of a city deciding to form an alliance with its surrounding region. A fourth group belongs to those initiatives which have been triggered by the availability of *EU funding* such as Sustainable Recreational Use of Natural Assets in Ireland which was a demonstration model developed under the EU TERRA Programme. Finally, the survey shows that promoting joint working between urban and rural areas is not confined to the formal governmental institution and can take place through the initiatives of *other organisations* such as the UK Local Government Association which has been promoting the Town and Country Compact, and the R&D Departments in Finland which promoted Probotnia.

2.3.3 Primary focus, aims and objectives of the initiative

Table 8 and Figure 5 below show that in line with the urban-rural policies, most of the urban-rural initiatives are also heavily focused on economic development with a strong emphasis on asset integration and joint marketing (over 58%), balanced growth and economic diversification (42% each). Another major concern which was mentioned by a large number of initiatives was spatial integration and its related issues including physical accessibility (42%) and maximising the role of towns as service centers (both also almost 42%). It was interesting to note than in no instance was the respondent able to limit the focus of the initiative to one key area.

Figure 5: The overall focus of the initiative



However, a closer examination of the stated aims and objectives of the initiatives (see Table 7) reveals a number of variations within what might be seen as a universal emphasis on economic development and spatial integration. For example, there is a clear distinction between those initiatives that are operating within the context of metropolitan areas with a growing economy and its subsequent development pressures (such as SPGD in Dublin) and those which are operating in the context of predominantly rural areas with limited access to large urban centres (such as DCV in Finland). The former is focused on managing rapid growth, whilst the latter is concerned with encouraging growth.

Within the first category, a further distinction can be made with regard to the scope and geographical scale of the initiatives which range from spatial planning and settlement strategies at the regional level (such as SPGD in Dublin) to single-sector economic development projects (such as CTP in Bulgaria). SPGD provides a clear example of a state-supported strategic regional project which aims to guide the rapid growth and building activity in Dublin and Mid-East Regions to achieve a balanced growth in the Metropolitan Area. A wide ranging settlement and spatial planning programme has been proposed to concentrate development in major centres within Dublin's hinterland with proximity to existing transport corridors and separated by Strategic Green Belts. CTP is also concerned with rapid growth but aims to maximise its potential by creating a Theme Park around Sofia, which would serve as a leisure, recreation and sport facility, but in such a way that is least damaging to the environment.

Table 8: Q12 The overall focus of the initiative

The focus	Denmark		Ireland			Fin	Bul	Hg	Sl	Portugal		UK	Total %
	DCV	FYN	SPGD	SRUNA	DWM	PB	CTP	GYOR	RDSP	ISM	DDA	TCC	
Balanced growth	X		X					X	X	X			**41.6**
Market Integration													**0**
Economic diversification	X		X			X	X				X		**41.6**
Spatial cohesion and integration			X			X	X				X	X	**41.6**
Maximising towns as service centres	X		X						X		X	X	**41.6**
Physical accessibility			X					X	X	X		X	**41.6**
Virtual connectivity									X				**8.3**
River catchments area management													**0**
Renewable energy provision													**0**
Integrated waste management					X				X				**16.6**
Assets integration and joint marketing	X	X				X		X	X	X	X		**58.3**
Institutional capacity building								X	X				**16.6**
Other				X									**8.3**

An example of initiatives that aim to promote economic growth and diversification in rural areas is FYNTOUR in Denmark, which is about long term promotion of tourism in the County of Fyn by drawing on its natural and cultural assets.

Environmental issues such as renewable energy provision or co-ordinations around river catchment areas are clearly not a focus of the initiatives. This may be due to specific location and characteristics of the samples chosen for the study. As regards institutional capacity building, only a small number of initiatives (17%) mentioned that as an overall focus. The proportion of initiatives which aimed to develop the virtual connectivity between urban and rural areas was even smaller (8%).

Respondents were asked to note what policy areas were covered by the initiative. The results are summarized in Figure 6 and Table 9 below. Again, economic development policies scored very high (75%) followed by tourism and environmental policies (over 58% each). It is interesting to note that the issues of social services and health have not been considered in any of the initiatives.

Figure 6: Activities Involved

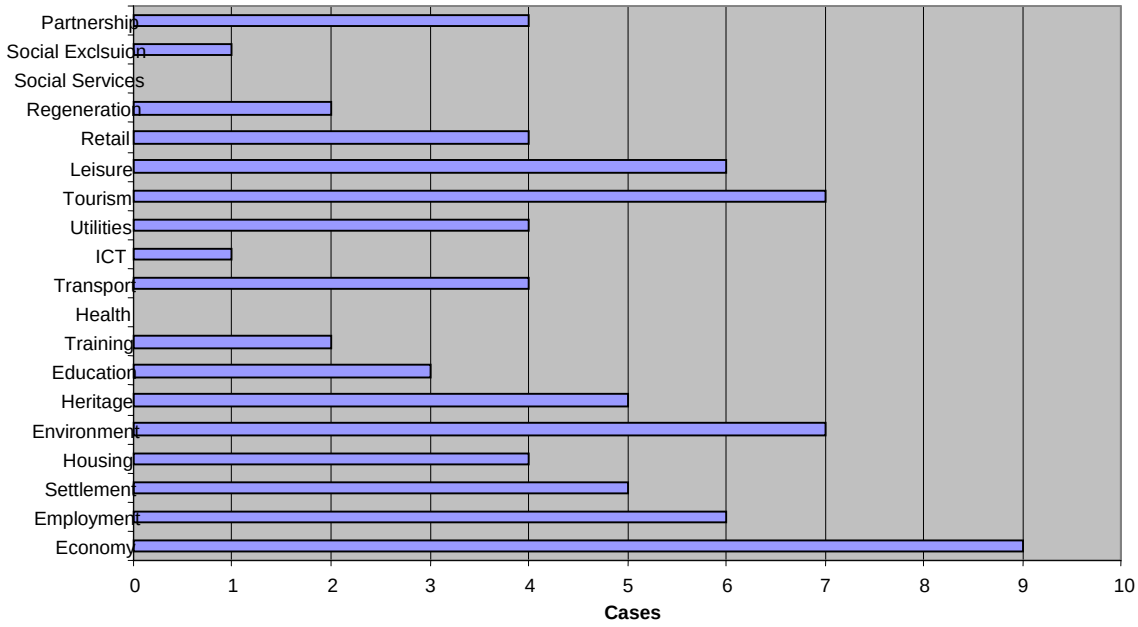


Table 9: Q11 Key activities addressed by the initiative

Activities and Issues	Denmark		Ireland			Fin	Bul	Hg	Sl	Portugal		UK	Total %
	DCV	FYN	SPGD	SRUNA	DWM	PB	CTP	GYOR	RDSP	ISM	DDA	TCC	
Economic Development	X	X	X			X	X	X	X	X	X		**75**
Employment	X					X	X	X	X		X		**50**
Settlement planning	X		X				X	X	X				**41.6**
Housing			X				X	X				X	**33.3**
Environment			X	X			X	X	X	X	X		**58.3**
Heritage				X			X		X		X	X	**41.6**
Education							X	X	X				**25**
Training							X		X				**16.6**
Health													**0**
Transport			X						X	X		X	**33.3**
ICT								X					**8.3**
Utilities (water, energy, waste)			X		X			X	X				**33.3**
Tourism/Recreation		X	X	X			X		X	X	X		**58.3**
Leisure/culture/sport		X		X			X		X	X	X		**50**
Retail			X			X	X			X			**33.3**
Regeneration							X					X	**16.6**
Social Services													**0**
Social Exclusion												X	**8.3**
Network building/ Partnerships	X					X		X				X	**33.3**

2.3.4 Measures and instruments

In order to achieve their aims and objectives, the initiatives have used a variety of measures and instruments ranging from legislative measures to capital investments to promotional activities and marketing (see Table 7). In Ireland, for example, the Planning and Development Act, 2000, has provided the legislative framework for the implementation of the policies aiming at balanced development of the Greater Dublin area. The City of Gyor in Hungary is also developing a legal framework to form an alliance with rural areas in its hinterland. In Denmark, under the Sustainable Rural Districts scheme, the DCV initiatives uses measures such as car-sharing schemes for people in rural areas to facilitate the use of urban services for rural population. In Finland, the Probotnia Initiative provides marketing support for small rural enterprises to help them sell their products in the main urban centres. Joint marketing initiatives are also used to promote tourism at the level of the region as part of the DDA initiative in Portugal.

2.4 The nature of the initiatives

The second part of the analyses deal with the nature of the initiatives in terms of the significance of urban-rural focus, key partners involved and the funding sources available to the partners (see Table 10).

2.4.1 Level of attention to urban-rural relationships

When asked whether building urban rural relationships was a major, subsidiary or incidental part of the project, 6 said this was a subsidiary aim and 6 that it was a major aim (though 2 of these were questionable), with none suggesting that it was incidental. This is not surprising since the survey was specifically directed towards urban-rural initiatives.

2.4.2 Key partners

As shown in Table 10, local authorities play a key role in almost all initiatives surveyed. In some cases such as DCV in Denmark they initiated the scheme. The majority of initiatives are a partnership between urban and rural municipalities. However, a number of initiatives involve partners from the private and voluntary sectors too. PB in Finland is the only initiative which consists of only the private sector (small enterprises I rural areas) and the voluntary sector (urban and rural associations).

Table 10: The nature of the initiative

Country	Initiative	Q6; Key partners involved (LA Local Authorities, P Private, V Voluntary)	Q7; Budget	Q8; Funding sources	Q9; One-off or part of a wider programme	Q10; Significance of urban-rural focus
Denmark	DCV	LA (several, as initiators) P (local representatives of labour market organisations and economic promotion bodies) V (central to process)	Approx. 30,000euro	National 200,000euro, DCV 50,000euro	A start-up initiative	Major
	FYN	LA (County and municipalities of Funen) Danish Tourism Council	Yes, amount unknown	Mixed, partly from the EU	A permanent initiative	Subsidiary
Ireland	SPGD	LA (Dublin City Council , 6 County Councils and 2 Regional Authorities in conjunction with Dept. of Environment and Local Government)	Not known	National	Similar guidelines will be prepared for other regions.	Major
	SRUNA	LA (8), P (2) and 1 European partner	220,000euro over 3 years	EU, Article 10 innovative measure under EU TERRA programme	One off initiative	Subsidiary
	DWM	LA (4)	Not known	EU, national	Part of a wider programme comprising waste management strategies for each of the 8 NUTS III regions.	Major

Finland	PB	P (small enterprises in the rural areas) V (urban and rural associations)	Not known	Mixed (EU + national funds via state regional administration)	There is a theme group of regional actors discussing the issues of urban-rural interaction on the regional level.	Major
Bulgaria	CTP	LAs, private investors and NGOs.	5 years, amount not given.	Mixed	Part of a package of specialised programmes.	Major
Hungary	GYOR	LA (Gyor city and authorities of co-operating communities)	Not given	Not given	Not given	Subsidiary
Slovenia	RDSP	LAs only	Approx.366,185 euro over 4 years.	Regional, national and EU	One off	Subsidiary
Portugal	ISM	LA (Association of Medium Tagas municipalities)	127,290euro + 63,645euro (Structural Funds)	Mixed (EU, national, regional and local)	Part of a wider programme; Promotion of the Accessibilities and Transports.	Subsidiary
	DDA	LA and P	64,640euro + 45,250euro (Structural Funds)	Mixed (EU, national, regional and local)	Part of a wider programme	Subsidiary
UK	TCC	LA	Not given	National, regional and lottery (heritage fund)	It is a nation wide programme	Major

2.4.3 Resources

It is clear from the respondents that many initiatives benefit from financial resources provided by local, national or EU institutions or a combination of these. It is important to note the role of EU funding in promoting urban-rural partnerships. For example, the two Portuguese examples (ISM and DDA) receive a considerable amount of EU funding from Structural Funds. Similarly, SRUNA initiative in Ireland receives EU funding under Article 10 TERRA Programme.

Apart from two initiatives (SRUNA in Ireland and RDSP in Slovenia), the rest of initiatives are part of a wider programme of promoting urban-rural relationships. In these examples, strengthening urban-rural linkages is considered as a major focus of the initiative. This shows that although our sample is small, it represent a growing acknowledgment of urban-rural interdependency and the formation of initiatives which aim to address it, not merely in selected and isolated cases but as part of a region- or even nation-wide programme.

2.5 Strengths and Weaknesses

Table 11 and 12 below summarise the key strengths and weaknesses of the initiatives as expressed by the respondents. Whilst these differ from one case to another and is related to individual circumstances, it is possible to group them into four categories of strengths and weaknesses as follows:

Table 11: Strengths of the Initiatives

Strengths	Comments	Initiatives
Common vision	• Seeking solutions to problems together	DCV
Integrated actions	• Recognising the need to ensure co-operation • Allowing the development of an integrated mobility • Possibilities for rural municipalities to develop their economy and social integration	DWM ISM Gyor
Complementary activities	• Local players recognise that the area as whole has more attraction than its individual parts •	Fyn
Balanced development	• Achieving balanced development of activities in Sofia and its surrounding area • Coherent objective on settlement forms	CTP SPGD

Table 12: Weaknesses of the Initiatives

Weaknesses	Comments	Initiatives
Limited scope / boundary	• **Greater Dublin does not cover many rural areas with land available to waste disposal** • Emphasis on cooperation with suburban municipalities may reduce the benefits for the rural edge	**DWM** Gyor
Lack of awareness of URR	• **Too much emphasis on the 'urban' with limited acknowledgment of urban rural interdependencies**	**SPGD**
Lack of political commitment	• **Rural urban interaction seems to fall into the gaps of 'this is a good thing but organisation is not responsible for it'.**	**PB**
Inadequate and short term resources	• **Uncertainty about the continuation of initiative after completion of TERRA** • Weak financial capacity	**SRUNA** DDA

Table 13: Strengths and Weaknesses

Country	Initiative	Strengths	Weaknesses
Denmark	DCV	It is comprised of both urban and rural municipalities that have found a common vision and are seeking solutions to problems together. Urban and rural areas are seen as complementary. Rural districts to be developed mainly as living areas, but initiatives should maintain their viability.	None given.
	FYN	It is complementary in terms of the types of visitors it can attract. Countryside (rural) and cultural (city). This means that the local players recognise that the area as a whole has more attraction than its individual parts.	None given.
Ireland	SPGD	The Guidelines have coherent objectives on settlement forms and the separation of built up areas and the strategic approach is based on sustainable development principles.	The emphasis is very much on the urban with somewhat limited acknowledgement of rural-urban interdependencies.
	SRUNA	Addresses the recreational needs of the urban population in a sustainable manner.	Unclear whether the initiative will continue following completion of the Terra project.
	DWM	Acknowledges the need to approach waste management on a regional scale, recognises need to ensure co-operation and agreement between municipalities generating waste and those with land available for disposal.	Rural areas within the boundary of Dublin are limited, therefore co-operation with the wider region is needed to ensure a satisfactory and fully integrated strategy.
Finland	PB	Some pilot actions have already been carried out, this is more than just talk.	Rather weak commitment of some actors as the rural-urban interaction seems to fall into the gap of 'this is a good thing but my organisation is not responsible for it'.
Bulgaria	CTP	Revitalisation and balanced development of the activities conducted on the area of Sofia and its surrounding area.	Possible overloading of the natural resources in certain areas. Commercialisation of traditions and folklore. Loss of specific architectural and social characteristics of villages and economic consumption of natural resources.

Hungary	GYOR	A possibility for the rural municipalities for economic development and social integration.	As the priority of the city of Gyor is to improve co-operation with the sub-urban municipalities, there is a threat that the rural edge may profit less from this policy.
Slovenia	RDSP	Focus on rural development, on living conditions in urban and rural centres, on tourism infrastructure and on entrepreneurial activity.	Increase in regional and external pressures on the environment. Predominant role of cross-border centres in the network of settlements after accession to the EU.
Portugal	ISM	Partnership has been established between central and local administration with mutual benefits. It will allow the development of an integrated vision of mobility in the area on which to base future concrete actions.	It is not possible to establish continuity relationships with the neighbouring regions to integrate within the larger territorial group.
	DDA	The project works as an entity regulating and mediating municipal and regional wills and embraces a score of districts.	Weak financial capacity.
UK	TCC	The project has the explicit aim of improving urban-rural collaboration and having been initiated by the Local Government Association, implicitly enjoys government support.	Emphasis has been on rural areas and market towns so far, input from urban areas has been weaker. Concern about people 'poaching' each other's ideas has been a negative factor, as has the large number of partners.

2.6 Summary and conclusion

Almost all of the initiatives were very new, none were more than 8 years old, most were started this century. A majority of the projects were involved in trying to develop interdependence between urban and rural areas through building complementarity of services and the marketing of products. With regard to the practical details, in most cases local authorities were the key partners. Funding was drawn mainly from national sources, there was some EU support and limited regional backing. When asked to list the strengths of the initiative, about half noted that at least urban and rural municipalities had started to talk and that the project had required active partnership between the two. A couple of others pointed out that a common point of interest had been found, for example tourism, on which to build a relationship. In three cases an important weakness was that more was likely to be gained from the initiative by the urban than by the rural parties. In instances where an EU programme was the main source of funding, concern was expressed about the future of the initiative.

2. 7 Selected examples of urban-rural initiatives[4]

UK: Town and Country Compacts Initiative

Description of the initiative:

The Town and Country Compacts Initiative was launched by the UK Local Government Association in September 1999 to provide a 'joined up' perspective to the two separate White Papers addressing Rural and Urban Development (see questionnaire analyses above for further details on the White Papers). The focus of the Initiative was on the need for local authorities (municipalities) and other organisations to jointly address spatial planning and management issues which affect both urban and rural areas.

The follow up study:

In February 2001, the UK Countryside Agency commissioned researchers in the University of Birmingham (Countryside Agency, 2001; Coffyn and Dahlstrom, 2001b) to undertake a survey of all local authorities in England in order to:

- Map the scale and scope of joint working between rural and urban areas
- Identify case studies to investigate effective models of joint working
- Make recommendations based on an the above analyses

Key findings of the study:

- Across England, 162 local authorities (40%) are partners in at least one urban-rural initiative
- The initiatives are varied in size and scope, from small, focused projects to major programmes with multi-million pound budgets.
- Funding opportunities were more important to collaboration than policy frameworks and documents. So, one of the perceived benefits of collaboration was that it opens up more access to funding opportunities.
- 86% of the initiatives were established after 1998, indicating that interest in joint urban-rural approaches is accelerating and set to increase further
- 50% of the projects stated that the main aim of the initiative was to link urban and rural areas

Common themes addressed by the initiatives:

- Community and environmental regeneration (18%)
- Greenways/walking/cycling trail projects (16%)
- Transport (14%)
- Market town regeneration projects (12%)
- Economic / inward investments, food initiatives, planning and schemes to protect or enhance the countryside were also common themes

[4] A selection of 8 case studies is included, the first being a more extensive study on Town and Country Compacts (UK).

Benefits and constraints of joint working:

Benefits	Constraints
Promoting the co-ordination of issues that affect neighbouring areas and the exchange of knowledge and best practice	Trying to address a number of different agendas and collaborate between different sectors and disciplines
Cost efficiency and wider funding opportunities	Vulnerability on budget changes and extra strains on officers if no extra resources available
A stronger voice in lobbying	Different political compositions of authorities and a mix of single and multi tier authorities
Wide partnerships contributes to community ownership and participation	Time consuming processes
Enabling more innovative work practices	Different working cultures
Counteracting competition/suspicion between partners	Poor relationships between town and country or other local rivalries

It became clear that this new holistic approach to development issues makes it easier for local authorities to address the new 'well-being' agenda that they have been charged with. For instance in Case Study 10 (see below) bringing healthy affordable food from rural areas to their neighbouring deprived inner city areas. Joint working between urban and rural areas also acknowledges that many parts of the country are a mixture of urban and rural and not quite urban or rural enough to fit into compartmentalised policies and funding opportunities. These areas, regions or sub-regions, are polycentric and lend themselves to collaboration building across all parts of their area.

The detailed case studies:

15 individual case studies were selected for more detailed investigation by telephone interview and additional literature.

No.	Project name	Key aims	Urban-rural focus
1	Hampshire Youth web-site	Tackling issues of rural isolation facing young people in Hampshire.	It allows young people in urban and rural areas to communicate with each other.
2	Enfield, Essex and Hertfordshire Border Liaison Group	Exchange information on proposed developments, which have differential impacts on urban and rural communities.	In an area where rural and urban areas are geographically close, allow to influence and contribute to the regional planning processes.
3	Keystone Community Partnership: Growing Together	Strengthen the links between towns and country and so address the disadvantage faced by the region.	Joint approach allows easier access to funding. Consider mobile services accessing rural and urban communities. Develop innovative 'linkage' projects.
4	Blackwater Valley Network	To promote a co-ordinated approach to land use, transport, air quality and other environmental issues.	Redress the urban bias that has given a fragmented approach to rural areas. Build up a network of relationships, allowing consultation throughout the Valley.
5	Three Valleys Project	Co-ordinating a large greenways project directly linking urban and rural areas.	Linking social inclusion and health concerns with conservation work. Creating a fair balance between urban and rural representation on management board.
6	Strategic Sites and Inward Investment Partnership	Development of sites and transport measures to give access to employment sites in rural areas.	Collaboration in the development of land to fulfil the employment needs of the deprived areas of the region. Encourage inward investment to strengthen both communities.

7	The North Chilterns Trust	Develop and implement green corridors linking urban areas with the wider countryside. Co-ordinate enhancement of landscape in the area.	Attempts to associate conservation programmes with the urban agenda. Allow all sections of society to get involved with care of urban and rural sites. Pull some funding from exclusive urban focus.
8	Lincolnshire Coastal Forum	Work towards a sustainable future for this coastal area and encourage community ownership, especially rural.	Urban political representation is disproportionately large, integrate rural population and develop a wide range of nature conservation actions.
9	The Rural North Allerdale Partnership	Produce a common response to common urban and rural problems. Set up regeneration partnerships.	A balanced partnership, with urban and rural representation, to co-ordinate development of market towns as service centres.
10	Nottinghamshire Food Initiatives Group	Network to promote the eating of locally grown food. Take healthy food into deprived urban areas.	Provide a rural-urban focus to addressing the problems of urban deprivation. Reduce tensions between the two types of group.
11	Tin Country Action Plan	Co-ordinating urban and rural projects aimed at diversifying the economy to increase employment. Land reclamation relating to mine closures.	Using joint funding initiatives to try to forge links between towns and villages. Encourage a stronger identification with the region, enabling groups from both areas to play a part in regeneration.
12	Structure Plan for the Former Avon Area	Prepare a Joint Structure Plan and advise on transport and other strategic planning issues.	Ease the tension between the rural community who wants urban containment and those in Bristol who want expansion, possibly through an urban-rural 'fringe city'.
13	The Sherwood Study	Encourage a range of community groups, public, private and voluntary to become involved with the management of urban fringe areas.	Engage local communities from urban areas surrounding Sherwood Forest to get involved with activities relating to the Forest. TO develop the rural area as a recreational and tourism resource.
14	West Midlands Regional Housing Partnership	Help urban areas to retain populations and rural areas to contain development pressures.	Address urban-rural links in terms of supply and demand. Encourage openness and a better understanding between the two.
15	The Welland Partnership	An urban-rural compact addressing some of the important spatial management issues between urban and rural areas, including transport. Preventing the decline of market towns, which serve the rural hinterland.	To build up market towns to support rural communities and increase the communications between them. And surrounding urban areas. Develop joint approaches to service delivery and collaboration between the business sector, community groups, councils and educational establishments.

Recommendations for policy makers:

- Close the gap between policies and funding and make funding more flexible allowing for more long-term work and outcomes
- Show commitment to the joined-up agenda by visiting projects
- Amend public purchasing regulations, e.g. to allow local authorities to but food locally for schools and hospitals
- Elected members should delegate some powers to the local level and to partnerships
- Identify key features of a policy framework for sub-regional initiatives

Recommendations for urban-rural initiatives:

- ❑ Encourage wide participation and commitment from a variety of organisations
- ❑ Work hard to overcome cultural differences between types of organisations which can be exacerbated by rural or urban specialisms
- ❑ Identify key results for different partners
- ❑ Develop a shared vision such as economic development, which is always popular, and think long-term
- ❑ Try and ensure an early outcome in order to sustain momentum
- ❑ Be prepared to adapt the partnership as external factors change over time
- ❑ Gain political support and monitor to ensure further funding can be justified

Source:

- The Countryside Agency (2001), *Connecting Town and Country; Joint working of local authorities in urban and rural areas*, Countryside Agency: London

- Coffyn, and Dahlstrom, (2001b), *Connecting Town and Country, West Midlands Research Report 18*, Centre for Urban and Regional Studies, University of Birmingham

Bulgaria: Specialised programme 'Creation of Thematic Park "Poleto (The Green Field)"'(CTP)

Overriding theme:

"Interlinking urban and rural by creating a shared 'leisure space' between them"

Nature and composition:

This is a specialised project which is part of the implementation of the 'Master Plan of Sofia'. It will impact three towns and thirty villages within the boundaries of the Sofia municipality and involves the establishment of a Thematic Park comprising both urban and rural zones. The park will include green link trails, vegetation planting, a small dam, mineral springs and sites of cultural heritage. It will encompass residential areas in both outlying villages and parts of the city of Sofia.

Objectives and reason for establishment:

The project was designed to resolve what have been identified as priority development problems of local and regional significance. In addressing these, it is hoped that general living standards will be raised and specifically opportunities for leisure and recreation enhanced.

Implementation powers, procedures and partners:

Local government in the form of the local authorities of Greater Sofia and four regions on the outskirts of Sofia are the key participating bodies. They are collaborating in the project with several non-governmental organisations and private investors in planning and executing the implementation of the Plan.

Resources:

The initiative has a budget for five years which is provided by a combination of local, regional and national sources.

How the initiative impacts URR:

The project can be seen to directly impact urban and rural interdependencies by providing a shared resource of value and interest to both communities.

The activities and focus of the initiative:

Establishing and maintaining the project involves a range of activities, these include economic development, employment, retail and tourism, education and training, housing and most obviously heritage, the environment, regeneration, leisure and recreation. The main focus of the initiative can be described as spatial cohesion and integration and economic diversification.

Strengths:

In the context of urban rural relations, the advantages of the CTP include creating better conditions for recreation which may bring together urban and rural residents, improving the infrastructure between the two communities and supporting the local products of rural communities in neighbouring urban areas and vice versa.

Weaknesses:

Certain risks and possible negative outcomes of implementing the project have been identified. These relate to the possible commercialisation of traditions, the loss of existing social characteristics of

villages, opportunities for land profiteering and associated inequities and the 'emergence of certain development solutions which are in contrast to the specific characteristics of Sofia municipality'.

Denmark: Development Council for Vendsyssel with specific reference to the initiative 'Sustainable Rural Districts'

Overriding theme:
"Creating a division of labour between urban and rural, thus increasing interdependency"

Nature and composition:
The Development Council was set up in 1992, the particular initiative 'Sustainable Rural Districts' was launched ten years later in 2002. It is located in Jutland, a large island away from the Danish mainland and was established by co-operation between nine municipalities, these are a mixture of rural and urban in type. The project is described as a 'start-up initiative'.

Objectives and reason for establishment:
Following a study, the region has been divided up into city areas and rural districts. This was in order to identify the needs of the two types of area. A key priority, it was decided, was to overcome the problems of rural areas in need of what the initiative refers to as 'rural district effort'. Thus a key objective is to work towards the sustainable development of rural districts.

Implementation powers, procedures and partners involved:
To implement its' ideas, the project has tried to focus on practical ideas, such as support for entrepreneurs, schemes to develop local cultural life, educational facilities, work opportunities and car-sharing for people living in rural districts. The municipalities which 'kick-started' the initiative are only seen as the 'initiators' of the process, there are several private, labour market (employer and employee) and voluntary bodies involved in implementation.

Resources:
80% of the budget for the project has been provided by the Ministry of the Interior (30,000 euro), the rest has been raised by the initiative itself.

How the initiative impacts UR:
The initiative has been designed to try and develop a 'division of labour' between rural and urban areas, with each providing functions which are particular to it and reflective of its qualities and of use to the other. This would involve providing housing and employment in rural areas which would provide 'viability in the day-light hours. However cities should develop supportive functions with specialised services, for instance educational and cultural. It is envisaged that rural and urban districts will develop complementarity and thus addressing their relationship is considered a major aim.

The activities and focus of the initiative:
The activities can be divided into two main policy areas and one procedural issue. The policy areas are firstly employment and economic development, secondly, settlement planning. The broader issue that concerns process is the activities relating to partnership and network building. Similarly the focus is not limited to one area, but is reflected in the activities of the initiative. These can be described as integrating assets and joint marketing and for the settlement planning; attaining balanced growth,

spatial cohesion and building up towns as service centres. An overall concentration on integration is apparent.

Strengths:

It appears that both urban and rural municipalities are working together in order to develop a mutually rewarding development throughout the region. Moreover through their support of the project they are showing something of a shared vision and a willingness to tackle problems together.

Weaknesses:

None were identified by the respondent, however in the context of this survey, it may be noted that the focus is primarily on the needs of the rural areas.

Ireland: Strategic Planning Guidelines for the Greater Dublin Area (SPGD)

Overriding theme:
"*Re-directing development from overcrowded urban areas to new town settlements in rural areas"*

Nature and composition:
The Guidelines were drawn up in 1999 with a proposed lifespan of 12 years. It was the product of seven councils in association with two regional authorities, the Department of Environment and Local Government and Dublin Transportation Office.

Objectives and reason for establishment:
The Dublin metropolitan area has been growing extremely rapidly and out of pace with the rural parts of the country. The initiative was set up with a view to developing major centres of the hinterland to re-balance the concentration of population in the Greater Dublin area. These new development centres are to be located along existing transportation routes or 'corridors' and will be separated by 'Strategic Green Belts'. It is envisaged that this will reduce the need for commuting to the main metropolitan area of Dublin.

Implementation powers, procedures and partners:
The Guidelines have had statutory power since legislative changes in 2000 with the implementation of the new Planning and Development Act. The Dublin Local Authorities have been supportive of and actively participated in the drawing up of the Guidelines, this, in addition to the weight of legal backing, should prove key to the successful implementation of the initiative.

Resources:
Sources of funding are national, although the exact budget is not known.

How the initiative impacts URR:
It will, if implemented successfully arguably have major effects on rural urban relations. The main focus is developing small and medium sized towns as new service centres, or 'consolidating future growth into a limited number of locations'. However it is hoped that these will become self sufficient over time, hence the design is not exactly to increase interdependence between urban areas and outlying rural areas, but to create a new configuration with more dispersed employment and settlement patterns which are to be clustered around smaller centres.

The activities of the initiative:
The overall focus is balanced development, perceived as the growth of several smaller towns to replace the congestion of the capital, Dublin. This is to be attained through a number of infrastructure projects in strategic places, which will include utilities and recreational facilities. In is expected however that transport routes that are already in existence will be used, though 'a new balance between public and private forms of transport' is part of the project. In addition new markets for employment and land for housing development are to be established.

Strengths:
Sustainability is central to the strategy and this, together with the desire to create an alternative settlement form, which could be described as more balanced and coherent, is an objective that appears to be shared by the councils involved. Environmental considerations are respected; rather than just 'swamping' rural areas the new settlements are to be separated by 'green corridors'.

Weaknesses:
The emphasis is very much on the current urban metropolis and the need to reduce pressure on it, without so much consideration of the interests of rural areas, although the changes may assist rural area by alleviating certain problems associated with underdevelopment. The initiative doesn't especially direct itself to actual interdependencies between the urban and rural areas.

Futher information:
www.spg.ie

Portugal: Integrated study of Mobility and Systems of Transport in Municipalities of the association of Medium Tagus (ISM)

Overriding theme:
"Bringing together rural and urban through improvements in mobility and transport systems"

Nature and composition:
ISM is a project which ran initially for just one year, from 2002 to 2003. It was set up by the Association of Medium Tagus Municipalities and was designed as an assessment exercise, to establish what actions are needed to create a more effective system of mobility which will integrate the different communities in the region.

Objectives and reason for establishment:
The project arose as a result of an acknowledgement of the accessibility problems of remote rural areas, the need for integration in the region as a whole and the desire to stimulate a 'more dynamic development' of regions that are still 'lagging behind'.

Implementation powers, procedures and partners:
The Association of has a commission which has worked alongside it on this project. This has included the Institute of Roads of Portugal (IEP) and the General Directory of Transport (DGTT). The DGTT has subsidised the initiative and both bodies have collaborated on technical aspects of the study. The strategies that have been considered have yet to be finalised and these will determine the instruments and measures that will implement the objectives of the ISM.

Resources:
The total budget is for the project 318.225 euro. A fifth of this has been funded by EU Structural Funds, the rest is divided equally between public expenditure and the General Directory of Transport.

How the initiative impacts URR:
The project does not pretend to promote improved urban rural relations as a primary aim, however it is contended that the opportunity for this will be maximised if movement between the two types of area becomes easier. It is envisaged that the availability of transport will first encourage tourist visits between areas, but that this will develop into more regular contact and ultimately lead to employment and residential exchange and growth.

The activities and focus of the initiative:
The focus of the project is really diagnostic as it is study based. However the activities and issues addressed by ISM include economic development, retail, the environment, tourism, recreation, culture, sport and, of course, transport. The economy and retail, as the lack of development of certain areas is due largely to the lack of transport systems to connect them to other parts of the

region. The environment, arguably, by establishing efficient systems of transport and the other activities will become possible with increased mobility.

Strengths:
There is a shared will to improve the accessibility of remote areas by improving the systems of transport and this is shown by the partnership between central (through the DGTT) and local government (the municipalities) and by support from the Institute of Roads and externally by the EU

Weaknesses:
The region is part of a much vaster territory. It has not been possible to establish relationships of any continuity with the neighbouring regions, especially Oeste and Leziria. The objective of the project are extremely ambitious and far reaching, it will be interesting to see how much can be achieved from an initiative of such relatively short duration.

Finland: Probotnia

Overriding theme:
"Increasing co-operation and exchange between rural and urban"

Nature and composition:
This is a joint project initiated by two universities' research departments and funded by the 'Employment and economic development centre' which is part of the state administration at the regional level. It explicitly aims to increase co-operation and exchange between urban and rural communities. The initiative began in 2001 and is open-ended.

Objectives and reason for establishment:
The idea for the project emerged following study of and discussion with urban and rural 'actors' regarding the issue of interaction between them at the regional level. This was related primarily to the marketing of local produce and other forms of exchange.

Implementation powers, procedures and partners:
As the initiative is based on the work of academics, the focus is very much on the provision of information to both rural and urban communities relating to their respective needs and marketing issues. The research department and project are being supported by small enterprises in the rural areas and both urban and rural associations.

Resources:
The main sources of funding are the EU and the national budget, through the state regional administration.

How the initiative impacts URR:
The main aim of Probotnia is increasing the interdependence of rural and urban areas, chiefly through the trade of local products.

The activities and focus of the initiative:
The activity at the centre of the initiative is retail, this is hoped to stimulate employment and economic development. The success of the project is dependent on building networks and partnerships. The focus then is assets integration and joint marketing and spatial integration.

Strengths:
Actual pilot actions have been carried out and some collaborative efforts undertaken by small businesses and individuals in urban and rural communities.

Weaknesses:
Obtaining commitment and communication between urban and rural has not always been easy and the achievements may only be very small scale.

Hungary: Initiative for strengthening of inter-municipality co-operation in the city of Gyor

Overriding theme:
"Involving outlying rural areas in decisions made by the city"

Nature and composition:
Inter-municipality co-operation has been promoted by the government in the context of mistrust between the centre and the periphery , which has dominated settlement organisation since the 1970s. This initiative was started by the city of Gyor to try and overcome this problem by forming an alliance with surrounding rural communities. As a project it will seek to build stronger infrastructure and service facilities for those communities and seek co-operation between the city and them in the allocation of work and residential developments.

Objectives and reason for establishment:
A pre-existent mistrust of the city by the surrounding rural areas provides the original trigger for the project. It became a reality through the work of a research project for de-limiting the area which identified municipalities which could be taken into account for inclusion in future alliances.

Implementation powers and procedures:
The research project was followed by a meeting with co-operating partners. At present these are seeking to establish a legal framework and joint policy with the consent of the local authorities.

Resources:
This is has not been identified.

How the initiative impacts URR:
By providing a forum in which representatives of both urban and rural areas can meet and work together on future development proposals.

The activities of the initiative:
Economic development, employment policies and settlement planning and housing are key activities of the project. These are to be achieved through network building pro-activity in creating new partnerships. Balanced growth, physical accessibility, assets integration, joint marketing and institutional capacity building are all objectives of the initiative.

Strengths:
A chance for the rural municipalities to build economic strength and social integration between the city of Gyor and the surrounding sub-urban areas may be achieved.

Weaknesses:
There is a possibility that the most out-lying communities at the 'rural edge' will benefit least from the plans.

Slovenia: Regional Development Programme of South Primorska

Overriding theme

"Improving the conditions in urban and rural areas and accelerating rural development"

Nature and composition:

This is a far-reaching project that aims to encompass all activities associated with development. It began in May 2001 with the objective of stimulating the economy of the region and so raising the standard of living of inhabitants in both 'rural and urban centres'.

Objectives and reason for establishment:

The need to initiate a development programme that would equalise levels of development and the quality of life in both urban and rural areas of the region.

Implementation powers, procedures and partners involved:

There is involvement at regional, national and local level in this project, although the key partner organisations are the local authorities.

Resources:

Approximately 366,185 euro for the period 2002-2006, from EU, national and regional sources.

How the initiative impacts URR:

By allowing for co-operation and co-ordination between the municipalities representing both types of area, also collaboration with bordering regions, the State and EU institutions in the achievement of improved relationships.

The activities and focus of the initiative:

The development of the tourist infrastructure, rural economic development, employment in both urban and rural areas, settlement planning, environmental improvements, provision of utilities, heritage, education and training and leisure activities. The focus is on balanced growth and maximising the role of small and medium sized towns as service centres. Assets integration, joint marketing of tourist provision, institutional capacity and improving physical accessibility and establishing virtual connectivity are also areas that the initiative is hoping to address.

Strengths:

The integration of entrepreneurial activity, of tourist opportunities should benefit both rural and urban areas. Better accessibility and rural development should help those in rural areas specifically.

Weaknesses:

There may be an increase in the regional and external pressures on the environment. The pre-dominant role of cross-border centres in the network of settlements after accession to the EU is also perceived as a problem.

2.8 Selected examples of INTERREG projects addressing urban-rural relations

2.8.1: Interreg IIIb projects

Atlantic Arc

Lead partner	Project Title	Brief description	Main objectives	Apparent focus
UK	Interdependencies between Urban and Rural Areas in the West of England	Examination of the spatial development characteristics of regions which encompass mixed urban-rural areas and of the institutional arrangements that strengthen the partnership arrangements.	To improve urban-rural links in an innovative and co-ordinated way and to address the particular problems in these relationships in the West of England. Use workshops to support a series of projects which create new urban-rural partnership arrangements, define new planning areas and devolve competencies to sub-regional bodies to address linkages at local level.	Stresses are on rural or urban communities and how they impact each other, especially the pressure on 'accessible rural areas' from 'over-spilling urban areas'. Multi-sectoral in approach.
UK	Strategies and Pilot Interventions for Sustainable Rural Development	Development of decentralised trading links to increase resilience of rural areas.	Rural diversification. Build on towns and their role in assisting struggling rural areas.	Urban (small town, rather than city) to assist rural.

The two Atlantic Arc projects above have an orientation to the rural, with the urban being seen somewhat as a resource to help rural areas in difficulty.

North Sea

Lead partner	Project Title	Brief description	Main objectives	Apparent focus
Nether-lands	Towards new strategies between Rural and Urban	Socially orientated innovative pilot projects which may produce a best practice approach.	Development of a strategy of 'livability' in city and countryside by co-operation between urban and rural partners. Establishment of projects involving interchange of persons between urban and rural communities.	Broad aims, small scale and socially oriented approach through individual schemes.
Nether-lands	PURE (Planning for Urban-rural River Environments)	A project to use water as an organising principle for spatial development, especially to address the specific problems of areas lying between the rural and urban.	To develop identity and spatial quality in urban-rural fringe zones by developing action plans and pilot projects (river restoration, water systems, etc.) using public-private partnerships and community involvement to generate support.	Focus on zone between rural and urban more than directly on the relations between the two.

UK	Bridge IT	A project to use IT for job creation and integration of rural communities which have experienced isolation and decline, with a concentration on delivery through the SME sector.	To address the urban-rural imbalance in the North Sea region generally (income etc.) and rural unemployment specifically, which is leading to urban migration. Re-integration and strengthening of isolated rural communities.	Empower rural areas. Create more 'self sufficient' rural communities, better able to compete with their 'urban neighbours'.
UK	Rural Market Town Integration	Integrate small market towns into wider spatial development agenda of surrounding urban metropolitan areas and alleviate the urban rural divide.	Deal with the problem of the pull from towns to 'city sprawl'. Use small towns as a bridge between the rural and the urban.	Towns to be strengthened as a point of connection between urban and rural.

The North Sea projects most directly address both urban and rural, with the exception of Bridge IT. Towards new strategies looks explicitly at building up interdependent relationships between people in rural and urban communities, but in a small scale way. PURE and Rural Market Town Integration focus on the area between rural and urban, the latter specifically on strengthening towns. Bridge IT however could be said to actually run counter to the aims of improving Urban Rural relationships, if this is taken to involve interdependency. Self-sufficiency of rural communities is an explicit aim of Bridge IT and as such could be criticised in this respect.

North West

Lead partner	Project Title	**Brief description**	**Main objectives**	**Apparent focus**
UK	Weaving Together Town and Country	The creation of a regional park resource to realise potential for urban fringe landscapes to satisfy demand for countryside recreation.	Reduce pressure on sensitive rural landscapes by re-directing it to areas closer to urban areas. Stimulate indigenous growth in rural economies. Promote an extensive network of waterside sites linked by footpaths, cycleways and promote public appreciation of assets.	Only an indirect focus on urban rural relations, more attention to developing the area and recreational connections between both.
UK/ Nether -lands	SOS II (Sustainable Open Space)	A transnational spatial planning project to identify, enhance and diversify open spaces to support a sustainable, balanced development for the region.	Share and extend the knowledge of urban-rural relationships and improve them (amongst other broader aims).	'Knowledge exchange network' with a variety of specific activities and actions.

Nether-lands	Interaction between Urban and Rural Development	Research based project concentrating on peri-urban areas and their development.	Develop the landscape quality and identity of open spaces around metropolitan areas.	Interaction between urban areas and their surroundings.
UK	Urban Rural Interdependency (awaiting confirmation or details)	(Contact Sandra Rothwell at Worcestershire County Council)		

The North West projects address urban and rural by creating linkages between the two types of area.

The selection of projects in the table above include those which most closely focus on urban-rural interdependencies and the relationship between communities in the two types of area. The emphasis tends to vary predictably perhaps according to geographical area and is reflected in different emphases of projects in the Atlantic Arc, North West and North Sea regions.

Some of the more innovative projects which do actually contain objectives or activities which deal with the relationship between urban and rural, focus on the role of towns. These are portrayed as in need of revitalisation with their potential being seen as a bridging role between urban and rural areas. One example is 'Rural Market Town' which aims to stop the pull from towns into the city sprawl and 'alleviate the urban rural divide' partly by using small market towns as a point of contact. Alternatively several concentrate on the protection or bolstering of rural areas to better withstand the impact or competition of urban areas. One example is 'Strategies and pilot interventions for Sustainable Rural Development' which includes proposals to pull in towns in their role to assist struggling rural areas.

Many initiatives which seek simply to replicate or simulate aspects of the rural in the urban (such as city farms) and vice versa (work from home schemes in urban areas) are not included as they could conceivably reduce the need for any interrelationship between urban and rural areas. Also excluded are those which are geared only at increasing urban capacity.

2.8.2: Interreg IIc projects

Most Interreg IIC programmes were aimed either at urban or rural areas, *Sustainable Open Space for the North West Metropolitan Area* was an exception to this. It continued in Interreg IIIb as *SOS II* and is considered above. Apart from this, only a couple claimed to address the relationship between the two, though as a 'side effect of their primary objectives, both tourist are related;

Exmaple1: Documentation and Development of Seaside Tourism in the North Sea Region (Sweden – North Sea)

The development of sustainable seaside tourism, an examination of the differences between urban and rural seaside tourism and an improvement in the relationship between them.

Example 2: Tourism Development through Interpretation (UK – Atlantic Arc

Development of a holistic approach to tourism using waterways which transverse urban and rural areas. The project involved networking and partnership overlapping both types of region.

Others examples such as **Noord XXI (North Sea)** compared models of urban and rural development, but didn't explicitly look at interrelationships. **Living in Towns (North West)** explored the role of towns in reducing the pressure on urban fringes, but not, as with later Interreg IIIb projects, at towns as a bridge between urban and rural areas.

CHAPTER 3

ANNEXES

3.1: Questionnaire 1: urban -rural policies

Introduction

This questionnaire is designed within the context of ESPON project 1.1.2: Urban-Rural Relationships (see Annex 2). The project aims to examine the ways in which an integrated policy approach to urban and rural issues can be developed. Such an approach has been strongly promoted by the ESDP (see Annex 1). The objective of the questionnaire is to *collect examples of current national and regional policies in Europe that address the issue of urban-rural interdependencies directly or indirectly.* Such policies may include for example those aiming at: regulating the development pressures from urbanisation on rural areas, or strengthening the economic structure of declining rural areas or policies which primarily aim at regional development, transport, industry, agriculture, spatial planning, environment and urban development, but have also indirect impact on urban-rural relationships.

If you know of any *national or regional* policies which *explicitly* focus on the interdependencies between urban and rural areas (such as polices aiming at strengthening social and functional links between cities and countryside) please use the following questionnaire to provide us with *at least 1* example. Please also use the questionnaire to provide us with *at least 2* examples of other policies which although may not be designed to address urban-rural relationships but affect such relationships *indirectly.* We will appreciate it if you can provide with as many examples in both categories as you can find the time to do so.

General

1. Title of policy:

2. Date policy was introduced:

3. Initiating body/ bodies (EU, national government/ regional/local authorities)

4. Scope and application of the policy (whole country, specific regions or municipalities)

5. Implementing body/ bodies (local authority, private sector, voluntary sector, joint working)

6. To what extent does the policy specifically aim to link urban and rural areas or to address urban-rural interdependencies?

A major aim A subsidiary aim Incidental/ indirect

Brief description of the policy

7. Description

8. Aims and objectives

9. Instruments and measures

10. Key spatial policy concepts used and their meaning (keywords used to describe spatial policy measures, or instruments such as: per-urban, deep rural, Green Heart, Green Belt, Fingercity etc)

The focus of the policy

11. What type of activities/ issues does this policy cover? (tick all those which apply and provide a short description of how)

Economic development Employment Settlement planning Housing Environment Heritage Education Training Health Transport ICT Utilities (water, energy, waste) Tourism / Recreation Leisure/ culture/sport Retail Regeneration Social services Social exclusion Network building / partnerships

Comments:

12. How / in what ways this policy affect urban-rural relationships

13. Has there been any formal evaluation of this policy? If so, summarise the key recommendations which focus on improving the effectiveness of policy in relations to urban-rural relationships. Please provide full bibliographical references for the evaluation study (ies)

Further information

Please attach any written (preferably in English) materials (such as policy documents and summaries, review articles, commentaries, websites) which may provide further useful information about this policy

Thank You

Contact details of the respondent

Name:
Organisation:
Email:
Phone:
Country:

Please email or send the completed questionnaire and additional information by Wednesday 5 February 2003 to:

Professor Simin Davoudi

Centre for Urban Development and Environmental Management
Leeds Metropolitan University, Brunswick Building, Leeds LS2 8BU, UK
Tel: +0113 1702
Email: s.davoudi@lmu.ac.uk

3.2: Questionnaire 2: urban-rural initiatives

Introduction

This questionnaire is designed within the context of ESPON project 1.1.2: Urban-Rural Relationships (see Annex 2). The project aims to examine the ways in which an integrated policy approach to urban and rural issues can be developed. Such an approach has been strongly promoted by the ESDP (see Annex 1). The objective of the questionnaire is to *collect examples of urban-rural initiatives / projects / actions which involve joint working of local authorities (with or without other partners) in urban and rural areas.* Such initiatives may include for example those involving co-operation between local authorities/ municipalities in urban and rural areas on specific areas of action (such as joint marketing for tourism, or integrated actions targeting young people, or co-ordinated activities for urban and rural housing problems) or strategic spatial issues.

If you know of any urban-rural co-operation over such initiatives / projects / actions, please use the following questionnaire to provide us with *at least 2* examples.

General

1. Title of the initiative / project:

2. Initiative's start and end date:

Brief description of initiative:

3. Description

4. Aim and objectives

5. Measures and instruments form implementation

6. key partner organisations involved

Local authorities

Private sector

Voluntary sector

7. Is there a specific budget for the initiative? If yes, how much per year, over how many years?

8. What are the funding sources? Are they EU, National, regional, local or mixed?

9. Is this a one-off initiative or part of a wider programme which includes other similar initiatives? If so, what is the title of the overall programme and how many more initiatives operate under this programme?

10. To what extent does the initiative specifically aim to address urban-rural interdependencies? Is this,

A major aim A subsidiary aim Incidental

11. What types of activities / issues does the initiative address/ include? (circle all those which apply and provide a brief description)?

Economic development Employment Settlement planning Housing Environment Heritage Education Training Health Transport ICT Utilities (water, energy, waste) Tourism / Recreation Leisure/ culture/sport Retail Regeneration Social services Social exclusion Network building / partnerships

Comments:

12. What is the key overall focus of the initiative (circle all which apply and provide a brief description)?

Balanced growth market integration economic diversification
Spatial cohesion and integration maximising role of small /medium towns as service centres Physical accessibility Virtual connectivity
River catchments area management Renewable energy provision
Integrated waste management Assets integration and joint marketing (for tourism for example) Institutional capacity building Other

Comments

13. In your view, what are the key strengths and weaknesses of the initiative as regards urban-rural relationships?

Strengths

Weaknesses

Additional Information

Please attach any written (preferably in English) materials (such as policy documents and summaries, review articles, commentaries, websites) which may provide further useful information about this initiative.

Contact details for the initiative / project (if known)

Name
Job title
Organisation
Email
Country

Thank You

Contact details of the respondent

Name:
Organisation:
Email:
Phone:
Country:

Please email or send your completed questionnaire and additional information by Wednesday 5 February 2003 to:

Professor Simin Davoudi

Centre for Urban Development and Environmental Management
Leeds Metropolitan University, Brunswick Building, Leeds LS2 8BU, UK
Tel: +0113 1702
Email: s.davoudi@lmu.ac.uk

Annex 1: ESDP and Urban – Rural Relationships

Chapter 3 of the European Spatial Development Perspective (ESDP) recognises that urban areas "have increasingly diverse functional inter-dependencies with their surrounding countryside" (p21), and vice versa. Such interdependencies "require voluntary co-operation across administrative boundaries between local authorities, to strengthen the region as a whole in competitive terms" (p21). All participating partners can potentially benefit from this. Possible fields of co-operation mentioned in the ESDP include local transport, waste management, and residential and industrial development. Furthermore, the ESDP sees co-operative cross-border city networks as "a means of overcoming development disadvantages in border areas" (p21), as it is often the case that "local problems cannot be solved... without an integrated way of looking at towns and countryside, since they tend to be regional problems". The ESDP considers promoting complementarities between cities and regions as "simultaneously building on the advantages and overcoming the disadvantages of economic competition between them" (p21). According to the ESDP, complementarities can be considered not only in economic terms but also in relation to all urban functions, such as culture, education and knowledge, and social infrastructure.

The ESDP (p25-26) sets out a number of general policy options for urban-rural partnerships, such as:

- Maintenance of a basic supply of services and public transport in small and medium-sized towns in rural areas, particularly those in decline
- Promotion of co-operation between towns and countryside aiming at strengthening functional regions
- Integrating the countryside surrounding large cities in spatial development strategies for urban regions, aiming at more efficient land use planning, paying particular attention to the quality of life in urban areas
- Promotion and support of partnerships between small and medium-sized towns at a national and trans-national level through joint projects and the mutual exchange of experience
- Promotion of company networks between small and medium-sized enterprises in urban and rural areas

You can download a copy of the ESDP from the following website:
http://www.nordregio.se

Annex 2: The ESPON study project on urban-rural relationships in Europe

The ESDP (1999) raised a number of important policy issues and questions concerning urban-rural relationships in Europe. In order to address some of these, a number of research projects have been launched under the ESPON 2002-2006 programme. One of these is Project 1.1.2 on urban-rural relationships in Europe. This project aims to:

- Identify and collate existing territorial indicators and maps to measure and display the state, trends and impacts of relationships between urban and rural areas
- Develop new territorial indicators to measure and map the state, trends and impacts of relationships between urban and rural areas
- Compile national studies on urban-rural relationships with a European focus
- Classify European cities and their role in relation to surrounding rural areas in order to create a comprehensive typology to define urban-rural relationships and concepts and to measure interactions between urban and rural areas
- Classify European rural territories based on the diversity of endogenous potential and problems in different parts of Europe
- Develop a typology of urban-rural relationships covering the EU territory as well as Candidate countries and neighbouring countries
- Develop indicators of urban-rural relationships in terms of labour markets, retail, services, culture, housing and the resulting flows of people, goods, energy, information and finance
- Examine the role of small and medium sized cities as development poles in rural territories in different parts of the European territory, and the potential for reinforcement of regions by urban-rural partnerships in support of polycentricity and better territorial balance
- Investigate the phenomena of metropolisation and urban sprawl in relation to the urban-rural relationships as an important issue and the investigation of the concept “r-ur-ban” areas where the characteristics of the urban and rural landscape are merged
- Examine the potential to promote sustainable development in urban and rural areas by exploring issues of environmental quality, natural and cultural assets, land use and information technology

You can find more information about ESPON Programme on the following website:
http://www.espon.lu

3.3 Bibliography

Caffyn, A. and Dahlstrom, M. (2001a), Objective 2

UWE (2000) University of the West of England, Interdependence between Urban and Rural Areas in the West of England, June 2000.

The Countryside Agency (2001), *Connecting Town and Country; Joint working of local authorities in urban and rural areas*, Countryside Agency: London

Coffyn, A. and Dahlstrom, M. (2001b), *Connecting Town and Country, West Midlands Research Report 18*, Centre for Urban and Regional Studies, University of Birmingham

Annex 9

List of working material available online

WP1

http://www.hut.fi/Units/Separate/YTK/research/ur/wp1/

- Input to First Interim Report from WP1: Concepts and Definitions

WP2

http://www.hut.fi/Units/Separate/YTK/research/ur/wp2/

- Input to Final Report from WP2
- Report on the NUTS5-Corine Land Cover data processing

WP3

- Interactive map and graph making tool http://www.mcrit.com/espon/maps/

WP4

http://www.hut.fi/Units/Separate/YTK/research/ur/wp4/

- Input to First Interim Report from WP4
- Input to Second Interim Report from WP4
- Input to Final Report from WP4 – part 1
- Input to Final Report from WP4 – part 2

Case studies

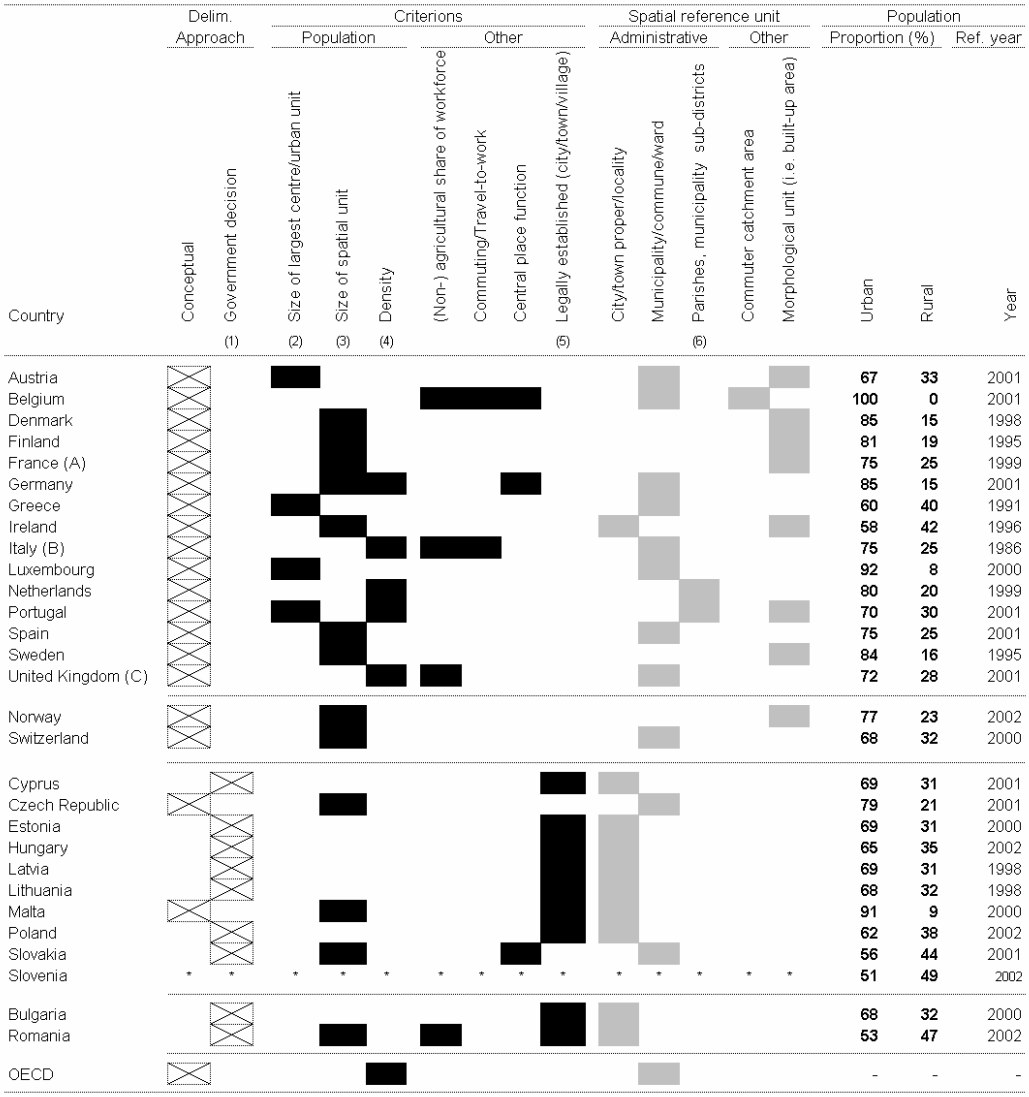
http://www.hut.fi/Units/Separate/YTK/research/ur/cases

Urban-rural relations in Europe

Maps, graphs and tables referred to in Chapter 3

	Area	Population in 1999	GDP_{PPS} in 1999
EU 15+2	77 %	79 %	95,20 %
EU 10+2	23 %	21 %	4,80 %
In total	4 694 523 km²	494 945 720 inh.	9 357 099 mill. Euro

Table 3.1. The area, population and GDP_{PPS} in total (29 countries) and according to relative shares (EU 15+2, EU 10+2).

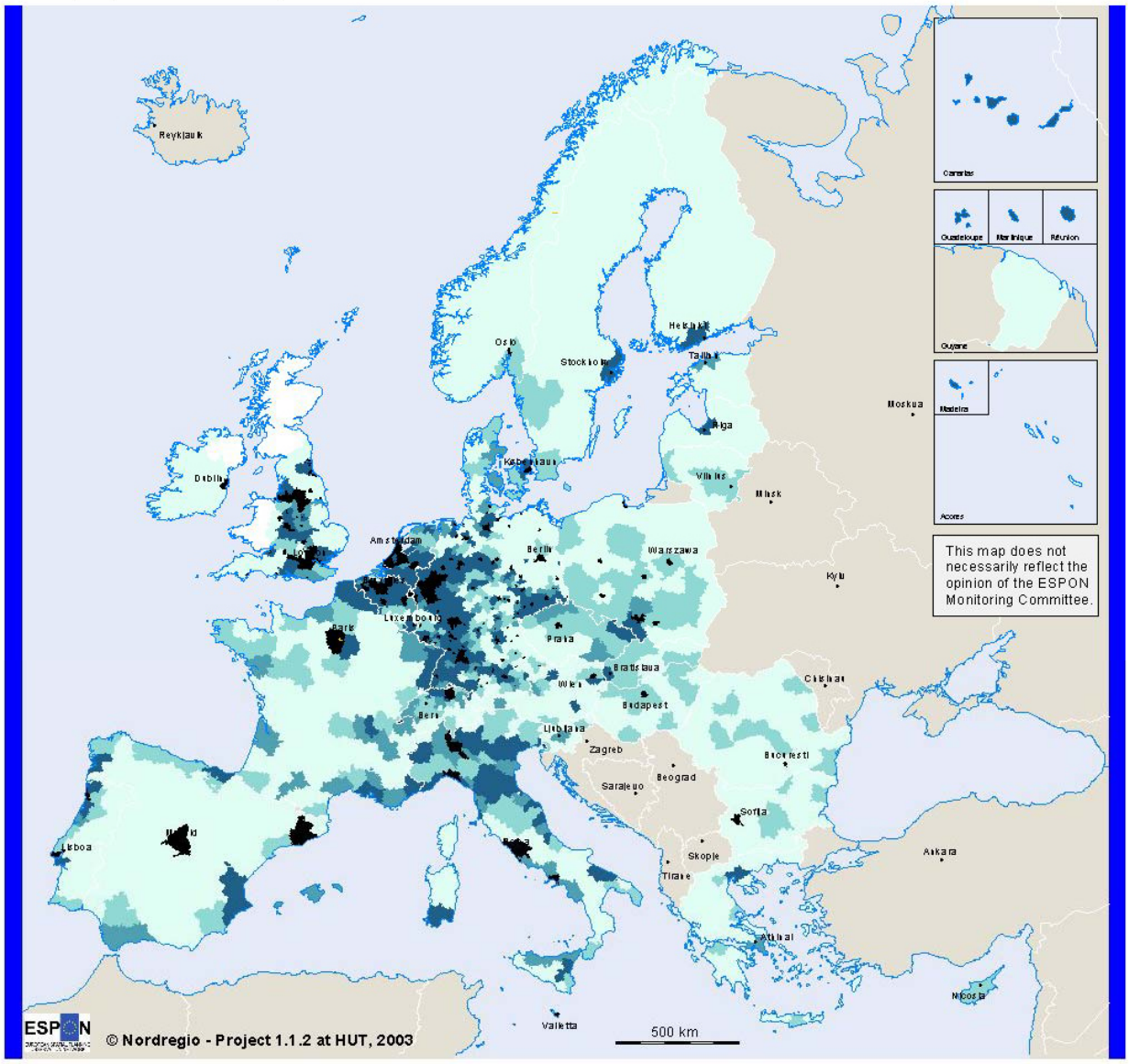


(1) The delimitation of urban and rural population by government decision may sometimes also be based on conceptional frameworks.
(2) Threshold 2,000 inhabitants always.
(3) Note! The following thresholds apply for different reference units. Denmark/Finland/Norway/Sweden: 200 inhabitants, Germany: around 100,000 inhabitants, France: 2,000 inhabitants, Spain 10,000 inhabitants, Czech Republic: 2,000 inhabitants, Malta: 1,500 inhabitants, Slovakia: 5,000 inhabitants, Switzerland: 10,000 inhabitants, Ireland 1,500 inhabitants.
(4) Germany: 150 inhabitants/km^2, Netherlands: 500 addresses/km^2, Portugal: 100 inhabitants/km^2, OECD: 150 inhabitants/km^2 (Eurostat modified: 100 inhabitants/km^2).
(5) Cyprus: Nicosia and district towns covered by local town plans.
(6) Netherland: neighbourhoods comprising "buurten", Portugal: parishes (freguesias).

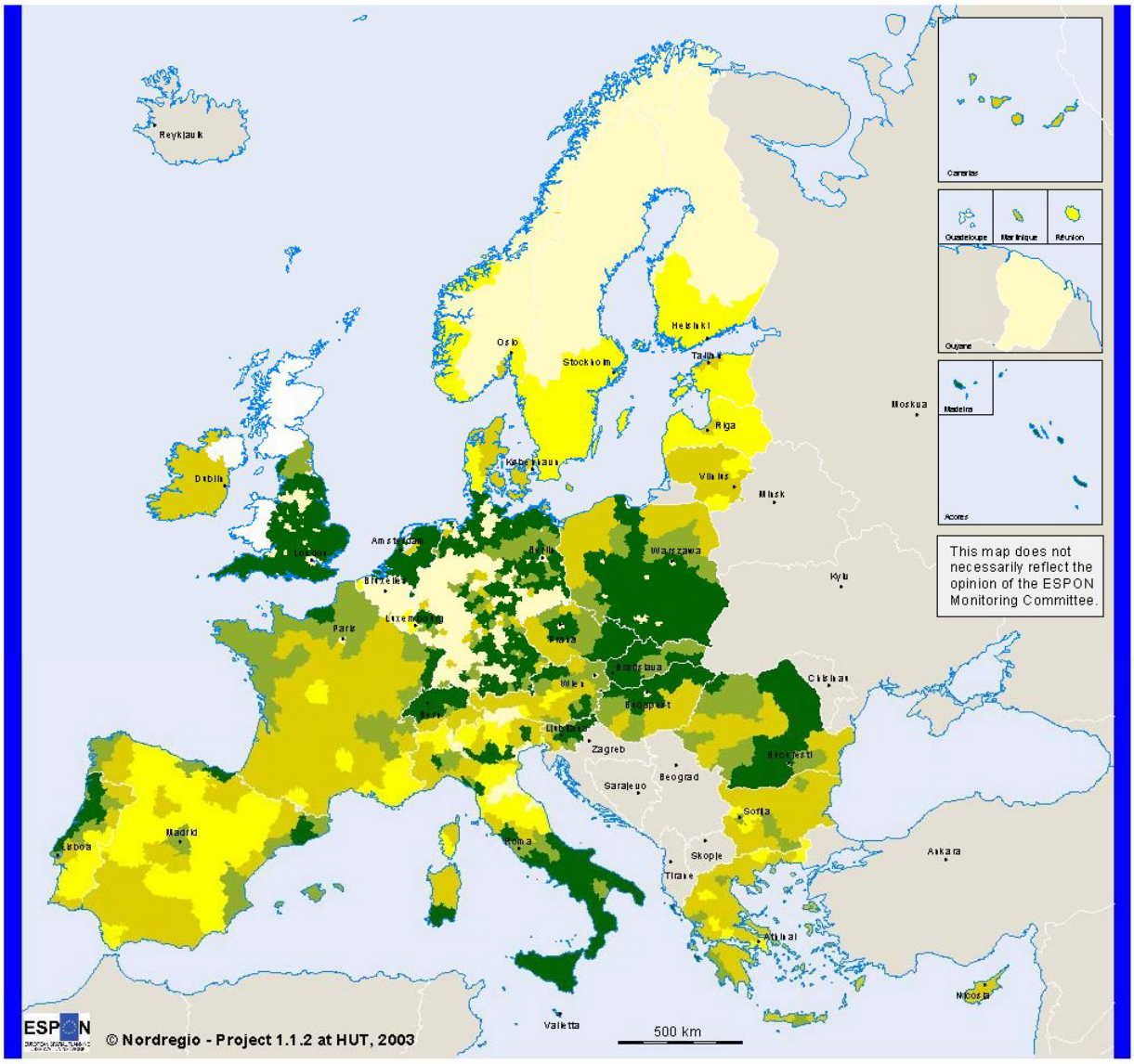
(A) Excluding Guadeloupe, Martinique, Guyane and Reunion.
(B) The list of criteria also includes active population (>14 years, women), age cohort > 14 years, average number of family members, number of private owned dwellings and penetration rate of phone contracts.
(C) Excluding Northern Ireland, Scotland and Wales. The set of criteria for England also includes ratio of active and inactive population, use of public transport and share of ethnically non-white people.

- = No data
* = Not available

Table 3.2. Main components of national approaches on delimitation of urban and rural population.



Map 3.1. Urban population density based on national classifications.



Rural inhabitants/km²

- > 45
- 30 - 45
- 15 - 30
- 5 - 15
- < 5

No data

Due to data being based on national classifications, figures between countries are not comparable.

Geographical Base: Eurostat GISCO
Origin of data: National Statistical Offices
Source: Nordregio

Map 3.2. Rural population density based on national classifications.

	NUTS3 regions	High rurality, high density	High rurality, medium density	High rurality, low density	Medium rurality, high density	Medium rurality, medium density	Medium rurality, low density	Low rurality, high density	Low rurality, medium density	Low rurality, low density	Total	Regions with contradictory values (in red)
AT	Count	0	2	20	2	1	3	7	0	0	35	7
	% of regions	0	6	57	6	3	8	20	0	0	100	20
BE	Count	0	0	5	0	0	0	18	3	17	43	20
	% of regions	0	0	12	0	0	0	42	7	39	100	46
BG	Count	0	2	15	1	1	4	3	1	1	28	9
	% of regions	0	7	53	4	4	14	10	4	4	100	33
CH	Count	5	1	9	0	0	0	8	1	2	26	9
	% of regions	19	4	34	0	0	0	31	4	8	100	35
CY	Count	0	0	0	0	1	0	0	0	0	1	0
	% of regions	0	0	0	0	100	0	0	0	0	100	0
CZ	Count	2	0	6	0	0	1	3	1	1	14	5
	% of regions	14	0	43	0	0	7	22	7	7	100	35
DE	Count	1	1	158	0	0	4	180	34	63	441	103
	% of regions	0	0	36	0	0	1	41	8	14	100	23
DK	Count	0	2	8	1	0	0	4	0	0	15	3
	% of regions	0	13	53	7	0	0	27	0	0	100	20
EE	Count	1	0	2	0	0	0	1	0	1	5	2
	% of regions	20	0	40	0	0	0	20	0	20	100	40
ES	Count	3	1	29	0	0	1	16	0	0	52	5
	% of regions	6	2	56	0	0	2	31	0	0	100	10
FI	Count	3	3	7	3	0	0	4	0	0	20	9
	% of regions	15	15	35	15	0	0	20	0	0	100	45
FR	Count	3	2	58	8	1	3	20	0	1	100	17
	% of regions	3	2	58	8	1	3	20	0	1	100	17
GR	Count	1	2	32	1	2	6	3	1	3	51	14
	% of regions	2	4	62	2	4	12	6	2	6	100	28
HU	Count	2	3	8	0	0	3	1	1	2	20	11
	% of regions	10	15	40	0	0	15	5	5	10	100	55
IE	Count	1	0	6	0	0	0	1	0	0	8	1
	% of regions	13	0	75	0	0	0	12	0	0	100	13
IT	Count	10	5	27	2	1	4	28	7	19	103	47
	% of regions	10	5	26	2	1	4	27	7	18	100	46
LT	Count	0	0	7	0	0	0	3	0	0	10	0
	% of regions	0	0	70	0	0	0	30	0	0	100	0
LU	Count	0	0	0	0	1	0	0	0	0	1	0
	% of regions	0	0	0	0	100	0	0	0	0	100	0
LV	Count	0	0	4	0	0	0	1	0	0	5	0
	% of regions	0	0	80	0	0	0	20	0	0	100	0
NL	Count	0	1	19	2	1	1	13	2	1	40	7
	% of regions	0	3	47	5	3	3	32	5	2	100	18
NO	Count	1	0	9	3	1	0	5	0	0	19	4
	% of regions	6	0	47	16	5	0	26	0	0	100	22
PL	Count	4	4	16	2	2	5	7	2	2	44	19
	% of regions	9	9	36	5	4	11	16	5	5	100	44
PT	Count	5	1	14	2	0	0	5	0	1	28	9
	% of regions	18	4	50	7	0	0	18	0	3	100	32
RO	Count	4	6	15	2	3	3	4	0	5	42	20
	% of regions	9	14	36	5	7	7	10	0	12	100	47
SE	Count	6	2	8	2	0	0	3	0	0	21	10
	% of regions	28	10	38	10	0	0	14	0	0	100	48
SI	Count	0	2	4	1	1	1	2	1	0	12	5
	% of regions	0	17	33	8	8	8	18	8	0	100	41
SK	Count	1	2	1	1	1	1	1	0	0	8	5
	% of regions	12,5	25	12,5	12,5	12,5	12,5	12,5	0	0	100	62,5
UK	Count	13	5	17	2	0	0	55	1	0	93	21
	% of regions	14	5	19	2	0	0	59	1	0	100	22
Total	Count	66	47	504	35	17	40	396	55	119	1279	362
	% of regions	6	4	39	3	1	3	31	4	9	100	29

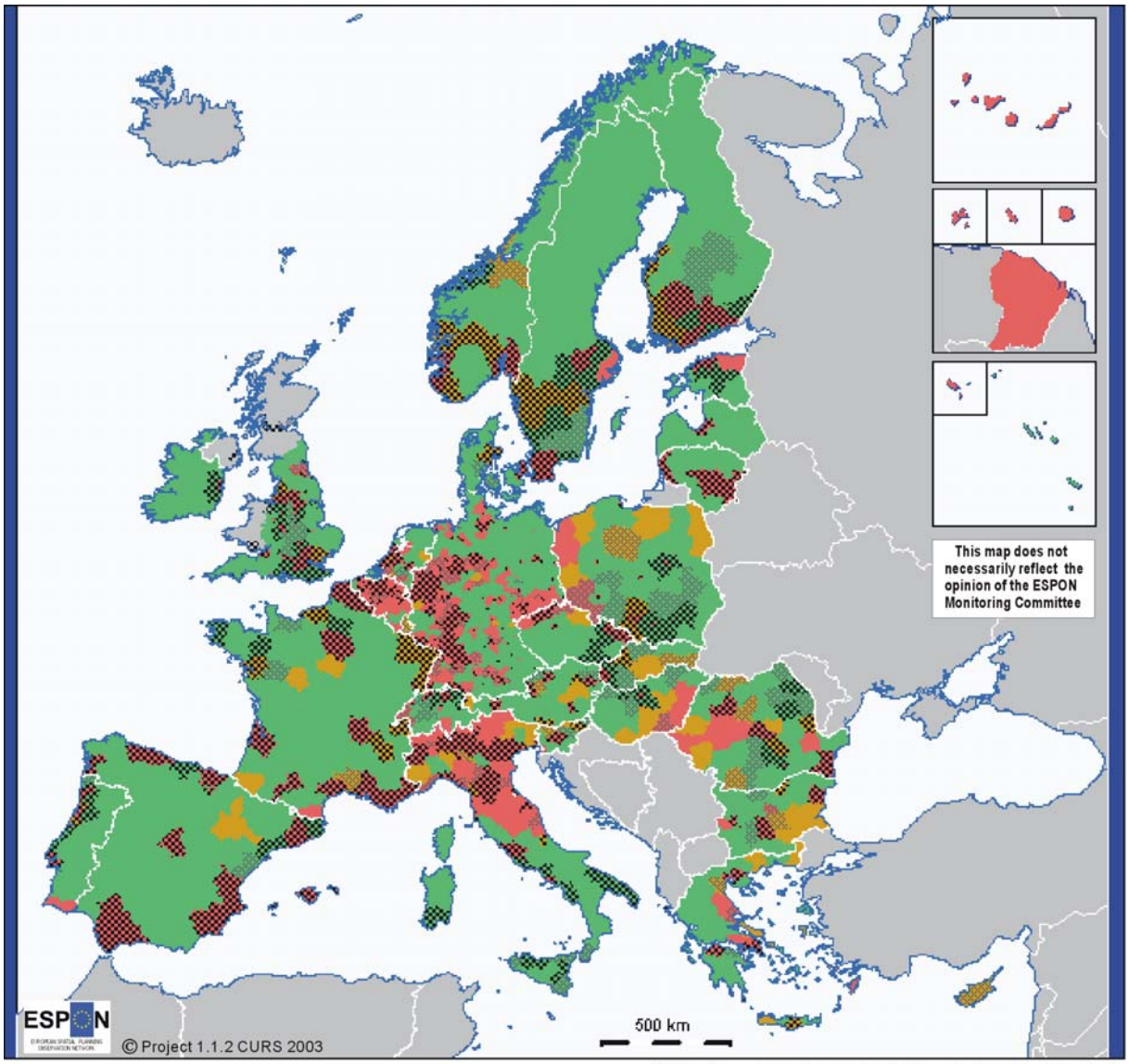
Table 3.3. Relative rurality in relation to national averages of population density.

		High rurality, high share of artificial surfaces	High rurality, medium share of artificial surfaces	High rurality, low share of artificial surfaces	Medium rurality, high share of artificial surfaces	Medium rurality, medium share of artificial surfaces	Medium rurality, low share of artificial surfaces	Low rurality, high share of artificial surfaces	Low rurality, medium share of artificial surfaces	Low rurality, low share of artificial surfaces	Total	Regions with contradictory values (in red)
AT	Count	4	0	18	3	1	2	7	0	0	35	9
	% of regions	11	0	51	9	3	6	20	0	0	100	26
BE	Count	0	0	5	0	0	0	21	5	12	43	17
	% of regions	0	0	11	0	0	0	49	12	28	100	40
BG	Count	8	1	8	3	0	3	5	0	0	28	15
	% of regions	28	4	28	11	0	11	18	0	0	100	54
CH	Count	3	0	12	0	0	0	8	1	2	26	6
	% of regions	11	0	46	0	0	0	31	4	8	100	23
CZ	Count	2	2	4	0	0	1	3	2	0	14	7
	% of regions	14	14	29	0	0	7	22	14	0	100	49
DE	Count	6	5	149	0	0	4	190	29	58	441	102
	% of regions	1	1	34	0	0	1	43	7	13	100	23
DK	Count	1	2	7	1	0	0	4	0	0	15	4
	% of regions	7	13	46	7	0	0	27	0	0	100	27
EE	Count	0	0	3	0	0	0	2	0	0	5	0
	% of regions	0	0	60	0	0	0	40	0	0	100	0
ES	Count	4	2	27	0	0	1	14	0	1	49	8
	% of regions	8	4	55	0	0	2	29	0	2	100	16
FI	Count	3	1	9	3	0	0	4	0	0	20	7
	% of regions	15	5	45	15	0	0	20	0	0	100	35
FR	Count	8	6	49	9	2	1	17	2	2	96	28
	% of regions	8	6	49	9	2	1	17	2	2	100	28
GR	Count	5	1	26	2	0	7	3	1	2	47	18
	% of regions	11	2	56	4	0	15	6	2	4	100	38
HU	Count	5	3	5	0	0	3	1	1	2	20	14
	% of regions	25	15	25	0	0	15	5	5	10	100	70
IE	Count	1	0	6	0	0	0	1	0	0	8	1
	% of regions	12,5	0	75	0	0	0	12,5	0	0	100	12,5
IT	Count	9	3	30	3	1	3	29	4	21	103	43
	% of regions	9	3	29	3	1	3	28	4	20	100	42
LT	Count	1	2	4	0	0	0	2	1	0	10	4
	% of regions	10	20	40	0	0	0	20	10	0	100	40
LU	Count	0	0	0	0	1	0	0	0	0	1	0
	% of regions	0	0	0	0	100	0	0	0	0	100	0
LV	Count	0	0	4	0	0	0	1	0	0	5	0
	% of regions	0	0	80	0	0	0	20	0	0	100	0
NL	Count	0	4	16	1	3	0	15	0	1	40	6
	% of regions	0	10	40	2,5	7,5	0	37,5	0	2,5	100	15
PL	Count	5	4	15	2	0	7	9	0	2	44	20
	% of regions	11	9	34	5	0	16	20	0	5	100	46
PT	Count	3	3	14	2	0	0	5	0	1	28	9
	% of regions	11	11	50	7	0	0	18	0	3	100	32
RO	Count	11	10	4	3	1	4	1	2	6	42	36
	% of regions	26	24	10	7	2	10	2	5	14	100	86
SE	Count	8	3	5	2	0	0	3	0	0	21	13
	% of regions	38	14	24	10	0	0	14	0	0	100	62
SI	Count	1	1	4	1	1	1	2	1	0	12	5
	% of regions	8,3	8,3	33	8,3	8,3	8,3	17	8,3	0	100	415
SK	Count	2	0	2	1	1	1	1	0	0	8	4
	% of regions	25	0	25	12,5	12,5	12,5	12,5	0	0	100	50
UK	Count	18	2	15	2	0	0	55	1	0	93	23
	% of regions	20	2	16	2	0	0	59	1	0	100	25
Total	Count	108	55	441	38	11	38	403	50	110	1307	399
	% of regions	8	4	34	3	1	3	31	4	8	100	31

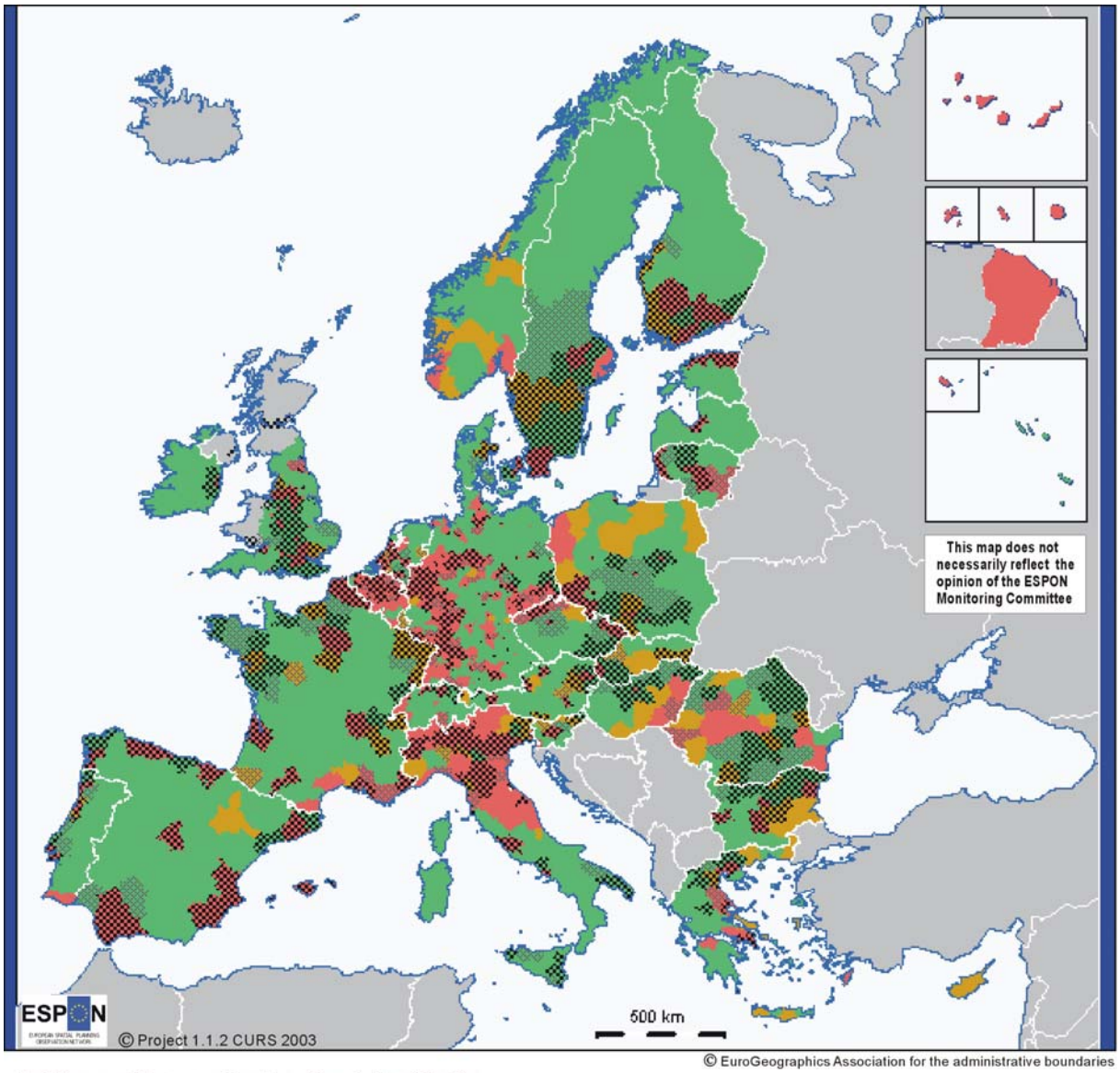
Table 3.4. Relative rurality in relation to national averages of the share of artificial surfaces.

		High rurality, high share of agricult-ural land use	High rurality, medium share of agricult-ural land use	High rurality, low share of agricult-ural land use	Medium rurality, high share of agricult-ural land use	Medium rurality, medium share of agricult-ural land use	Medium rurality, low share of agricult-ural land use	Low rurality, high share of agricult-ural land use	Low rurality, medium share of agricult-ural land use	Low rurality, low share of agricult-ural land use	Total	Regions in with contra-dictory values (in red)
AT	Count	10	2	10	1	1	4	2	3	2	35	22
	% of regions	29	6	29	3	3	10	6	8	6	100	62
BE	Count	3	0	2	0	0	0	17	11	10	43	30
	% of regions	7	0	5	0	0	0	39	26	23	100	70
BG	Count	10	1	6	2	2	2	1	1	3	28	13
	% of regions	35	4	21	7	7	7	4	4	11	100	47
CH	Count	9	1	5	0	0	0	8	0	3	26	14
	% of regions	35	4	19	0	0	0	31	0	11	100	54
CZ	Count	3	4	1	0	1	0	0	2	3	14	7
	% of regions	21	29	7	0	7	0	0	14	22	100	50
DE	Count	65	47	48	0	3	1	65	48	164	441	209
	% of regions	14	10	11	0	1	1	15	11	37	100	48
DK	Count	0	10	0	0	1	0	0	1	3	15	11
	% of regions	0	66	0	0	7	0	0	7	20	100	73
EE	Count	2	0	1	0	0	0	0	1	1	5	2
	% of regions	40	0	20	0	0	0	0	20	20	100	40
ES	Count	8	8	17	1	0	0	2	5	8	49	33
	% of regions	16	16	35	2	0	0	4	11	16	100	68
FI	Count	6	1	6	3	0	0	4	0	0	20	14
	% of regions	30	5	30	15	0	0	20	0	0	100	70
FR	Count	34	10	19	4	2	6	4	5	12	100	48
	% of regions	34	10	19	4	2	6	4	5	12	100	48
GR	Count	11	7	14	4	0	4	3	2	1	46	34
	% of regions	24	15	30	9	0	9	7	4	2	100	74
HU	Count	1	7	5	1	2	0	2	1	1	20	16
	% of regions	5	35	25	5	10	0	10	5	5	100	80
IE	Count	4	2	1	0	0	0	0	0	1	8	3
	% of regions	50	25	12,5	0	0	0	0	0	12,5	100	37,5
IT	Count	27	6	9	2	1	4	20	11	23	103	52
	% of regions	27	6	9	2	1	4	19	11	22	100	50
LT	Count	1	5	1	0	0	0	0	2	1	10	8
	% of regions	10	50	10	0	0	0	0	20	10	100	80
LU	Count	0	0	0	0	1	0	0	0	0	1	0
	% of regions	0	0	0	0	100	0	0	0	0	100	0
LV	Count	2	0	2	0	0	0	0	0	1	5	2
	% of regions	40	0	40	0	0	0	0	0	20	100	40
NL	Count	11	8	1	1	3	0	0	6	10	40	16
	% of regions	28	20	2,5	2,5	7	0	0	15	25	100	40
PL	Count	10	9	5	1	5	3	0	3	8	44	21
	% of regions	23	21	11	2	11	7	0	7	18	100	48
PT	Count	4	5	11	0	0	2	0	5	1	28	23
	% of regions	14	18	39	0	0	8	0	18	4	100	82
RO	Count	10	5	10	3	1	4	3	0	6	42	25
	% of regions	26	12	24	7	2	10	7	0	14	100	60
SE	Count	5	3	8	1	1	0	1	2	0	21	15
	% of regions	23	14	38	5	5	0	5	10	0	100	72
SI	Count	3	0	3	1	0	2	0	1	2	12	7
	% of regions	25	0	25	8	0	17	0	8	17	100	58
SK	Count	2	0	2	0	1	2	0	1	0	8	5
	% of regions	25	0	25	0	12,5	25	0	12,5	0	100	62,5
UK	Count	32	3	0	2	0	0	13	7	36	94	25
	% of regions	34	3	0	2	0	0	14	8	39	100	27
Total	Count	273	144	187	27	25	34	145	118	300	1253	655
	% of regions	22	11	15	2	2	3	12	9	24	100	52

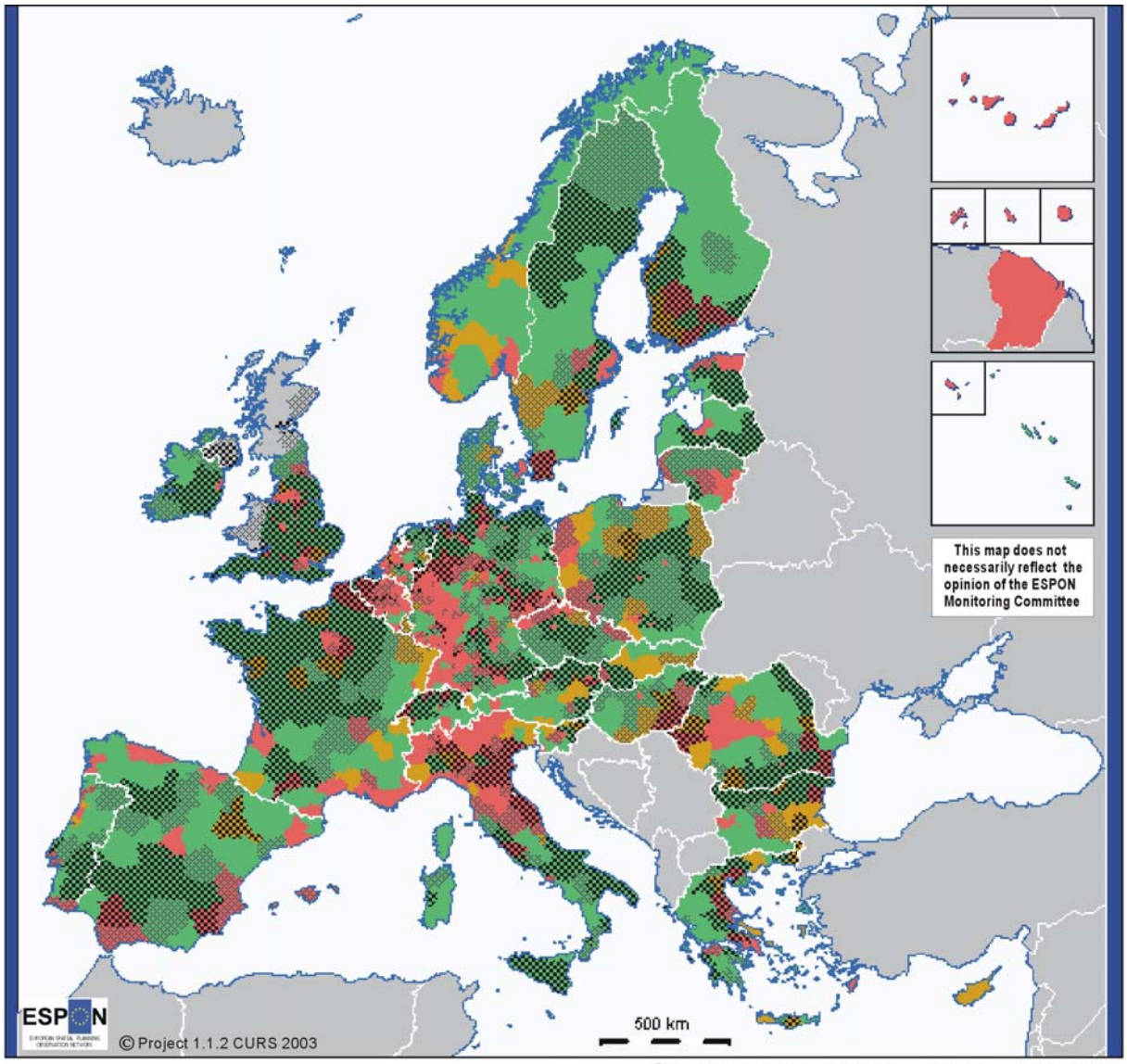
Table 3.5. Relative rurality in relation to national averages of the share of agricultural land use.



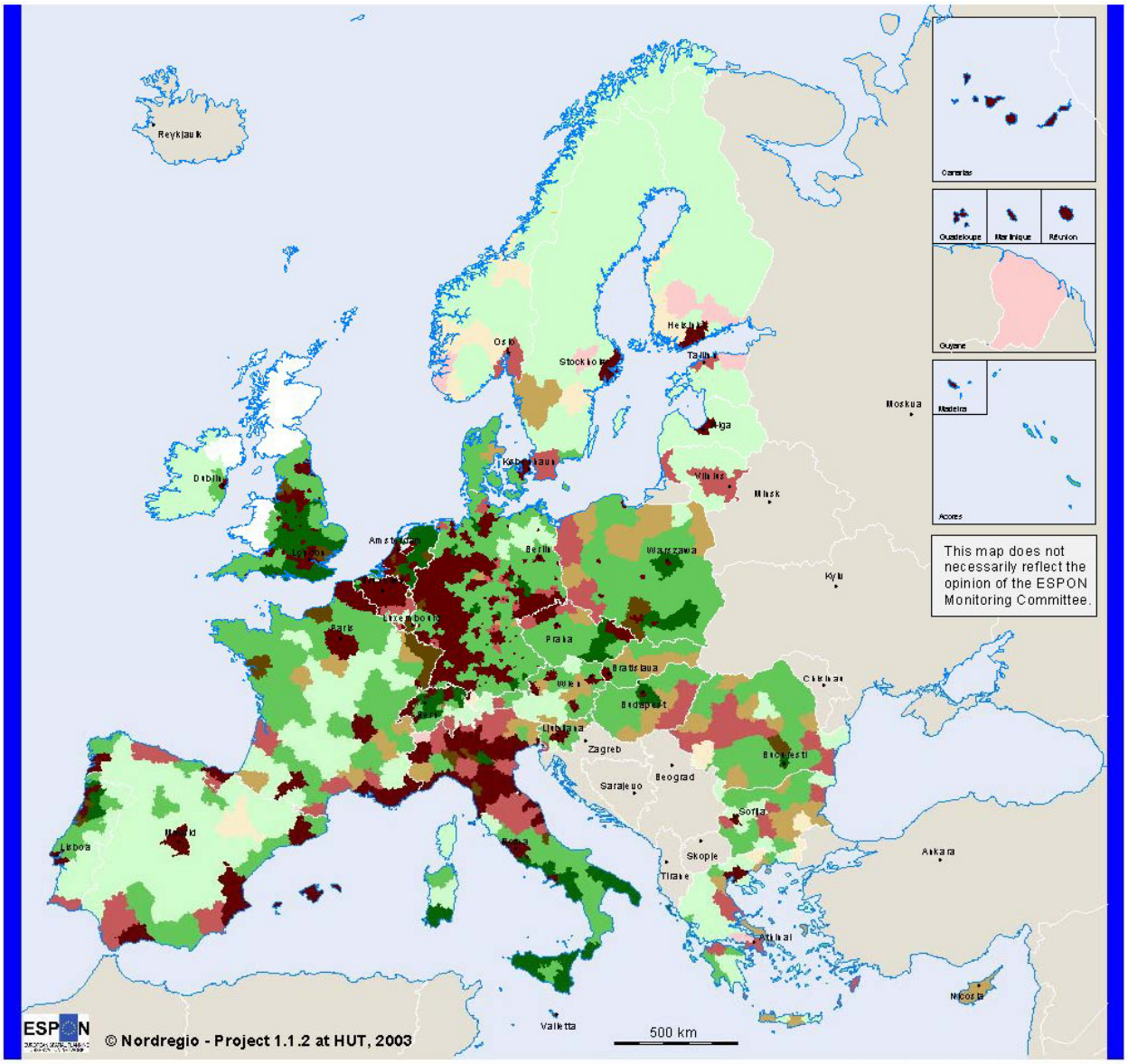
Map 3.3. Relative rurality in relation to national averages of population density



Map 3.4. Relative rurality in relation to national averages of the share of artificial surfaces



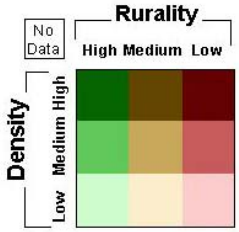
Map 3.5. Relative rurality in relation to national averages of the share of agricultural land use



Geographical Base: Eurostat GISCO

Origin of data: National Statistical Offices

Source: Nordregio



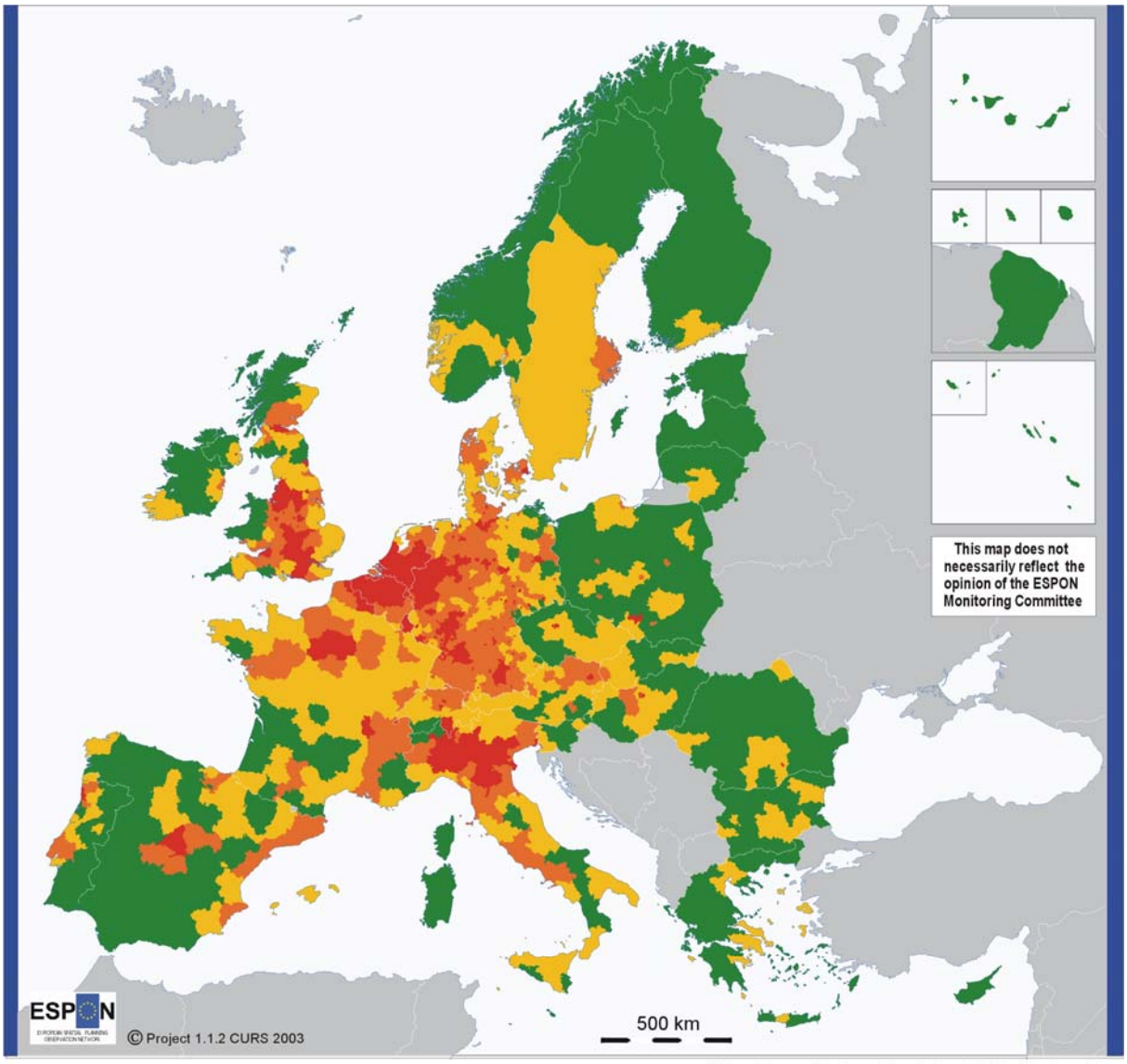
NUTS 3 regions:

Predominantly urban	Intermediate	Predominantly rural
Densely populated	Densely populated	Densely populated
Medium density	Medium density	Medium density
Sparsely populated	Sparsely populated	Sparsely populated

Rurality:
Share of rural population, index country average = 100
High: > 110, medium: 90 - 110, low: < 90

Density:
Population density (inhabitants/km²)
High: > 150, medium: 50 - 150, low: < 50

Map 3.6. Urban–rural population in Europe based on national classifications



Factor 1 - urban territories

- 0,74 - 1,52 (328 NUTS3 regions)
- 0,23 - 0,73 (330)
- -0,44 - 0,22 (333)
- -8 - -0,43 (338)

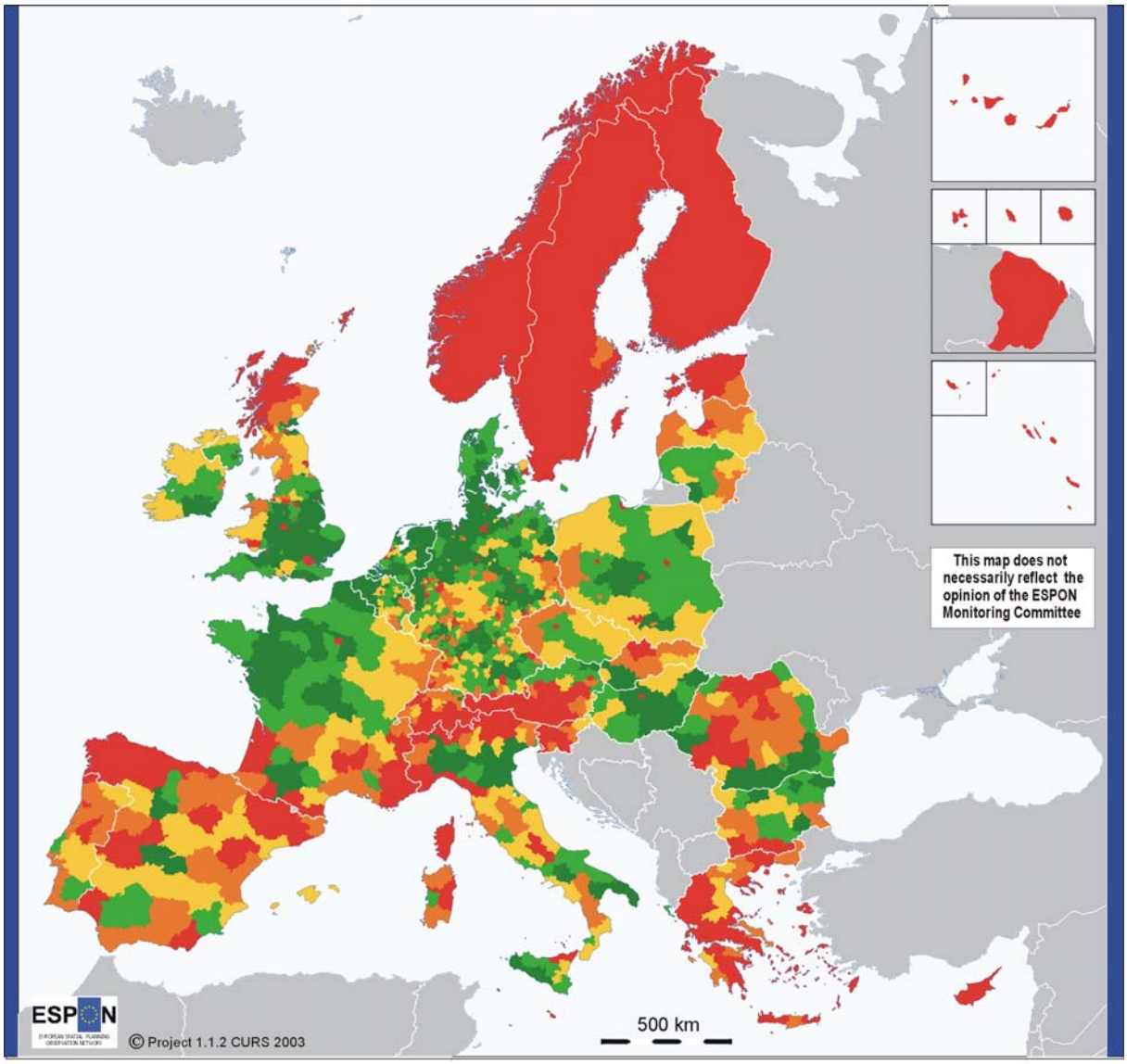
Land cover types:
Origin of data: EEA, Corine Land Cover 90

Other data:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland:
National Statistical Offices
Time reference:1999

Source: ESPON Data Base

Variables	Legend
Less urbanised territories	
↕	
More urbanised territories	

Map 3.7. Factor 1 – Urban territories



Factor 2 - High agricultural pressure

- 0,8 - 2,8 (294 NUTS3 regions)
- 0,3 - 0,7 (263)
- -0,2 - 0,2 (238)
- -0,7 - -0,1 (205)
- -7,6 - -0,6 (329)

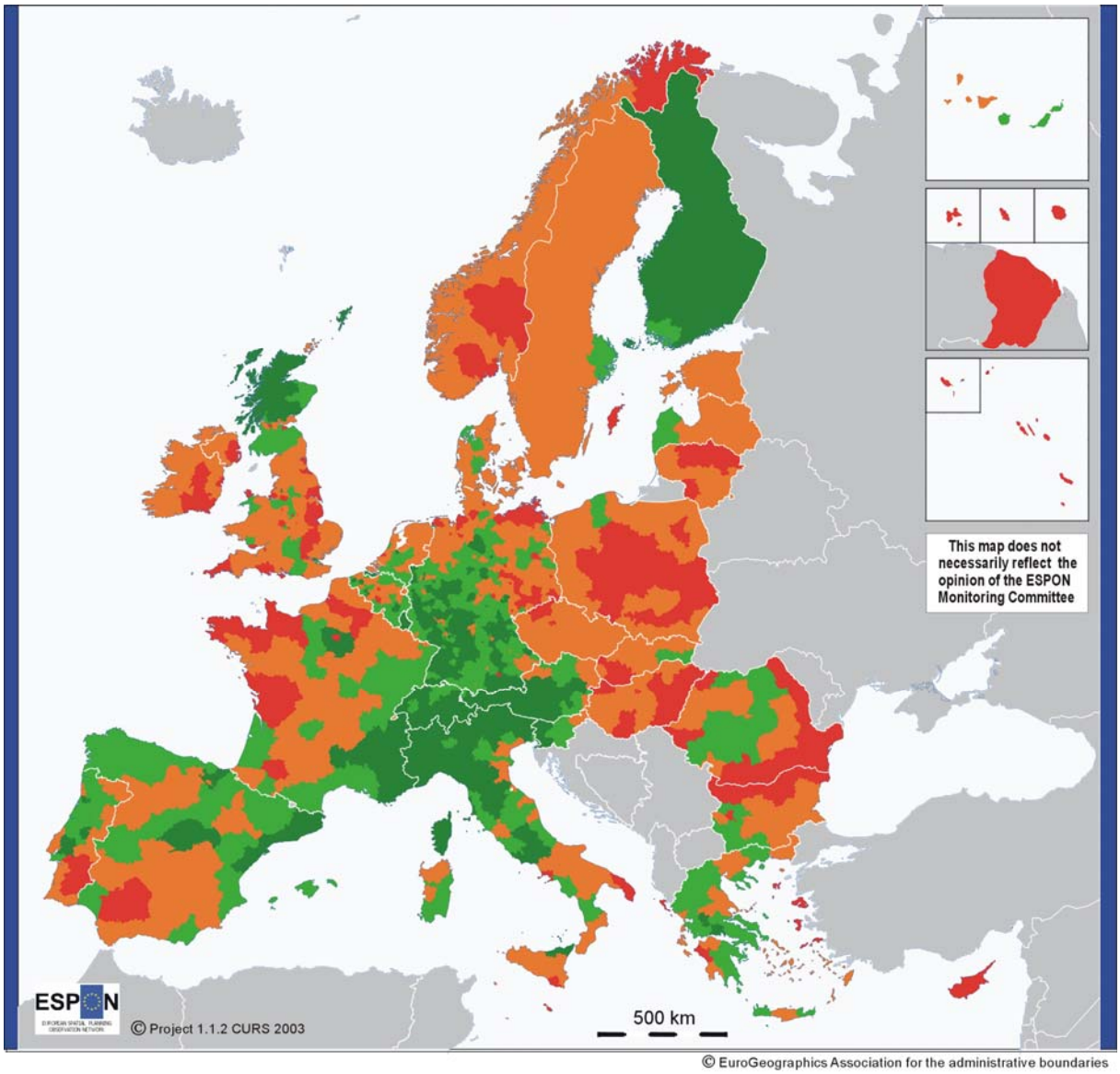
Land cover types:
Origin of data: EEA, Corine Land Cover 90

Other data:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland:
National Statistical Offices
Time reference:1999

Source: ESPON Data Base

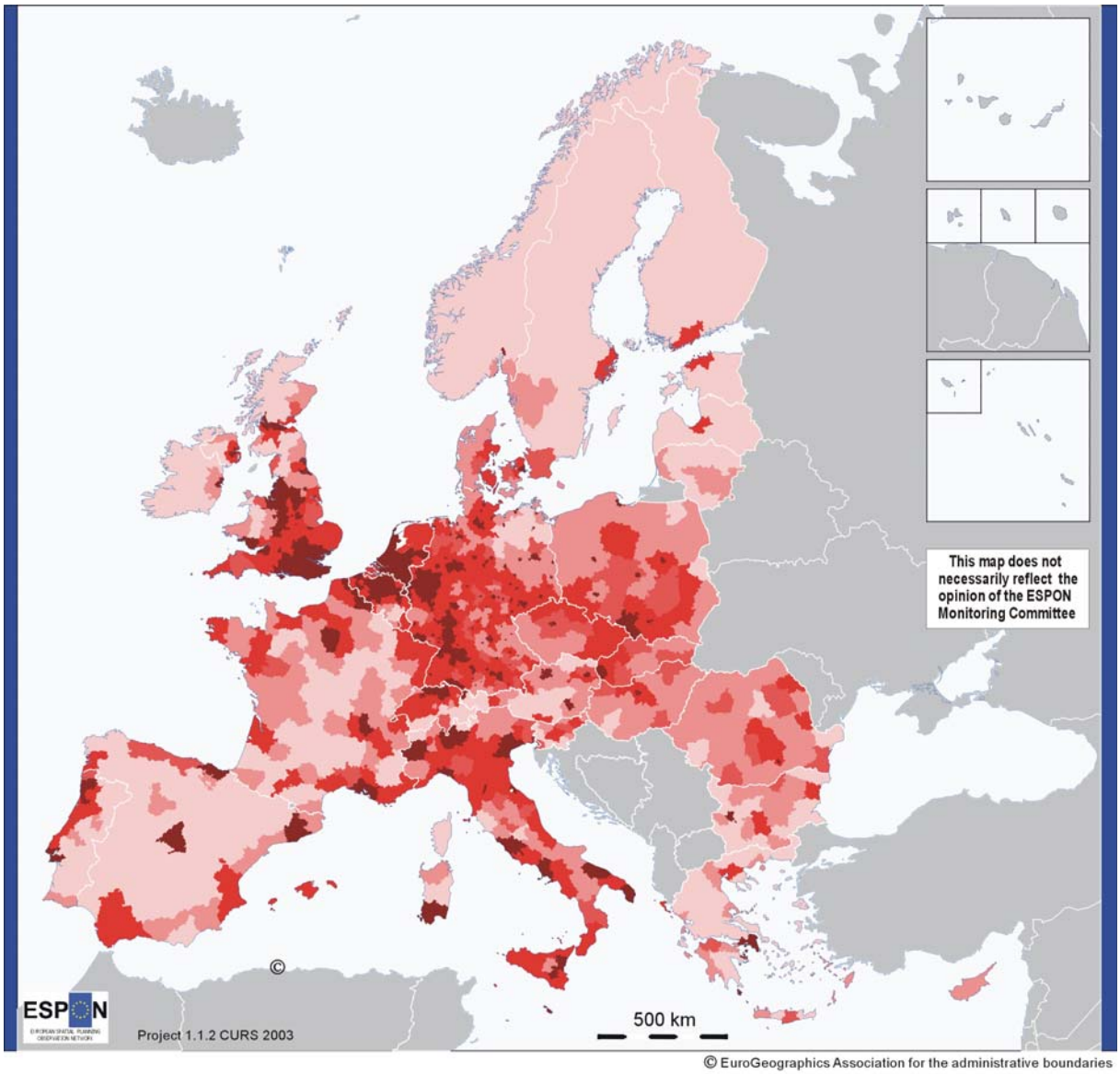
Variables	Loadings of factor 2	Legend
Percentage of agricultural area	0,884	
↕		
Percentage of forestry area	-0,457	

Map 3.8. Factor 2 – High agricultural pressure



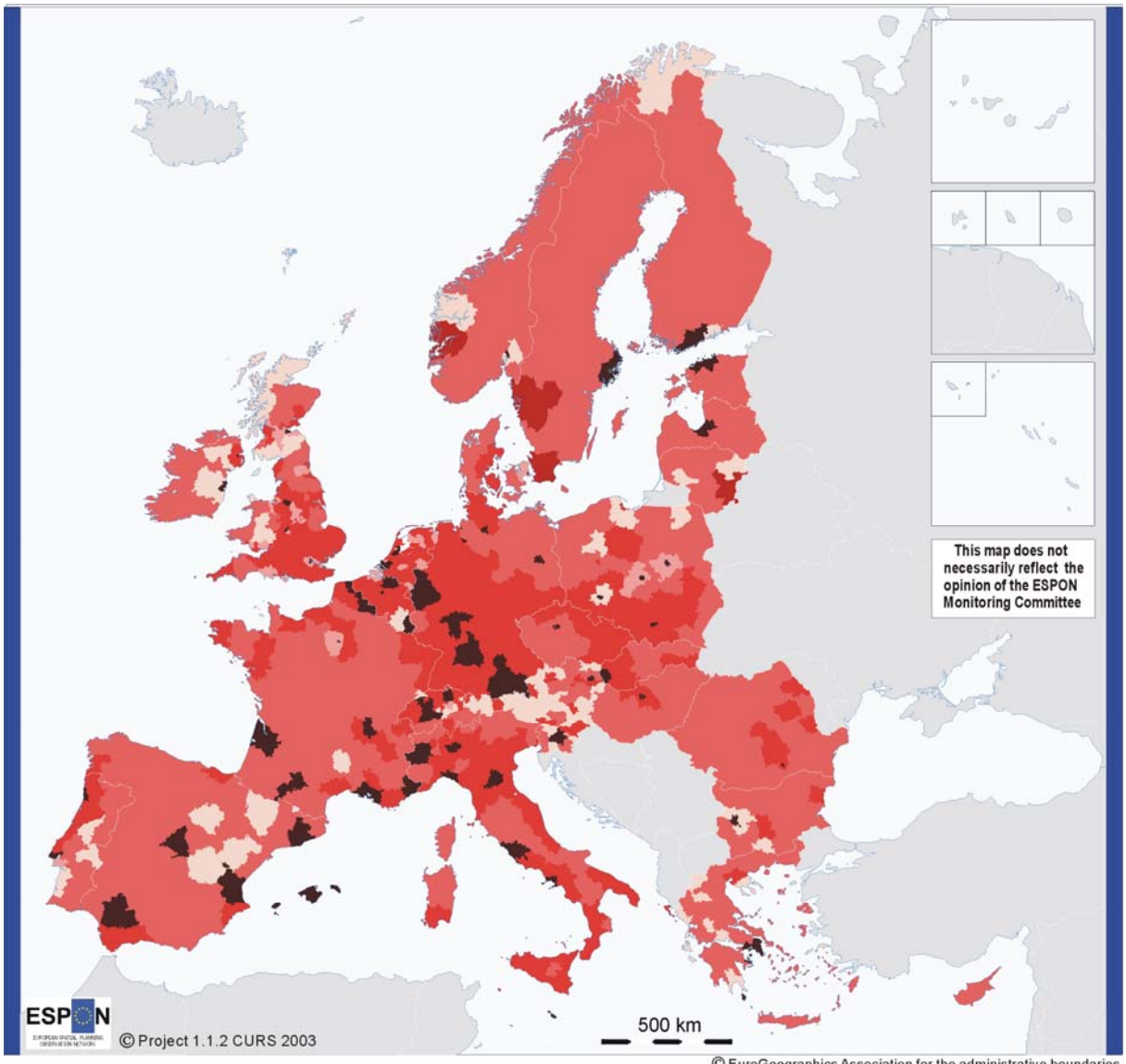
Variables	Loadings of factor 3	Legend
High percentage of forestry ↕ Low percentage of forestry	-0,649	

Map 3.9. Factor 3 – Forestry

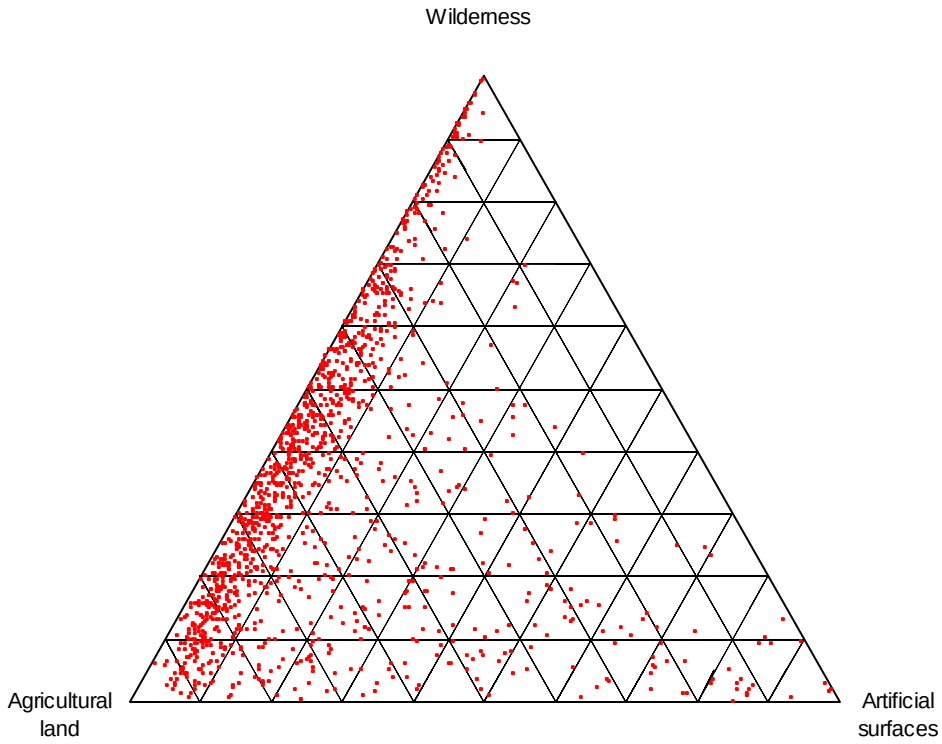


The average population density in EU25+4 is 107 inhabitants/km^2.

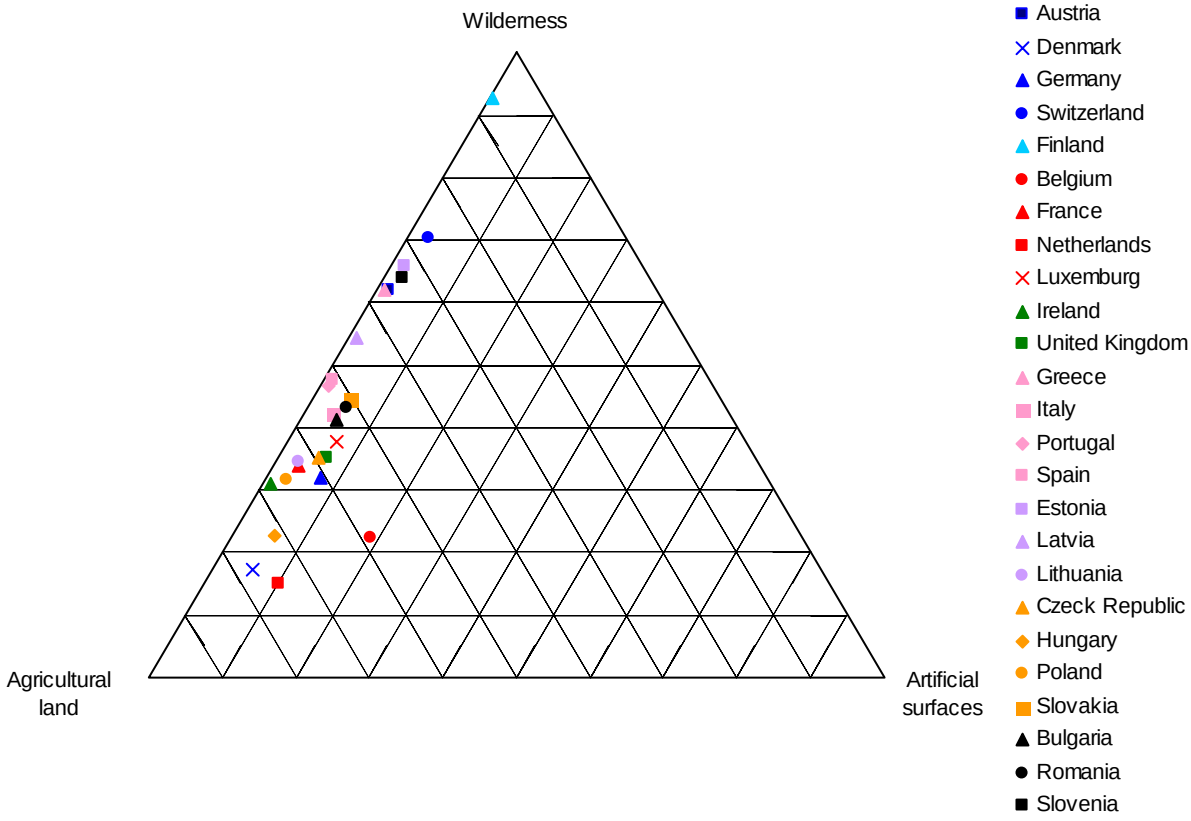
Map 3.10. Population density



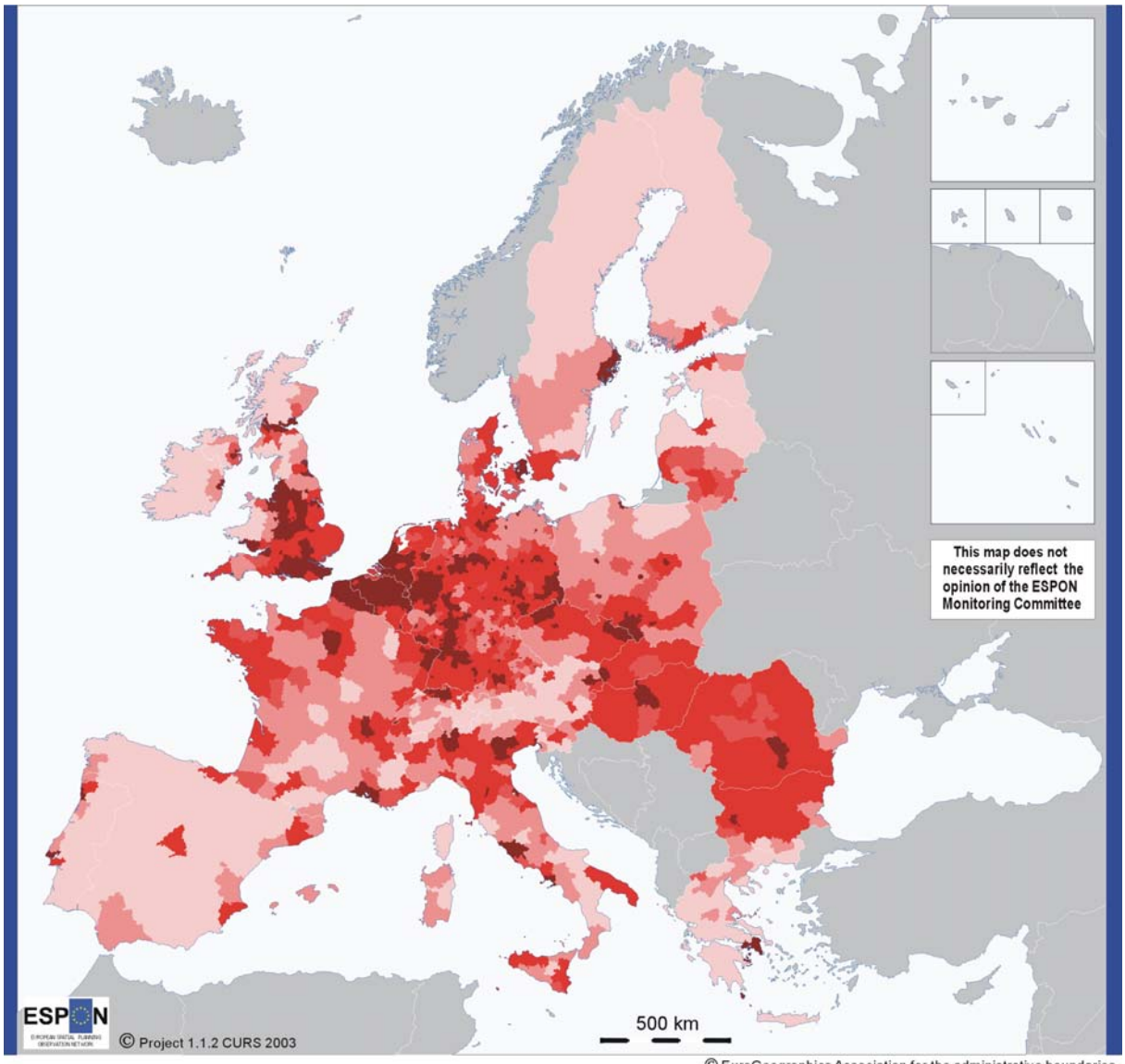
Map 3.11. FUA-ranking and population density



Graph 3.1 Distribution of land cover types in NUTS3 regions (EU 22+3).

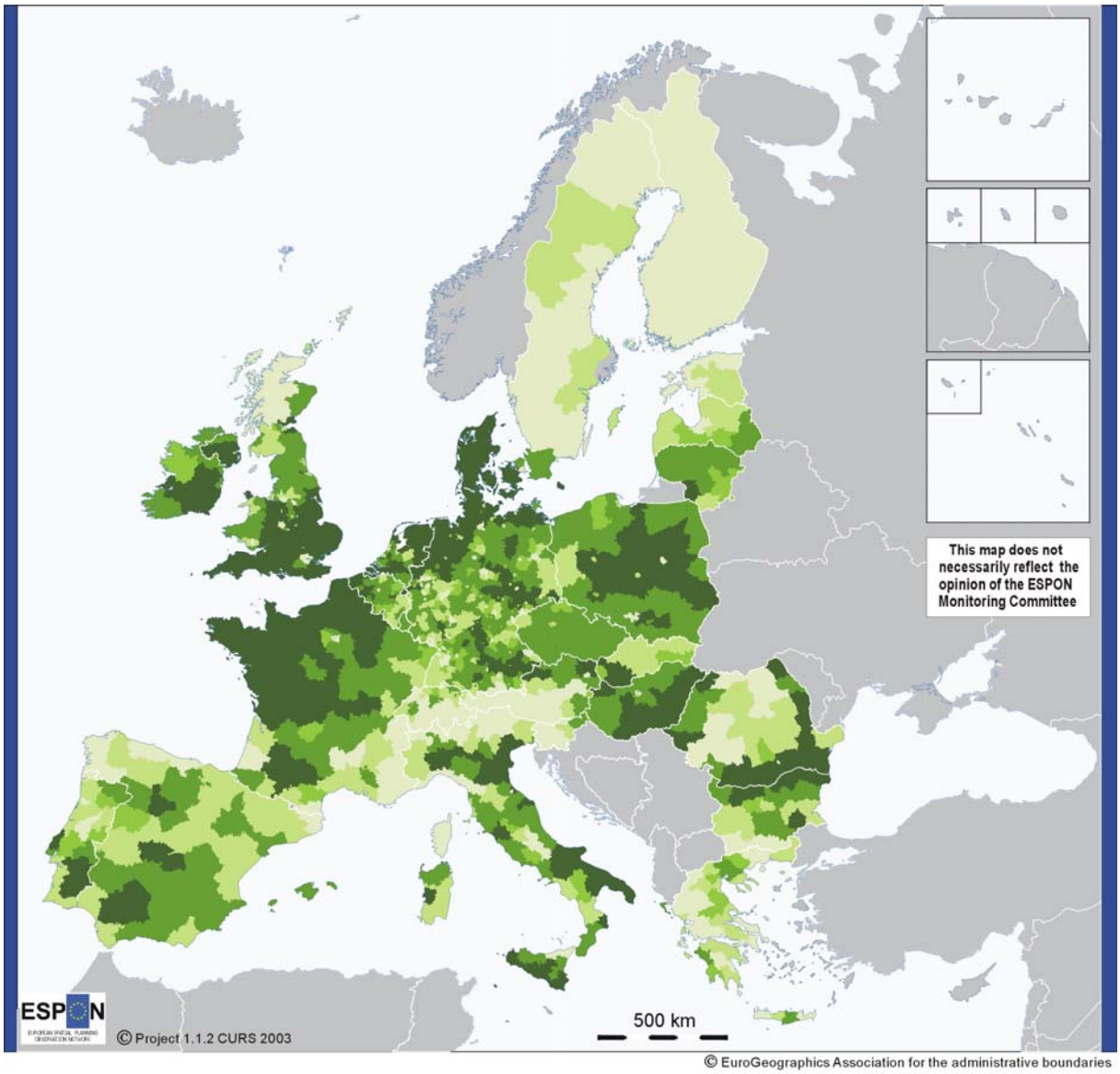


Graph 3.2. Distribution of land cover types in countries (EU 22+3).



The average share of artificial surfaces in EU23+3 is 3,48 % (no data on Cyprus, Malta and Norway).

Map 3.12. Share of artificial surfaces



Origin of data: EEA, Corine Land Cover 90 (250 m grid

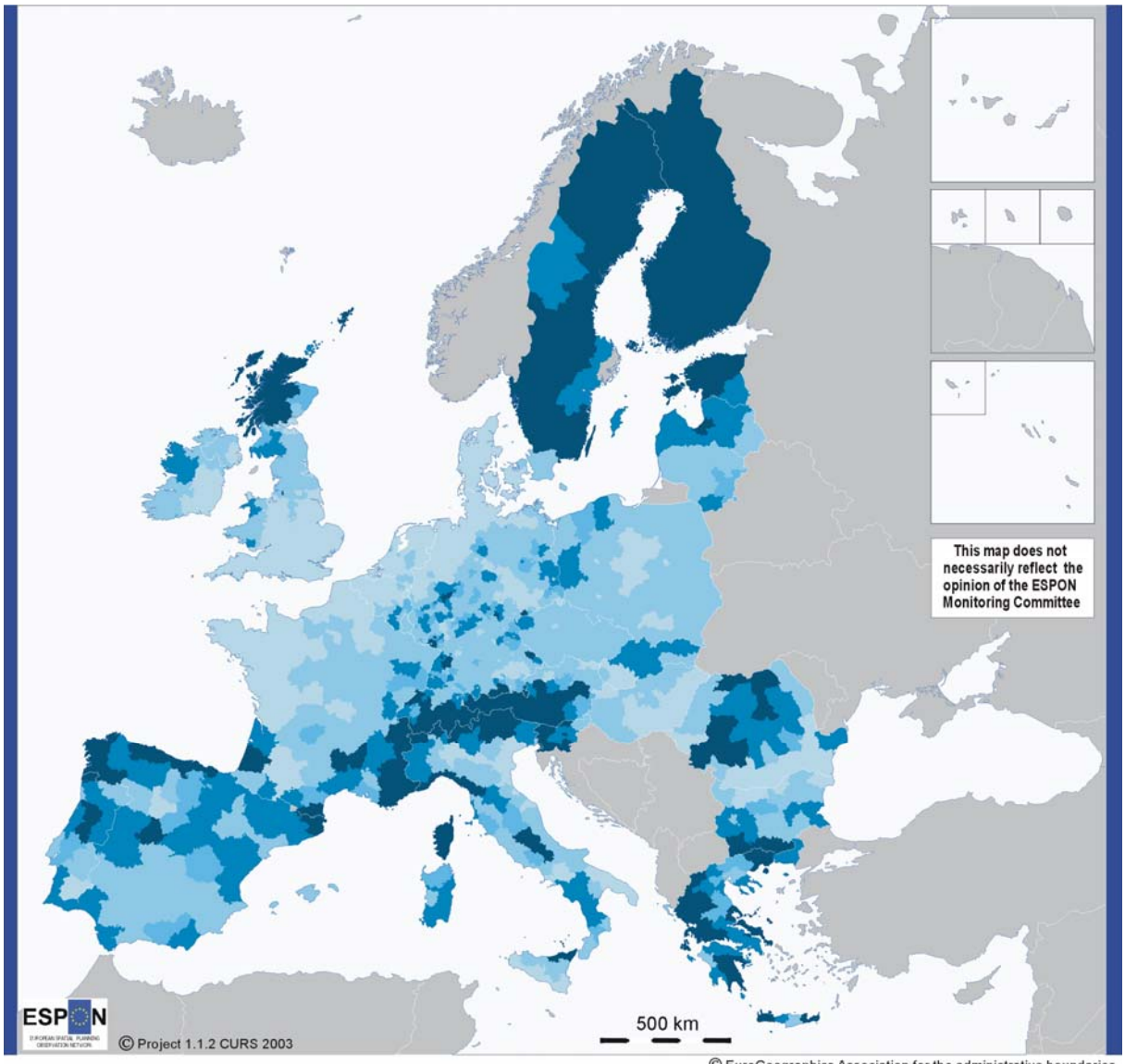
Source: ESPON Data Base

Share of agricultural land use in NUTS3 regions (% from total area)

69 ,5 - 93 ,5	(352 NUTS3 regions)	
51 ,87 - 69 ,4	(351)	
48 ,86 - 51 ,86	(75)	
33 ,3 - 48 ,85	(258)	
0 ,3 - 33 ,2	(255)	

The average share of agricultural land use in EU23+3 is 50,36% (no data on Cyprus, Malta and Norway).

Map 3.13. Share of agricultural land use



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Origin of data: EEA, Corine Land Cover 90

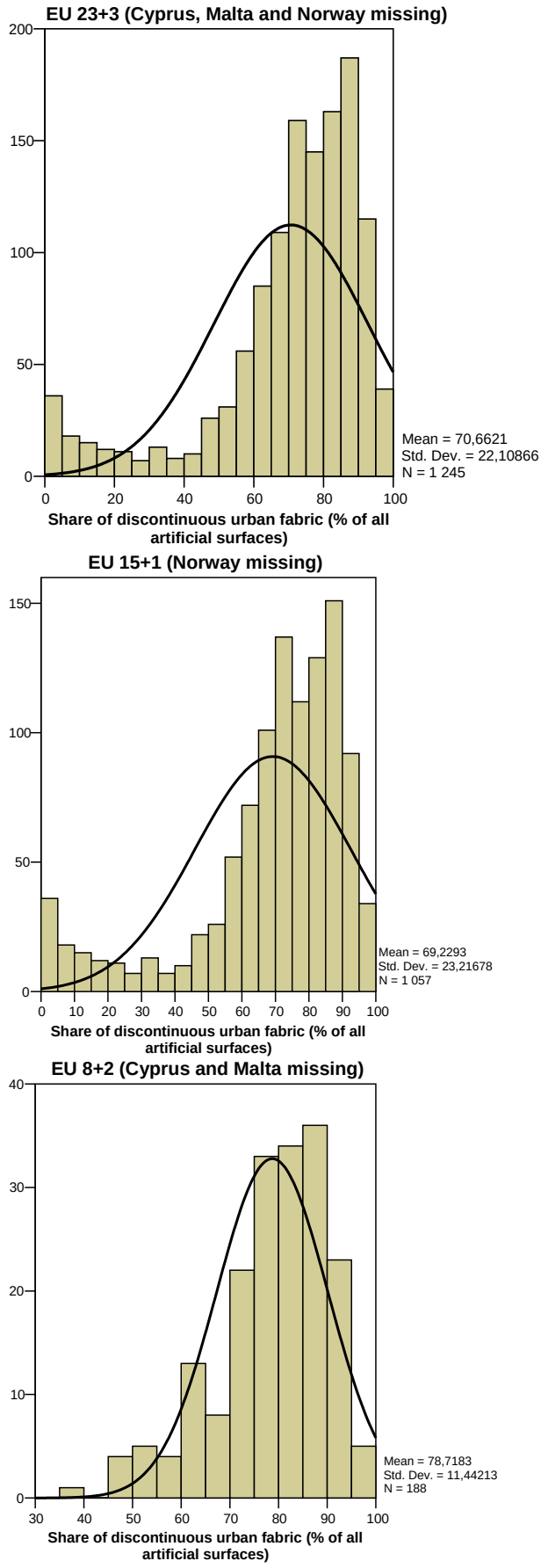
Source: ESPON Data Base

Share of residual land cover in NUTS3 regions (% of total area)

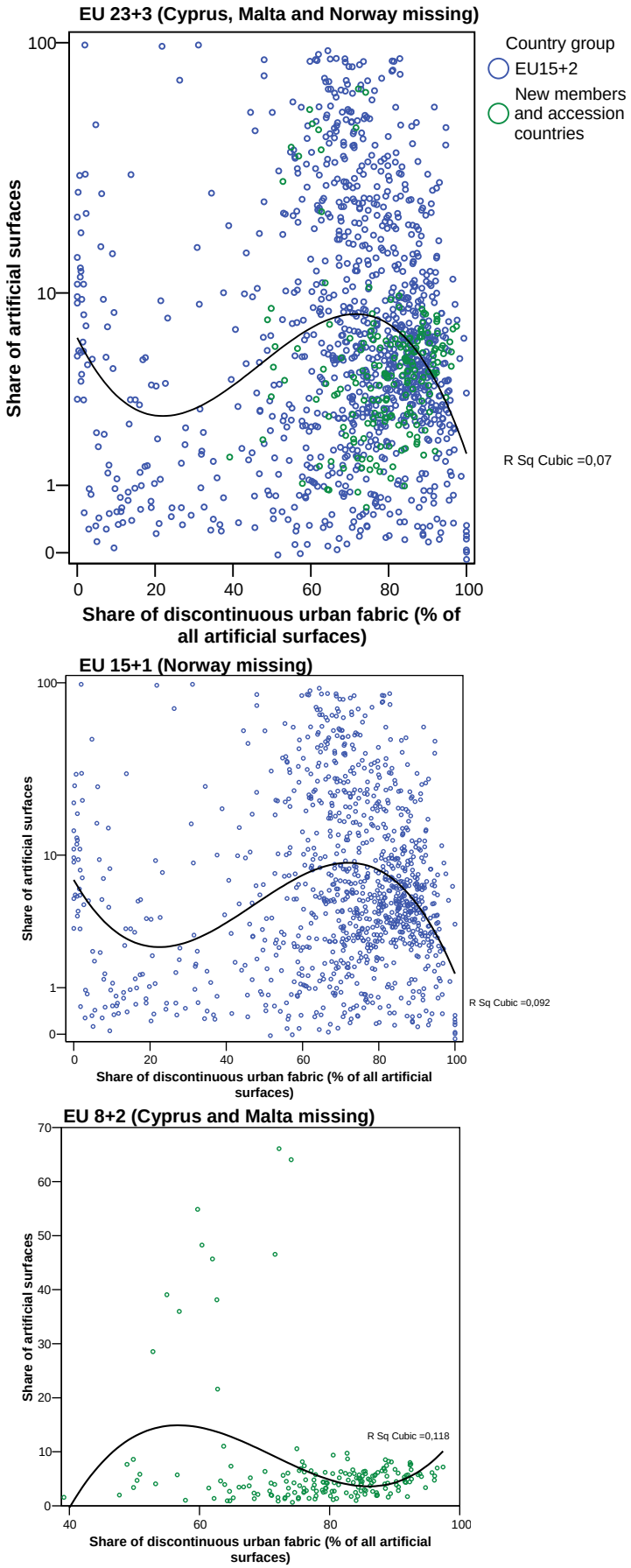
62 ,8 - 99 ,5	(176 NUTS3 regions)
48 ,27 - 62 ,7	(175)
44 ,06 - 48 ,26	(75)
21 ,4 - 44 ,05	(432)
0 ,1 - 21 ,3	(433)

The average share of residual land use in EU23+3 is 46,16% (no data on Cyprus, Malta and Norway).

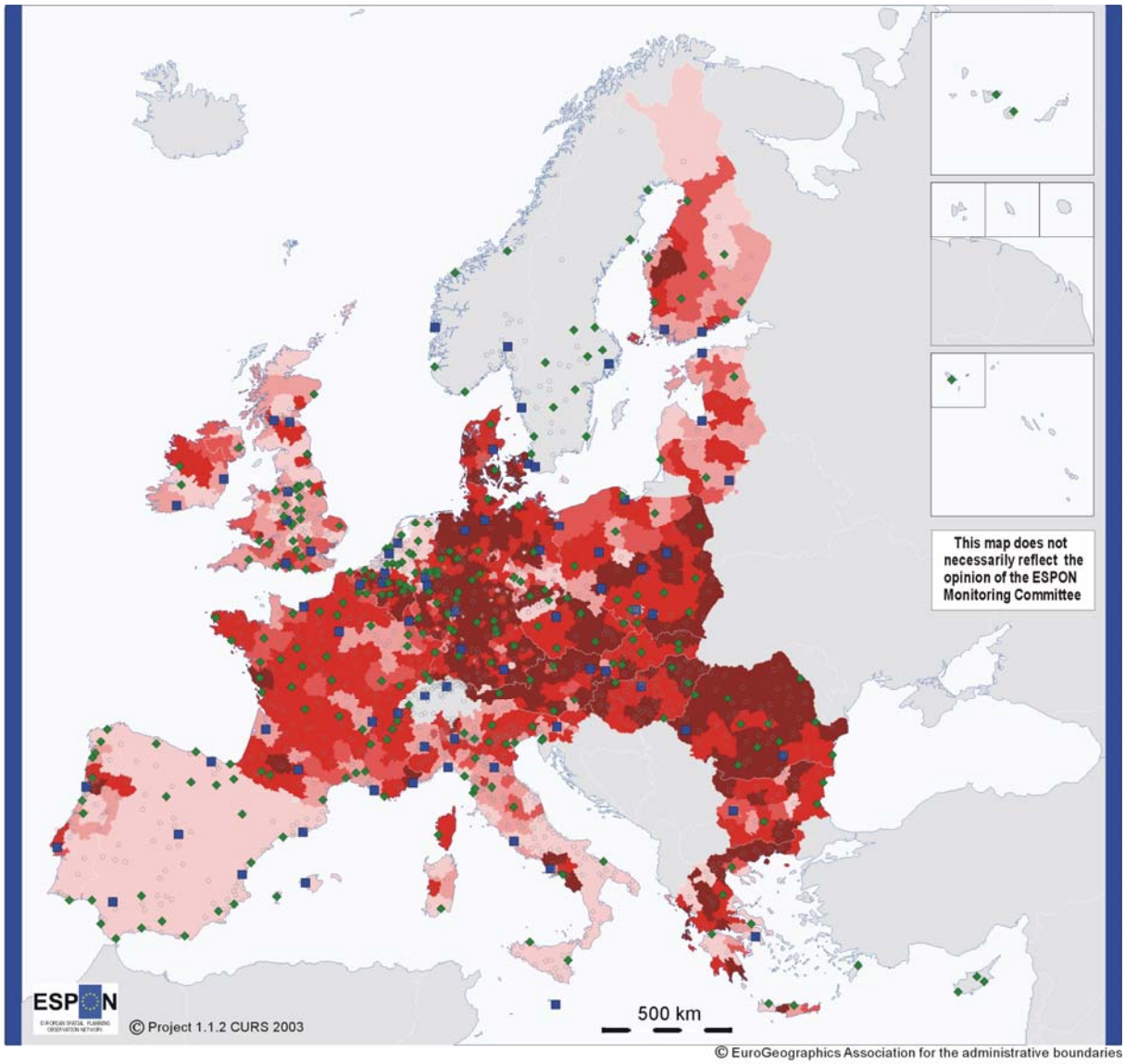
Map 3.14. Share of residual land use



Graph 3.3. Share of discontinuous urban fabric as percentage of all artificial surfaces.



Graph 3.4. Share of discontinuous urban fabric in relation to share of artificial surfaces.



Share of discontinuous urban fabric (% of all artificial surfaces) in NUTS3 regions

84,6	- 100	(353 NUTS3 regions)
73,3	- 84,59	(353)
70,05	- 73,29	(100)
58,7	- 70,04	(216)
0,22	- 58,6	(216)

The average share of discontinuous urban fabric in EU22+2 is 71,67% (no data on Cyprus, Malta, Sweden,Norway and Switzerland).

Land cover:
Origin of data: EEA, Corine Land Cover 90 (250 m grid)

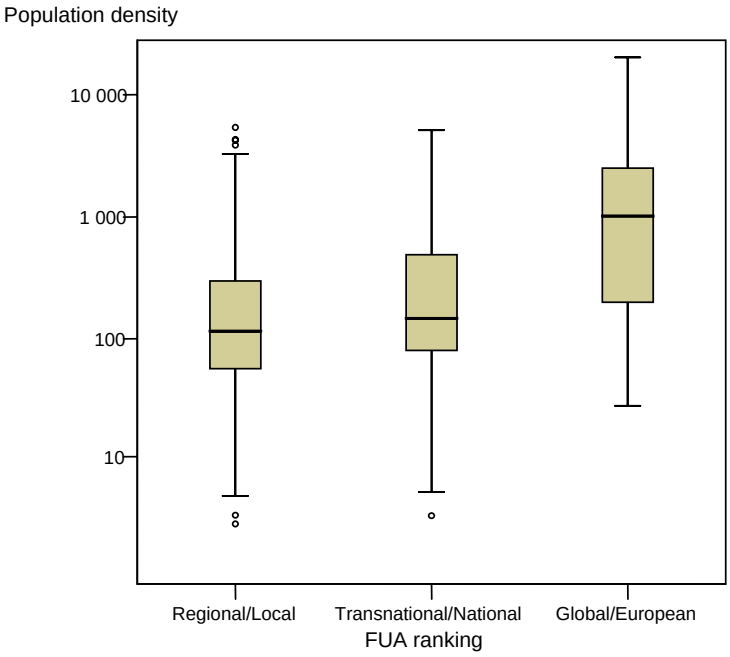
Source: ESPON Data Base

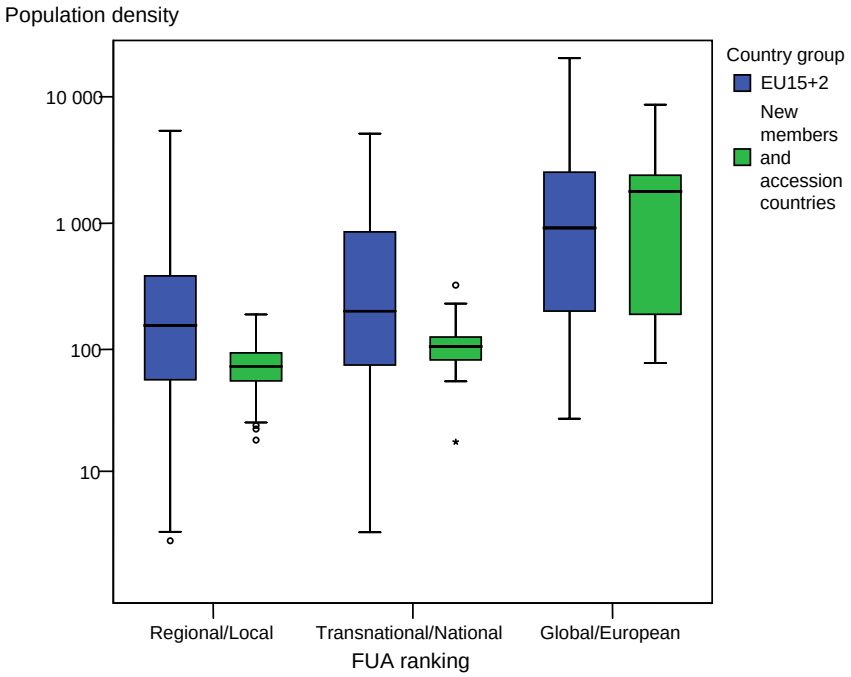
Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Typology of Functional Urban Areas (from ESPON Action 1.1.1)

- **European/Global (MEGAs) (76 cities)**
- **National/Transnational (268)**
- **Local/Regional (1264)**

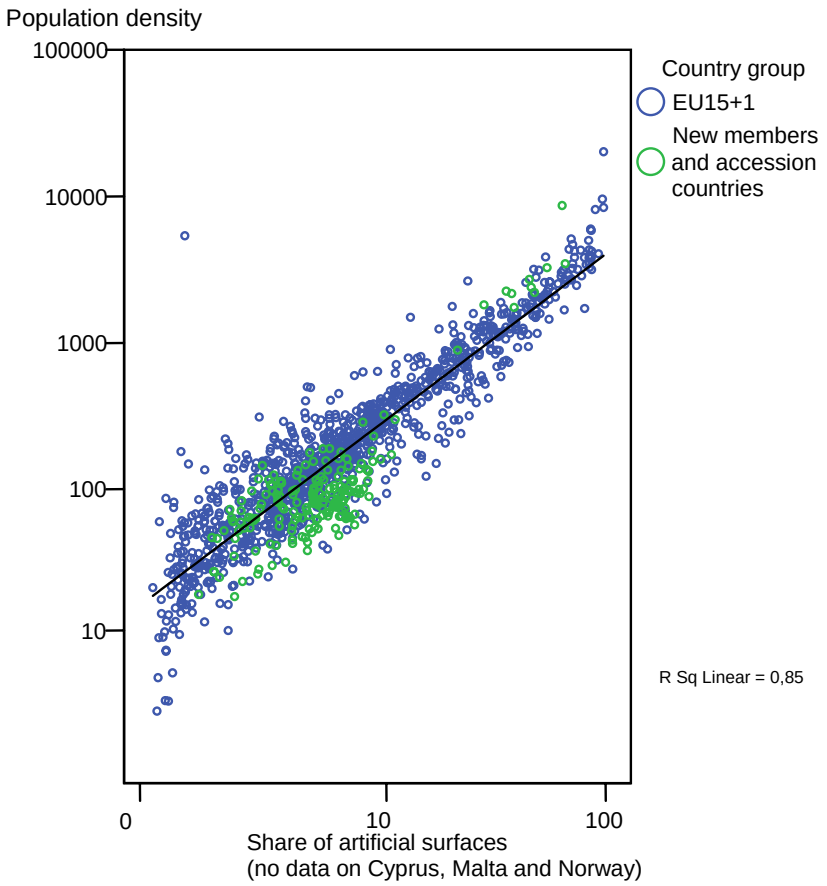
Map 3.15. Share of discontinuous urban fabric as percentage of all artificial surfaces



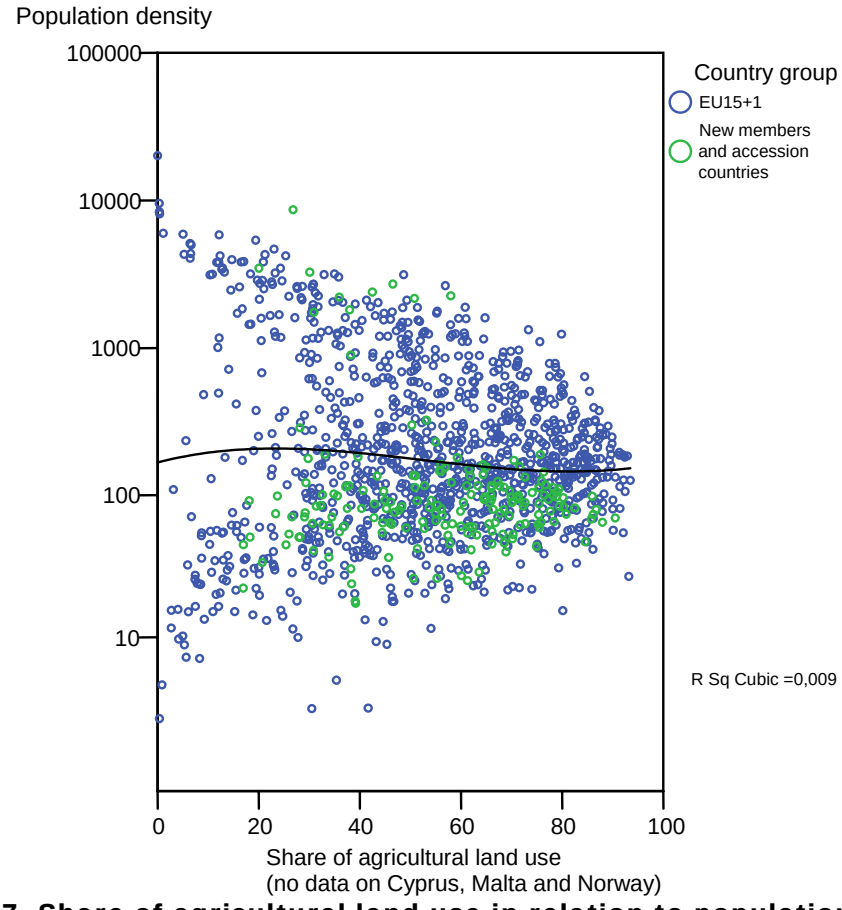


FUA ranking	Country group	N	Median	Minimum	Maximum	Range
Regional/ Local	EU15+2	469	156	2	5 392	5 390
	New members and accession countries	110	73	18	189	171
	Total	579	116	2	5 392	5 390
Transnational/ National	EU15+2	204	201	3	5 122	5 119
	New members and accession countries	45	105	18	324	306
	Total	249	148	3	5 122	5 119
Global/ European	EU15+2	58	919	28	20 161	20 134
	New members and accession countries	18	1 785	78	8 677	8 599
	Total	76	1 019	28	20 161	20 134
Total	EU15+2	1 130	158	2	20 161	20 160
	New members and accession countries	189	84	18	8 677	8 659
	Total	1 319	137	2	20 161	20 160

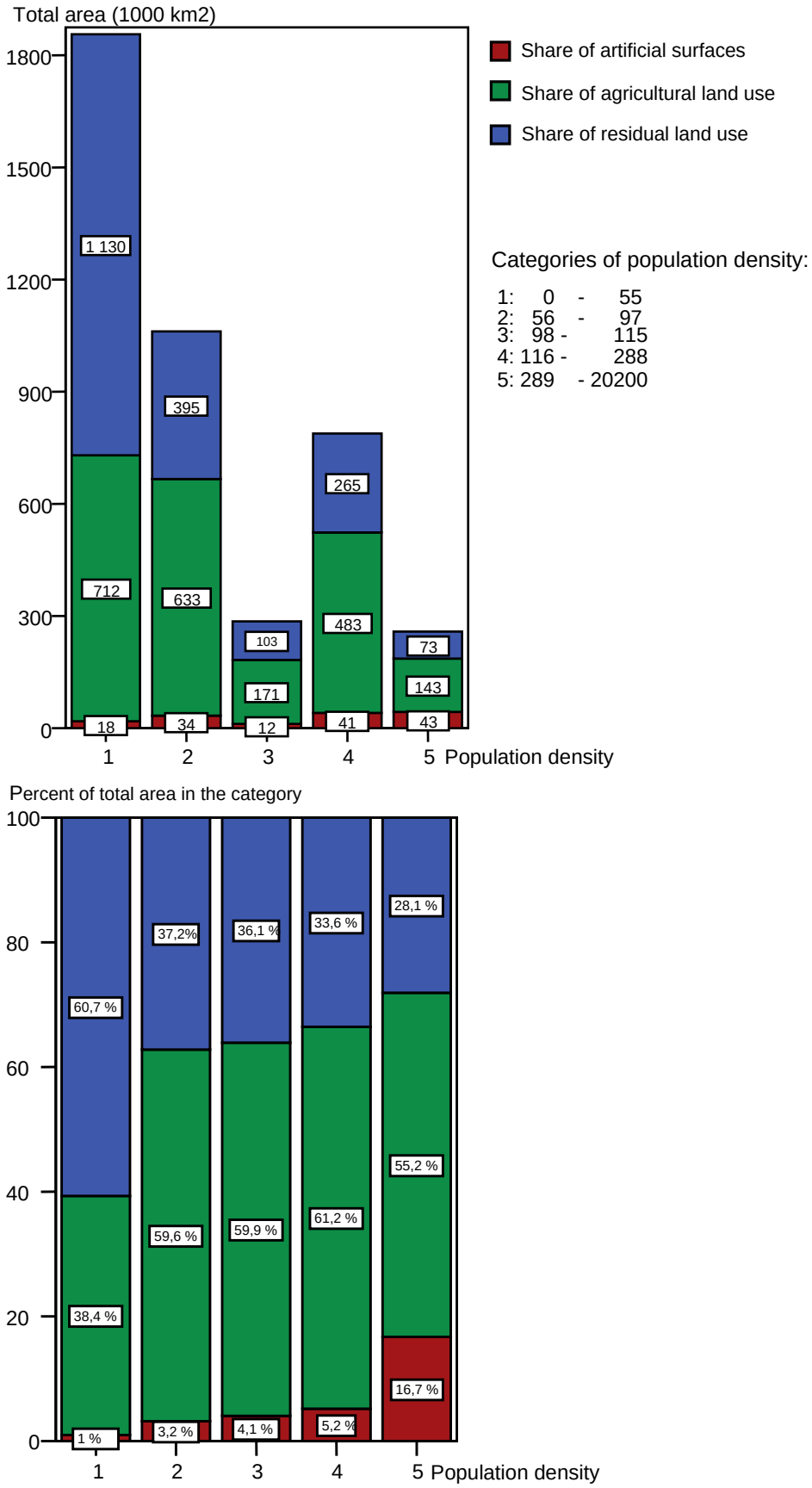
Graph 3.5. FUA ranking in relation to population density (FUA ranking by ESPON Action 1.1.1)



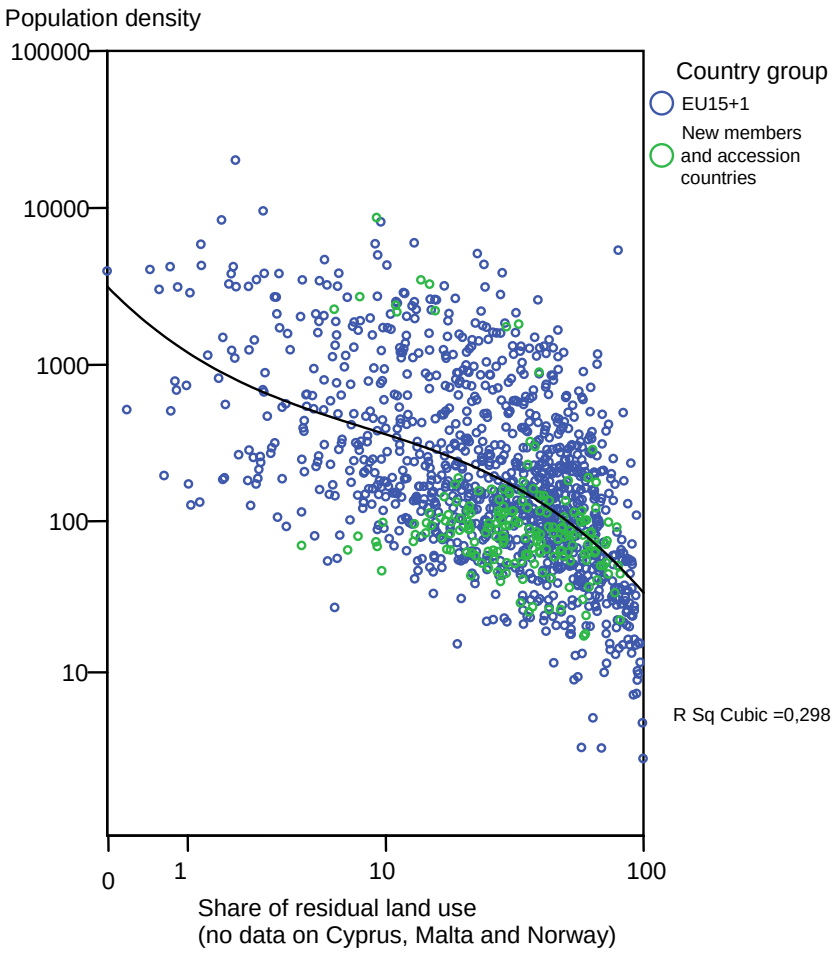
Graph 3.6. Share of artificial surfaces in relation to population density



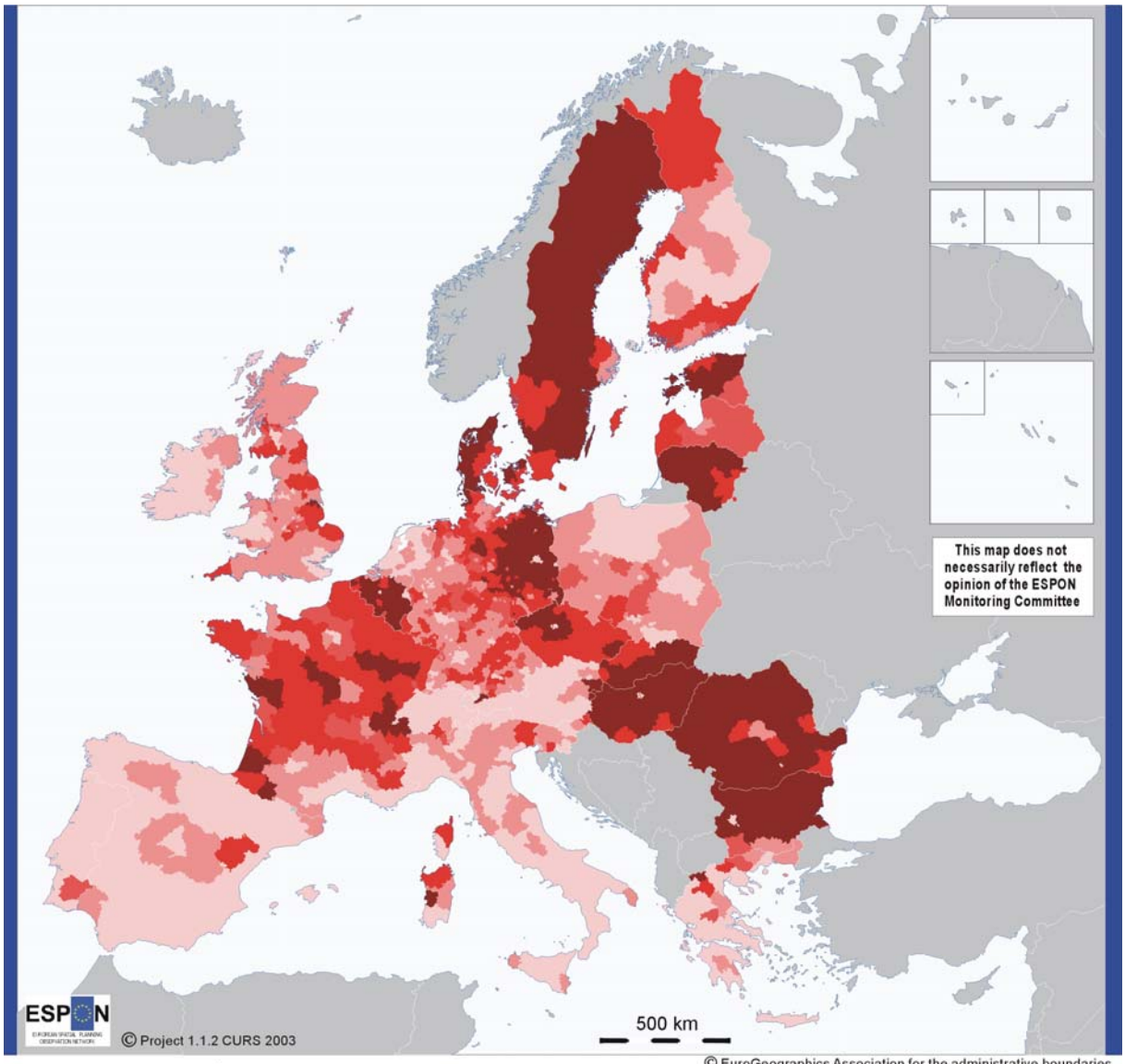
Graph 3.7. Share of agricultural land use in relation to population density



Graph 3.8. Population density in relation to the shares of different land cover types in EU 23+3.



Graph 3.9. Share of residual land use in relation to population density.



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Artificial surfaces (km²) per 1000 inhabitants in NUTS3 regions

0 ,48	- 1 ,33	(228 NUTS3 regions)
0 ,36	- 0 ,47	(228)
0 ,33	- 0 ,35	(75)
0 ,25	- 0 ,32	(380)
0	- 0 ,24	(380)

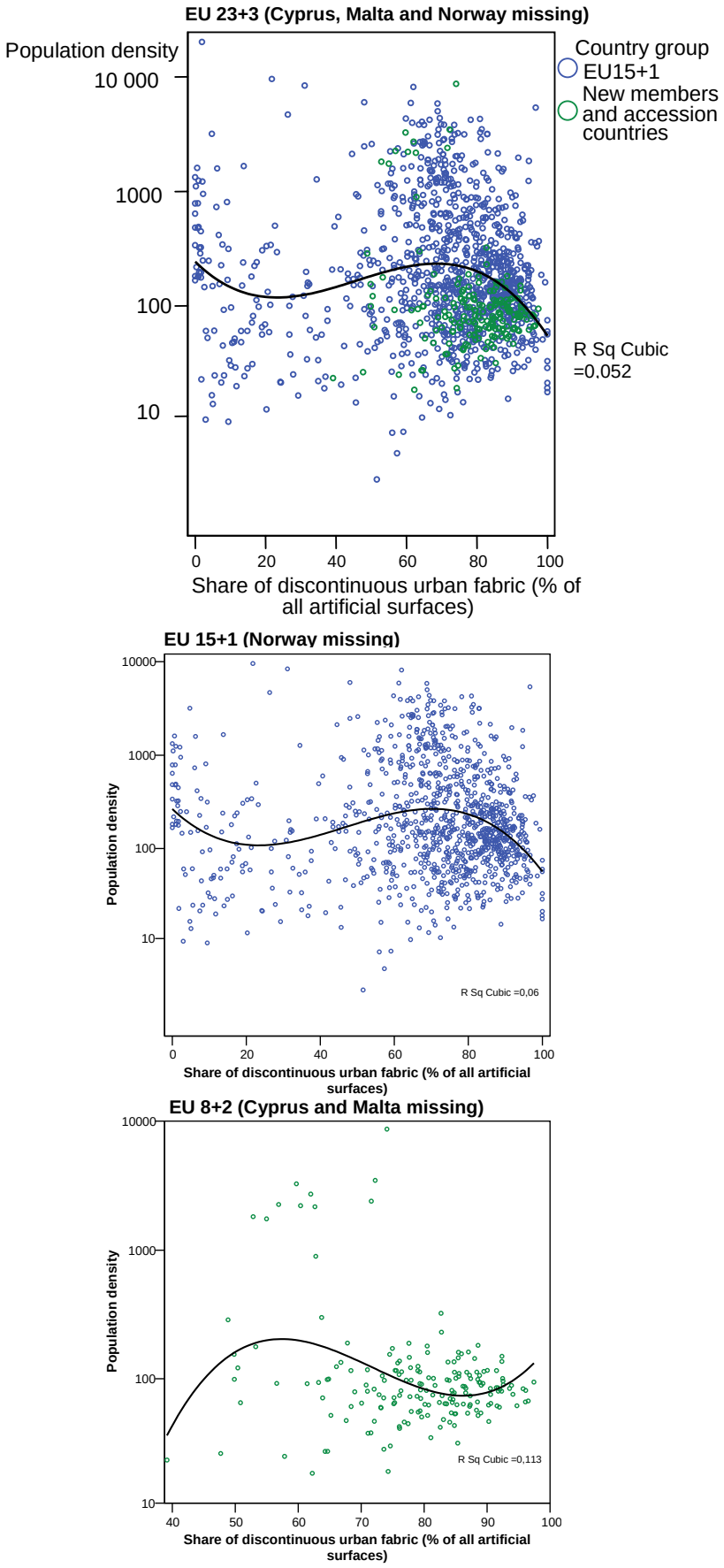
Artificial surfaces:
Origin of data: EEA, Corine Land Cover 90

Population:
Origin of data: EU15 and CC's: Eurostat
Norways and Switzerland: National Statistical Offices
Time reference: 1999

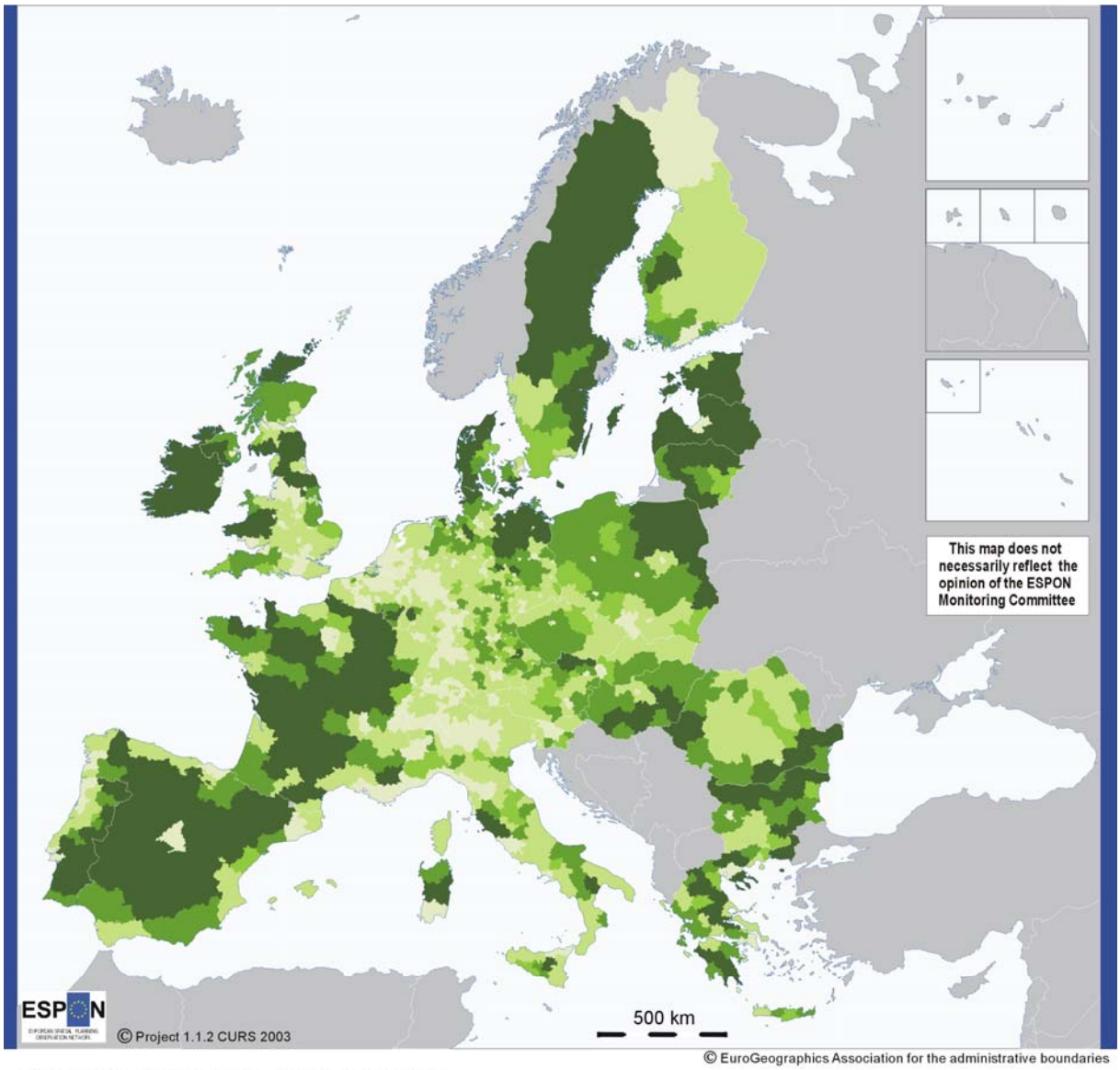
Source: ESPON Data Base

The average amount of artificial surfaces per 1000 inhabitants in EU23+3 is 0,34 km² / 1000 inhabitants (no land cover data on Cyprus, Malta and Norway).

Map 3.16. Artificial surfaces per capita

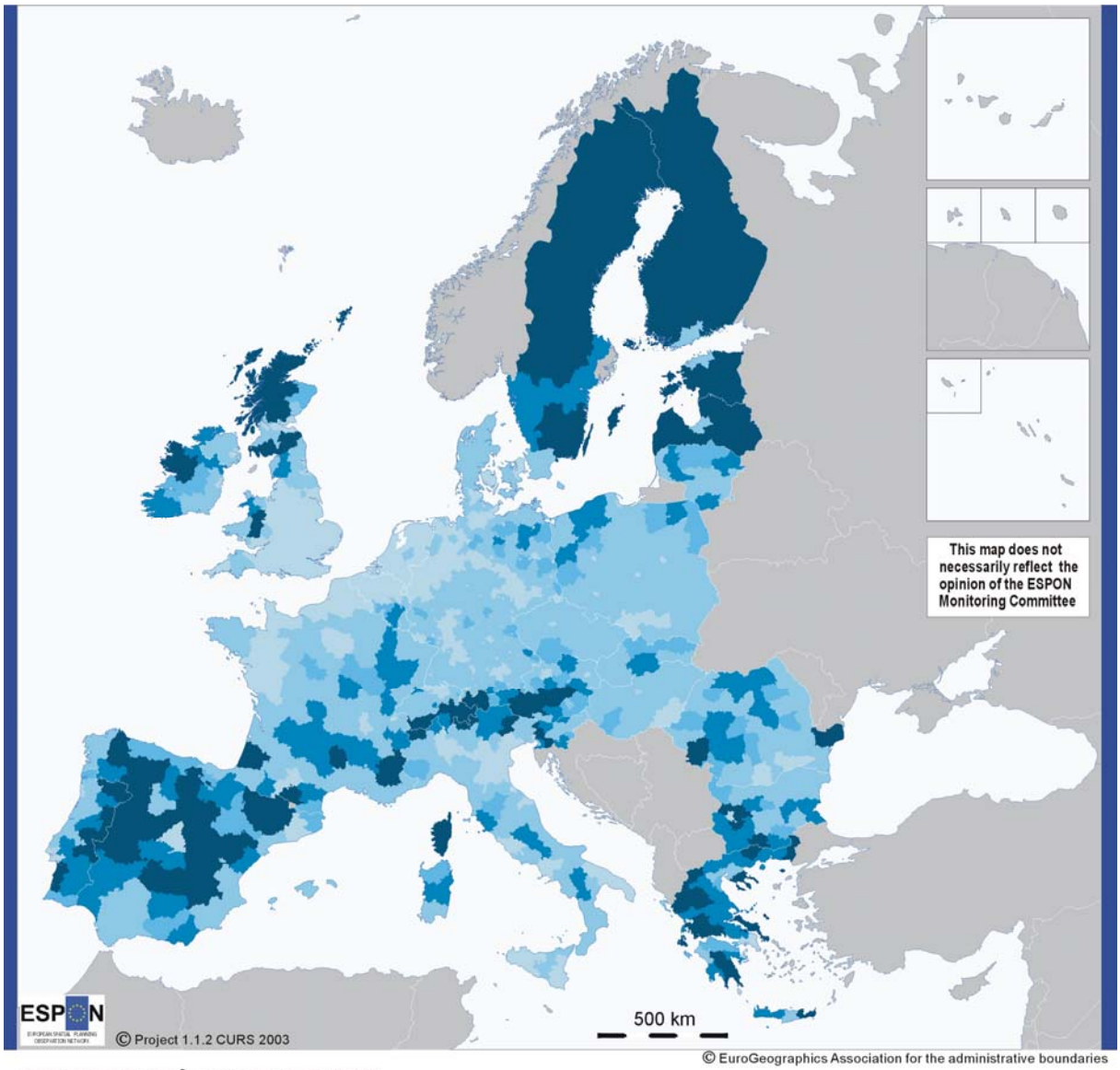


Graph 3.10 Share of discontinuous urban fabric in relation to population density.



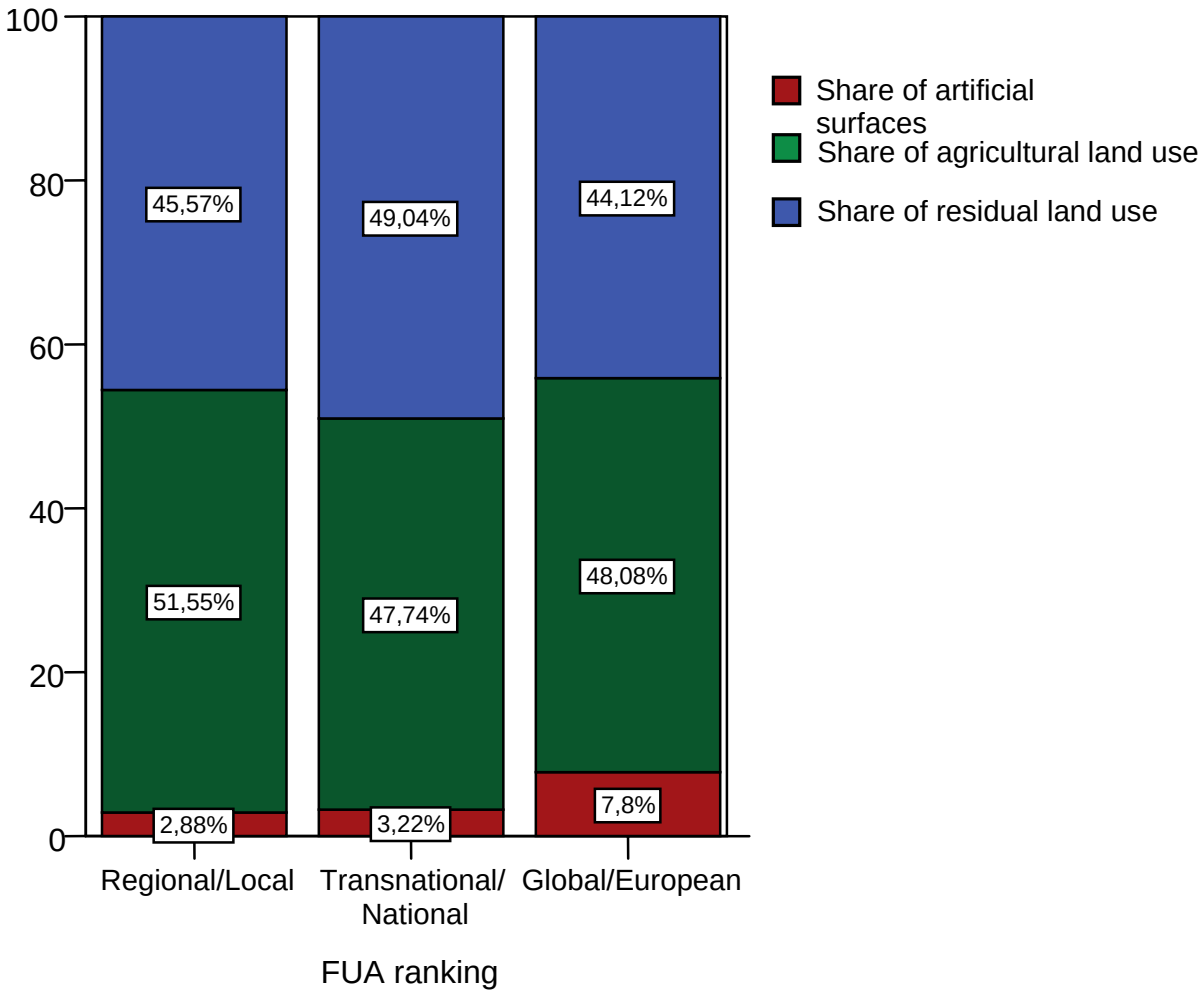
The average share of agricultural land per 1000 inhabitants in EU 23+3 is 5,6 km²/1000 inhabitants (no data on Cyprus, Malta and Norway).

Map 3.17. Agricultural land use per capita

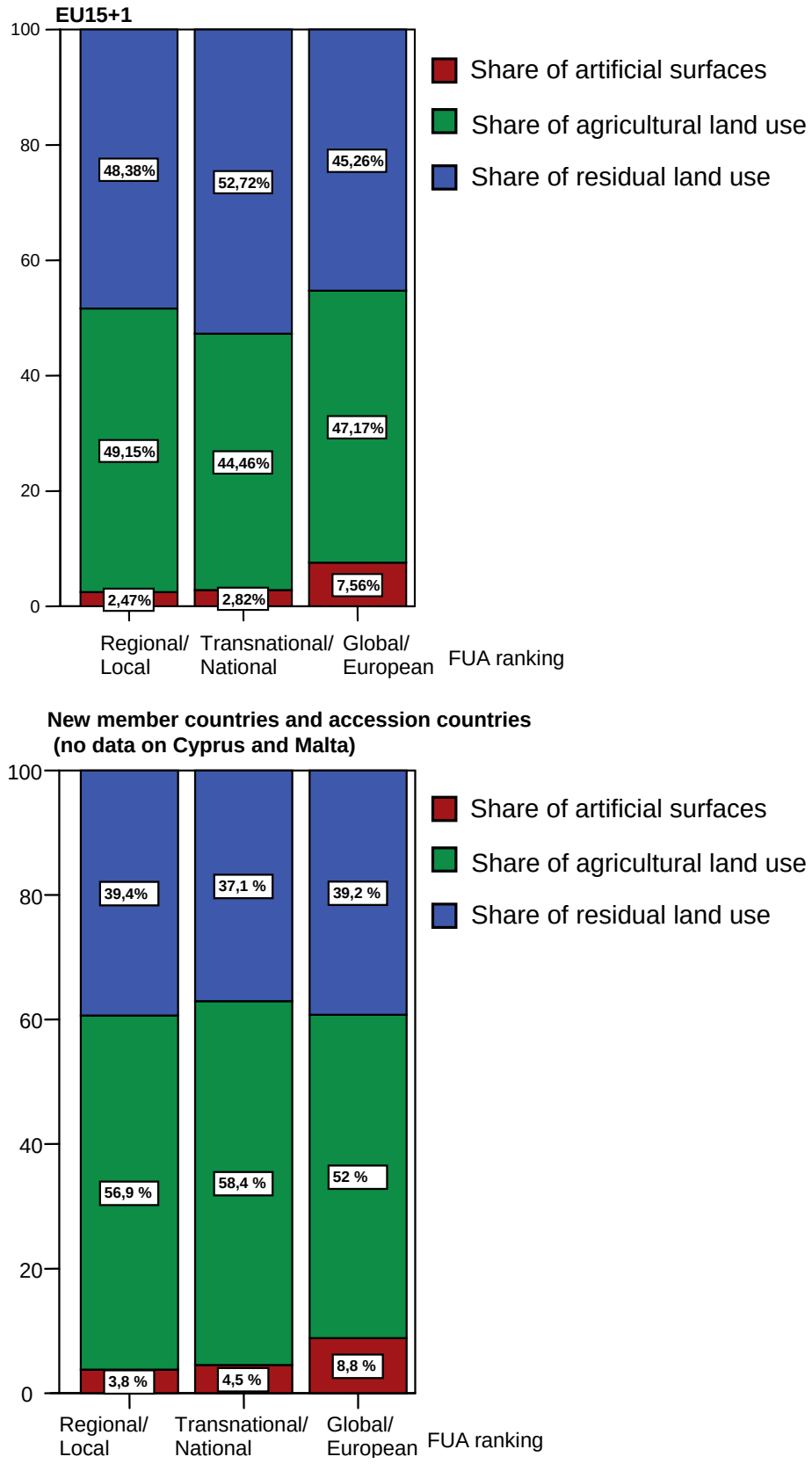


The average amount of residual land per 1000 inhabitants in EU 23+3 is 6,53 km²/1000 inhabitants (no CLC data on Cyprus, Malta and Norway).

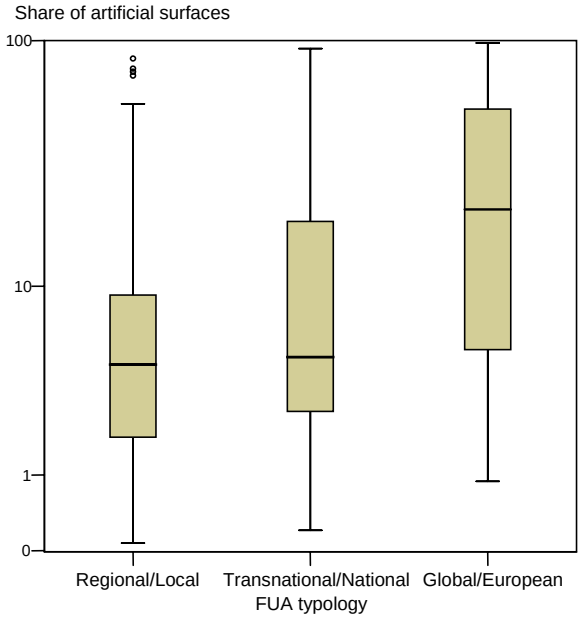
Map 3.18. Residual land use per capita

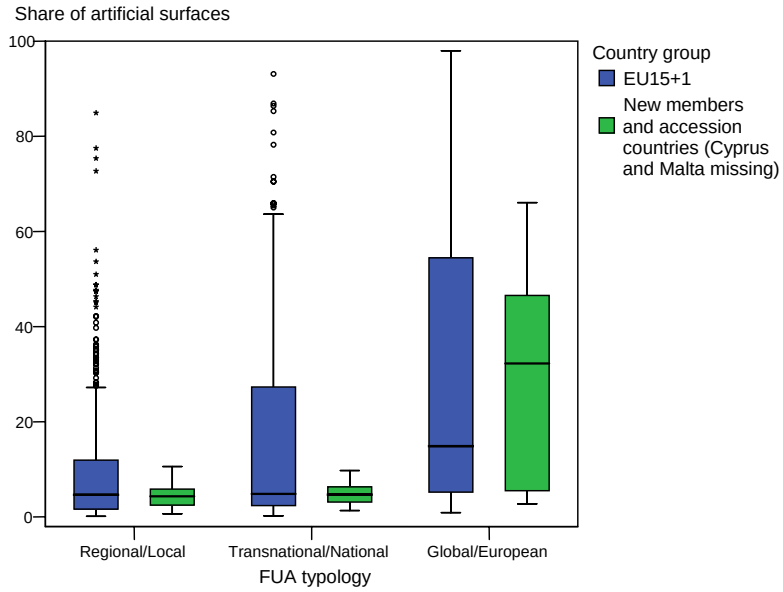


Graph 3.11. FUA ranking in relation to the shares of different land cover types in EU 23+3 (FUA typology by ESPON Action 1.1.1).



Graph 3.12. FUA ranking in relation to the shares of different land cover types in EU 15+1 and in EU 10+2 (FUA typology by ESPON Action 1.1.1).

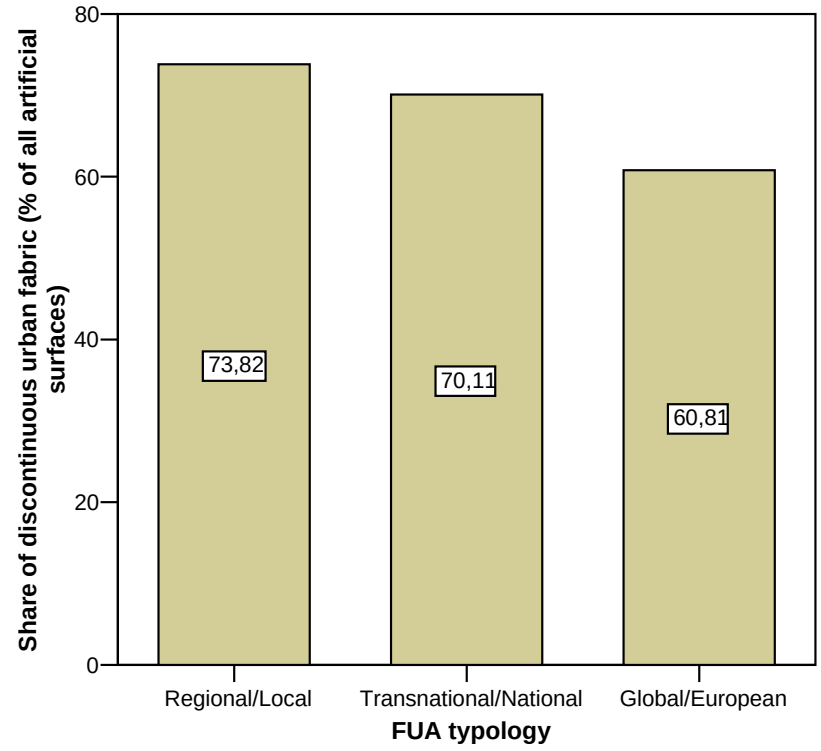


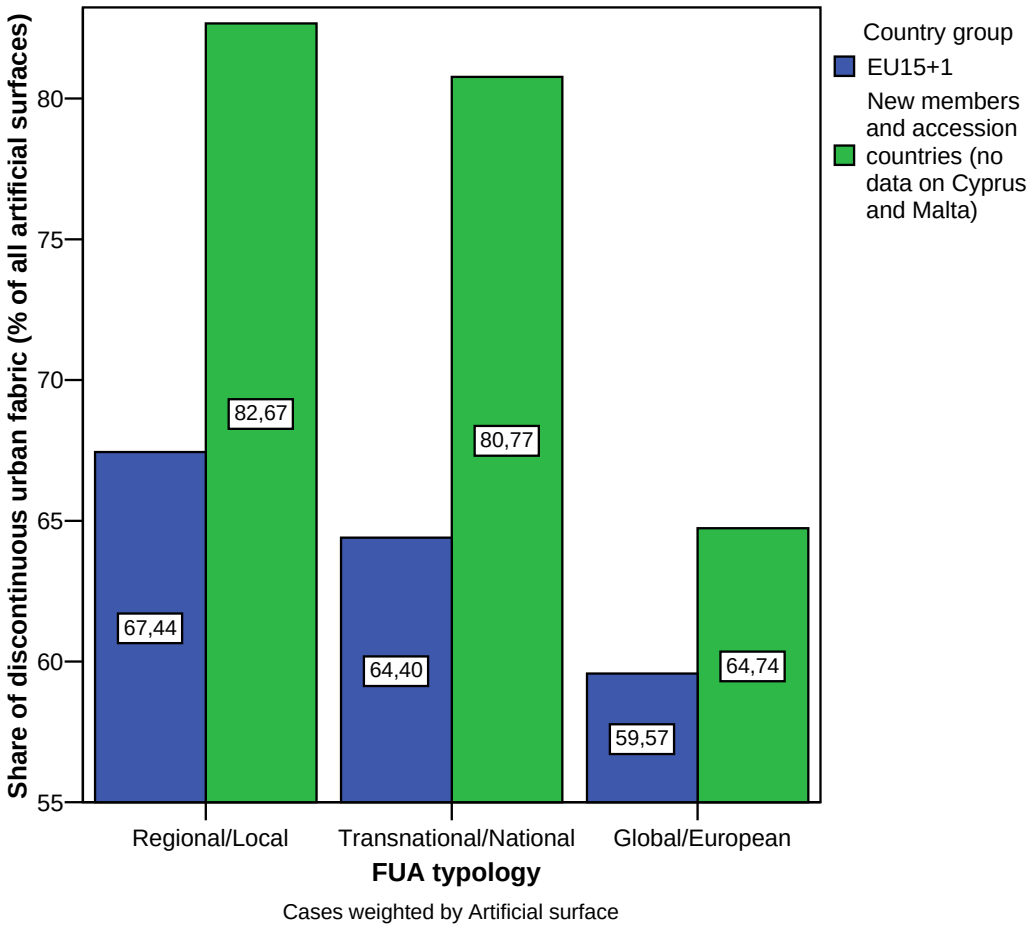


Share of artificial surface

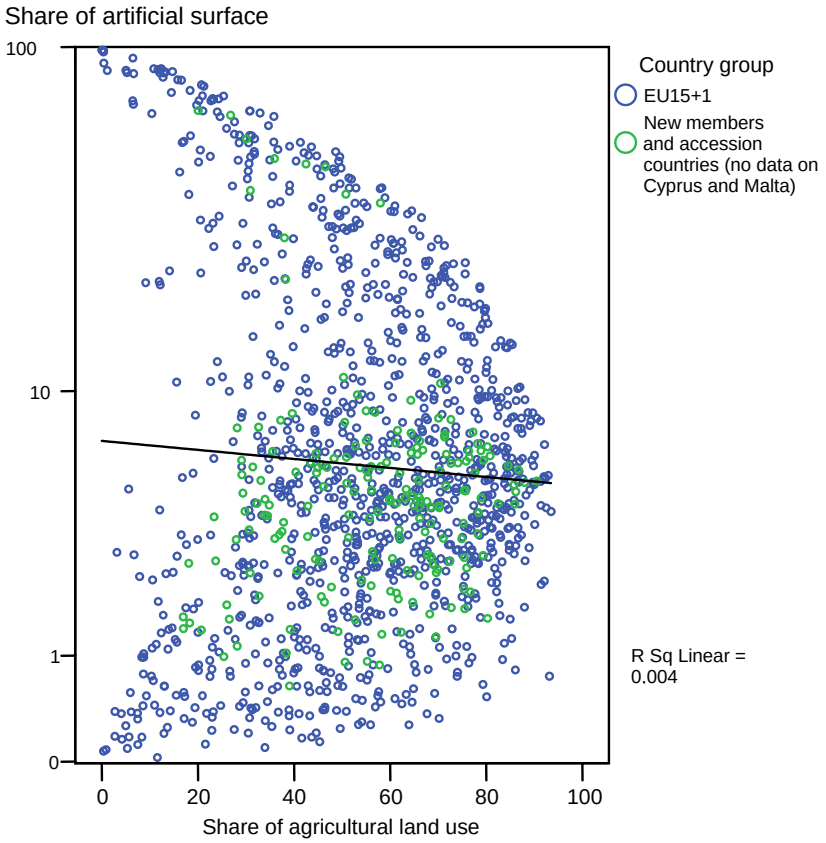
FUA typology	Country group	N	Median	Minimum	Maximum	Range
Regional/ Local	EU15+1	455	4,6	0,08	84,9	84,8
	New members and accession countries	110	4,3	0,64	10,5	9,9
	Total	565	4,4	0,08	84,9	84,8
Transnational/ National	EU15+1	199	4,8	0,21	93,1	92,9
	New members and accession countries	44	4,7	1,3	9,7	8,4
	Total	243	4,8	0,21	93,1	92,9
Global/ European	EU15+1	56	14,8	0,89	97,9	97,1
	New members and accession countries	18	32,2	2,7	66,1	63,3
	Total	74	21	0,89	97,9	97,1
Total	EU15+1	1 105	5	0,04	97,9	97,9
	New members and accession countries	188	4,4	0,64	66,1	65,4
	Total	1 293	4,9	0,04	97,9	97,9

Graph 3.13. FUA ranking in relation to the share of artificial surfaces (FUA typology by ESPON Action 1.1.1).

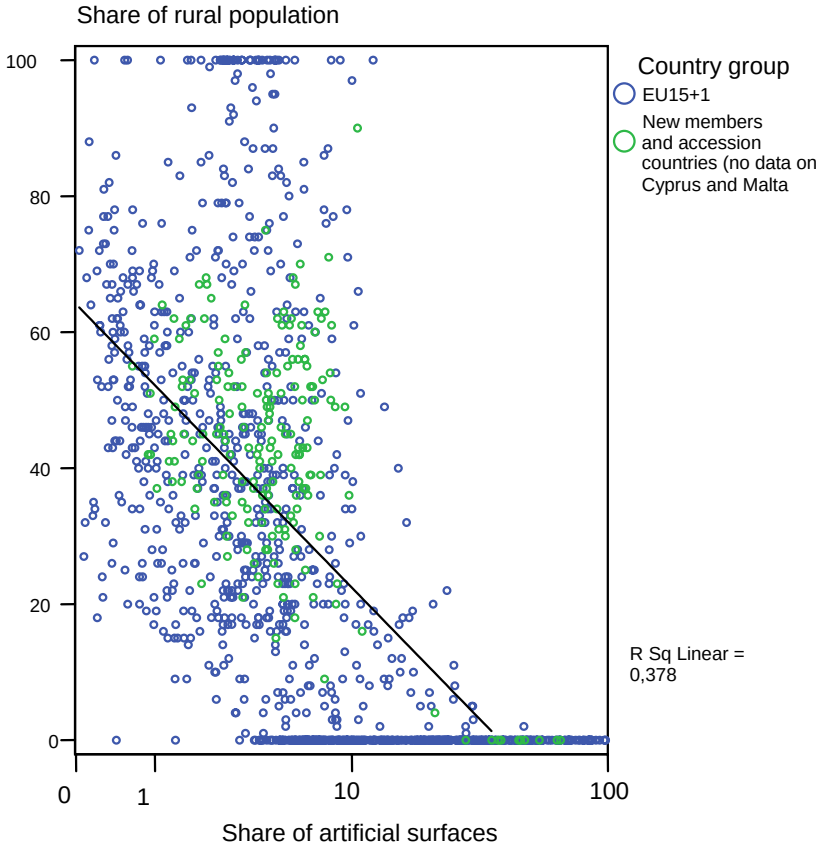




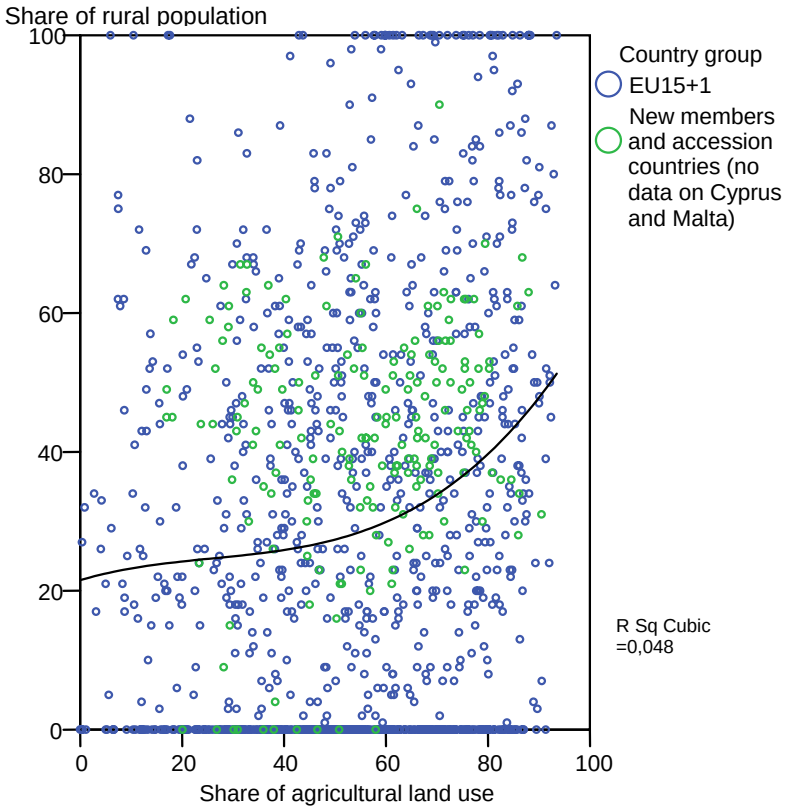
Graph 3.14. FUA ranking in relation to share of discontinuous urban fabric.



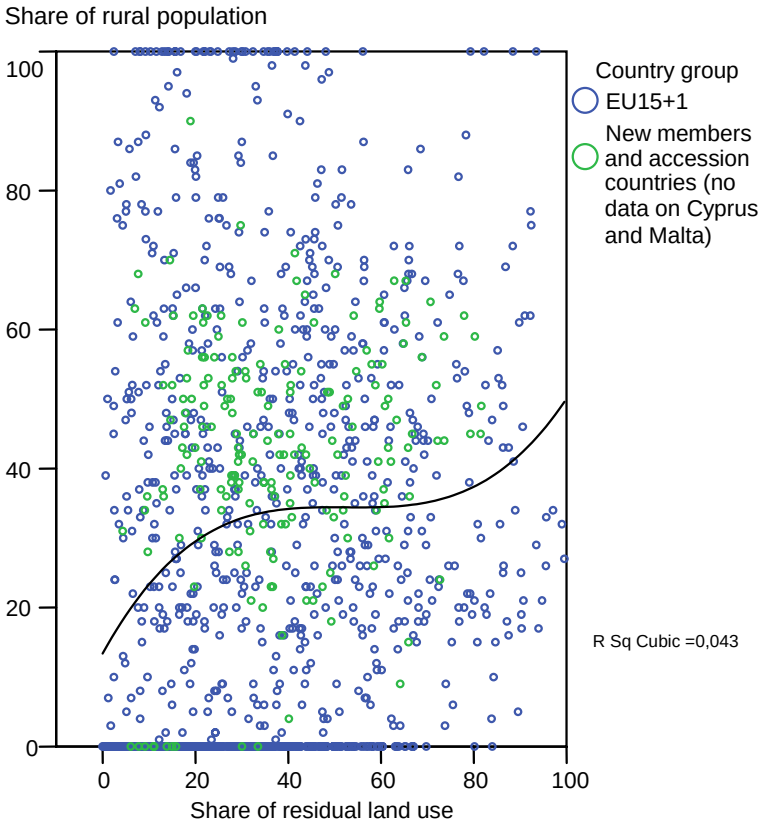
Graph 3.15. Share of agricultural land use in relation to share of artificial surfaces



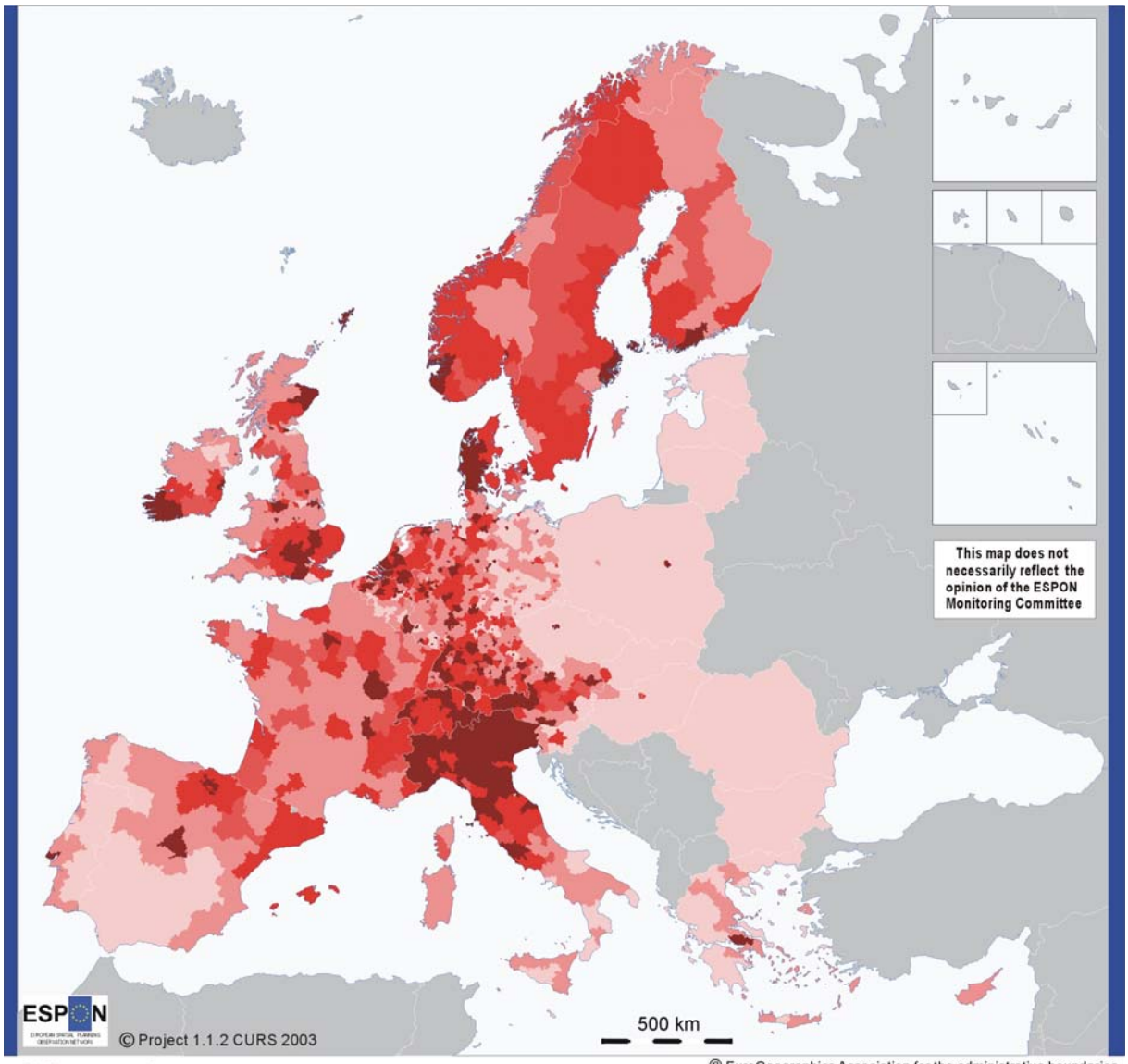
Graph 3.16. Share of artificial surfaces in relation to the share of rural population (national classification).



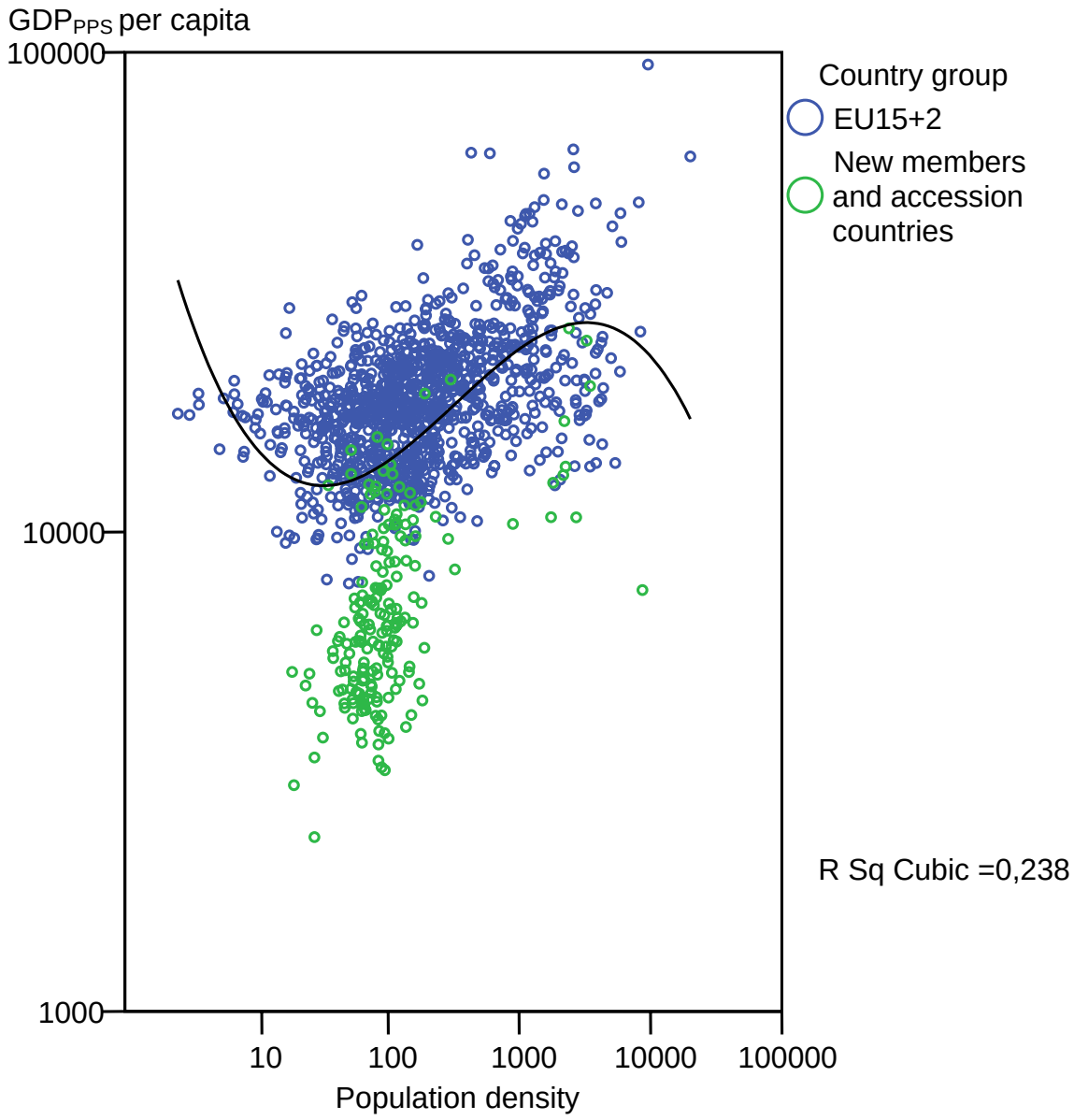
Graph 3.17. Share of agricultural land use in relation to the share of rural population (national classification).



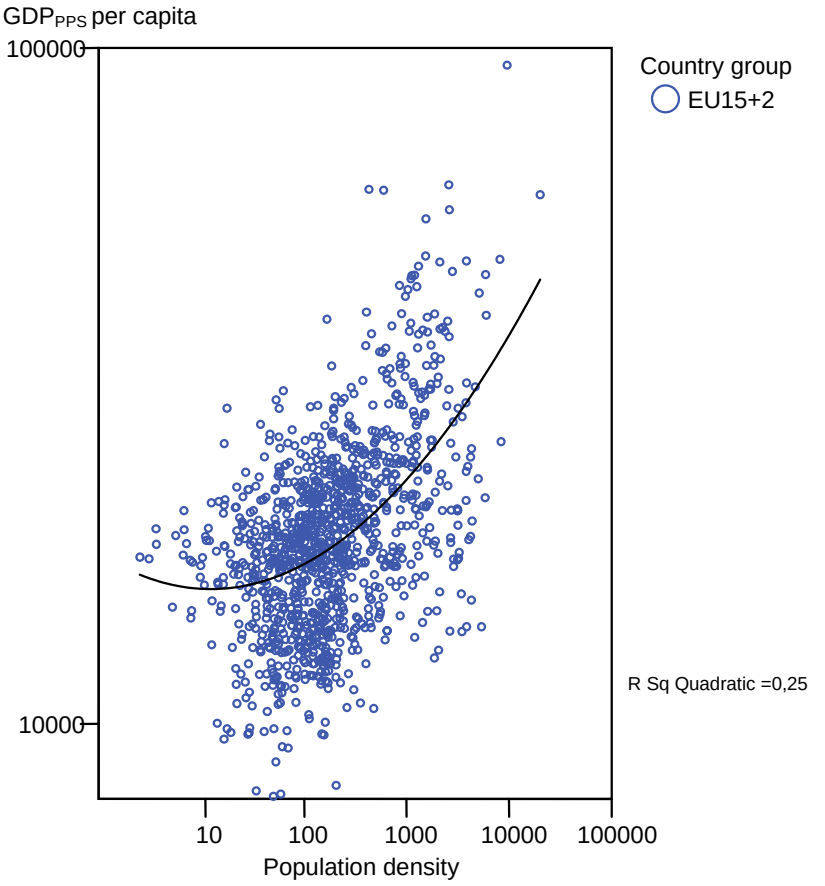
Graph 3.18. Share of residual land use in relation to the share of rural population (national classification).

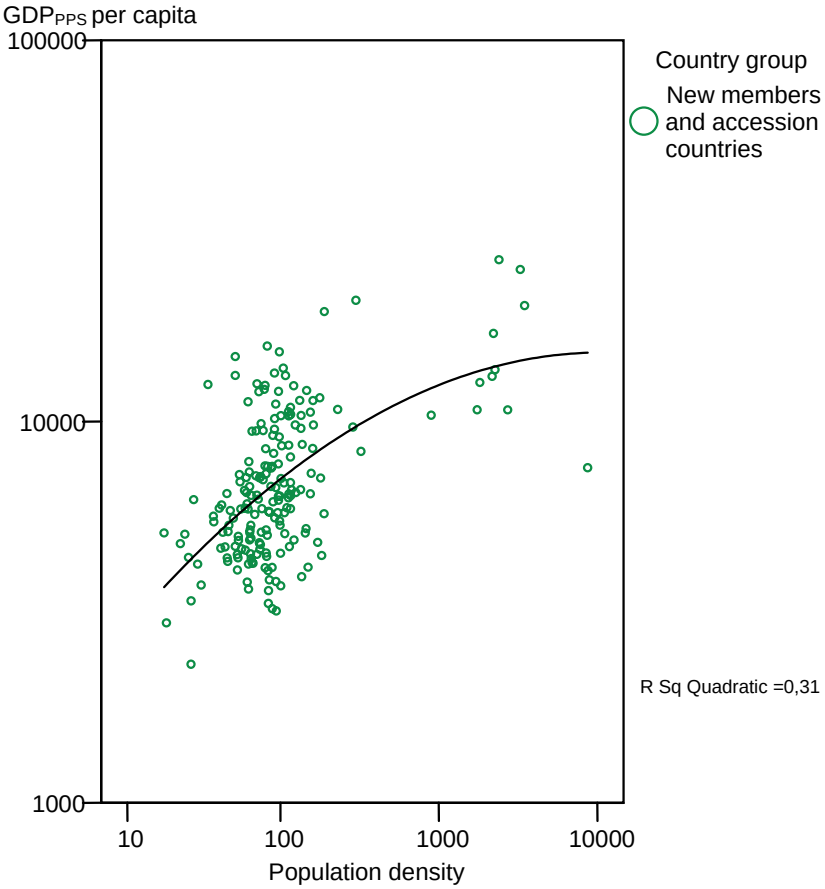


Map 3.19. GDP_{PPS} per capita.

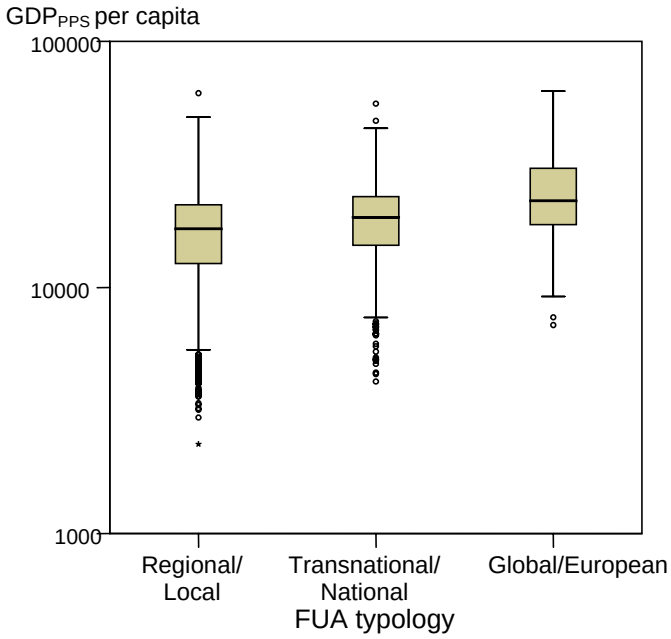


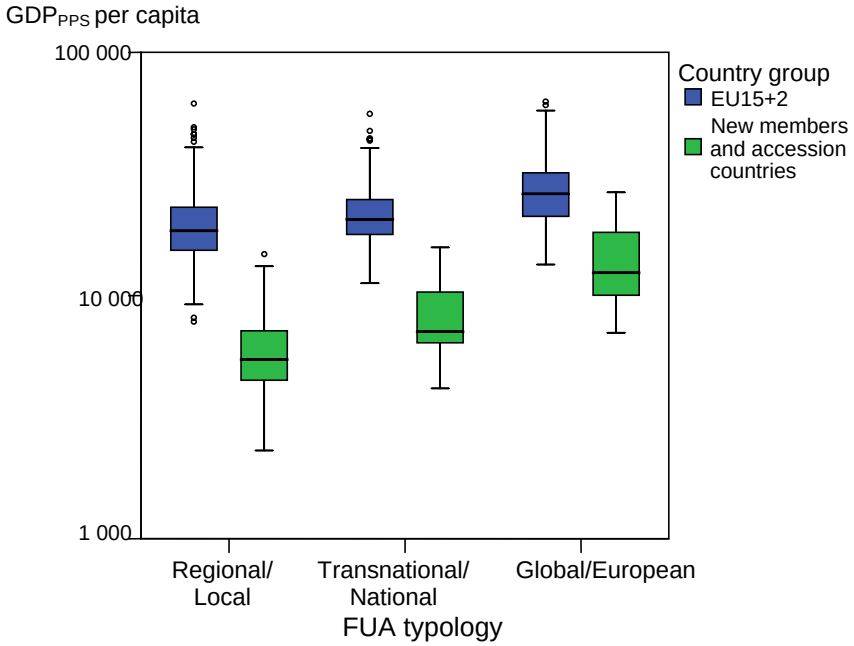
Graph 3.19. Population density in relation to GDP_{PPS} per capita in 1999.





Graph 3.20. Population density in relation to GDP_{PPS} per capita in EU 15+2 and in EU 10+2 in 1999.

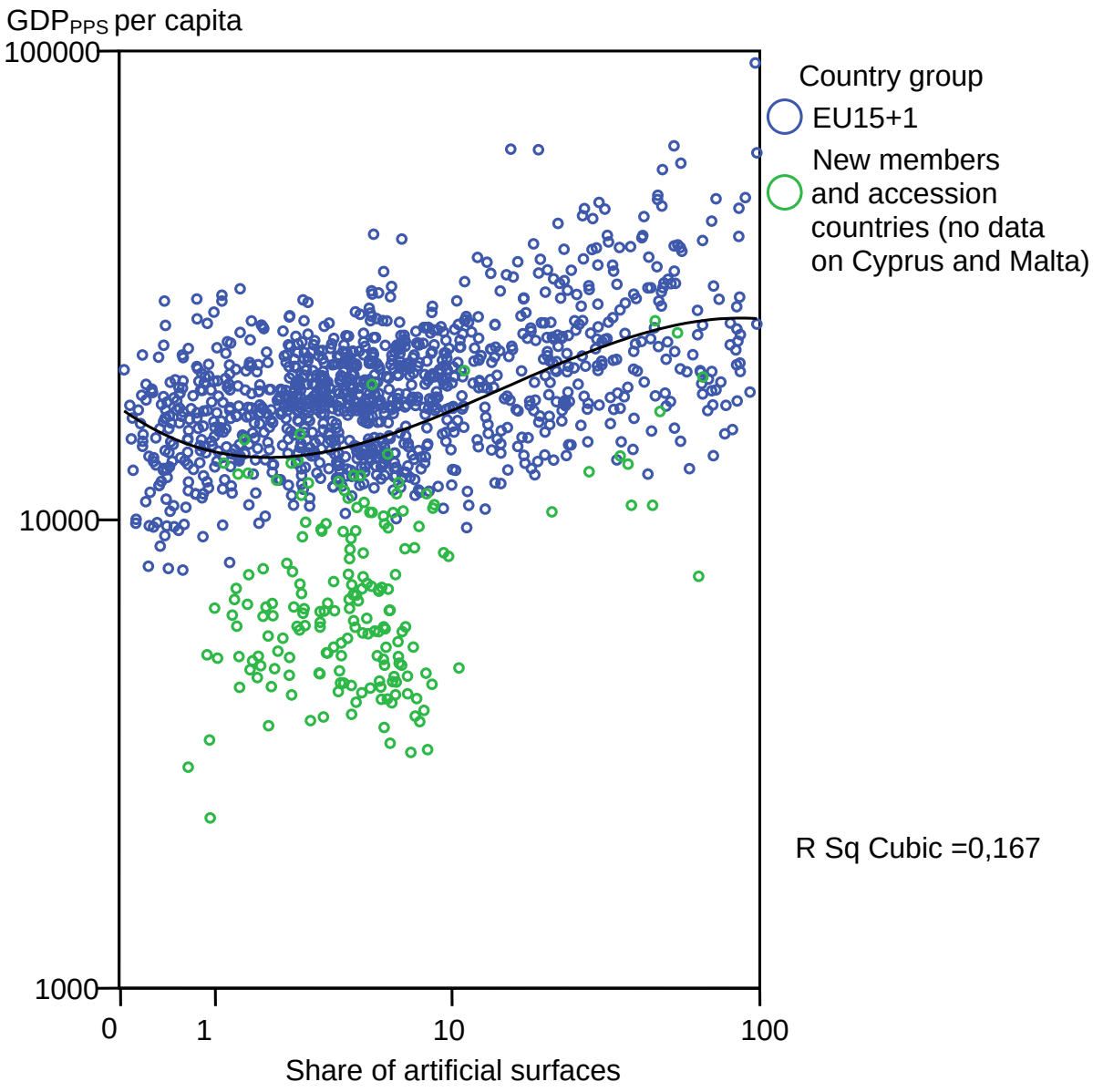




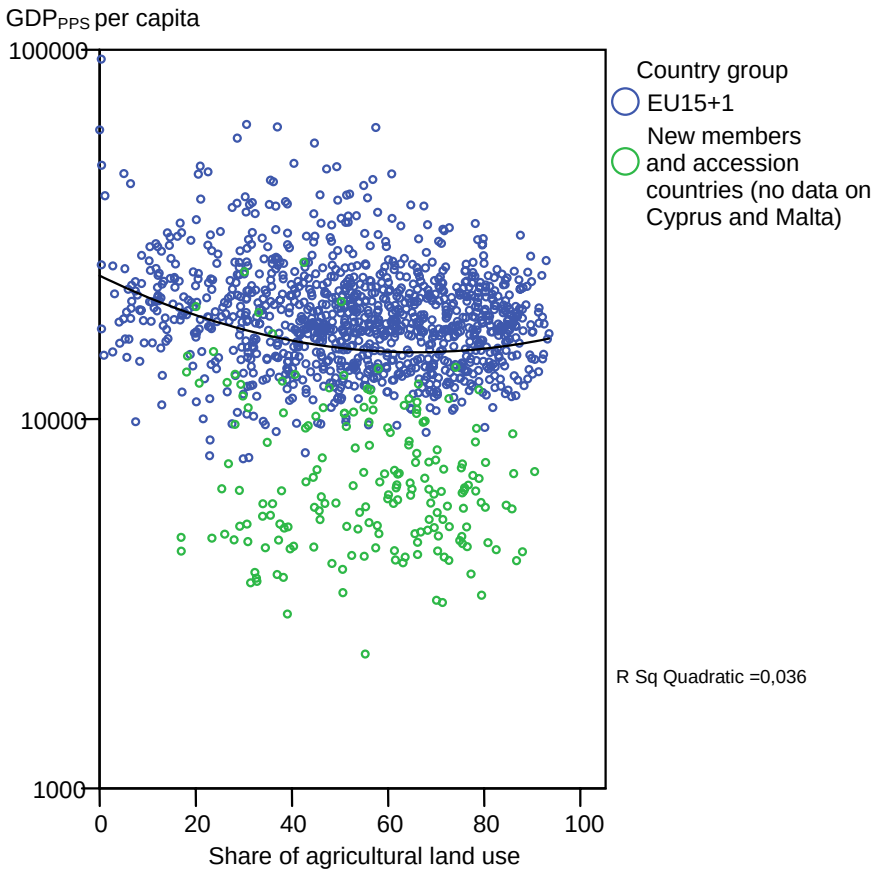
GDP$_{PPS}$ per capita

FUA typology	Country group	N	Median	Minimum	Maximum	Range
Regional/ Local	EU15+2	469	18 480	7 809	61 590	53 781
	New members and accession countries	110	5 465	2 310	14 810	12 500
	Total	579	17 324	2 310	61 590	59 280
Transnational/ National	EU15+2	204	20 569	11 232	55 855	44 623
	New members and accession countries	45	7 109	4 152	15 772	11 620
	Total	249	19 294	4 152	55 855	51 703
Global/ European	EU15+2	58	26 197	13 426	62 743	49 317
	New members and accession countries	19	12 415	7 040	26 573	19 533
	Total	77	22 498	7 040	62 743	55 704
Total	EU15+2	1 130	18 556	7 809	94 323	86 514
	New members and accession countries	191	6 403	2 310	26 573	24 263
	Total	1 321	17 582	2 310	94 323	92 013

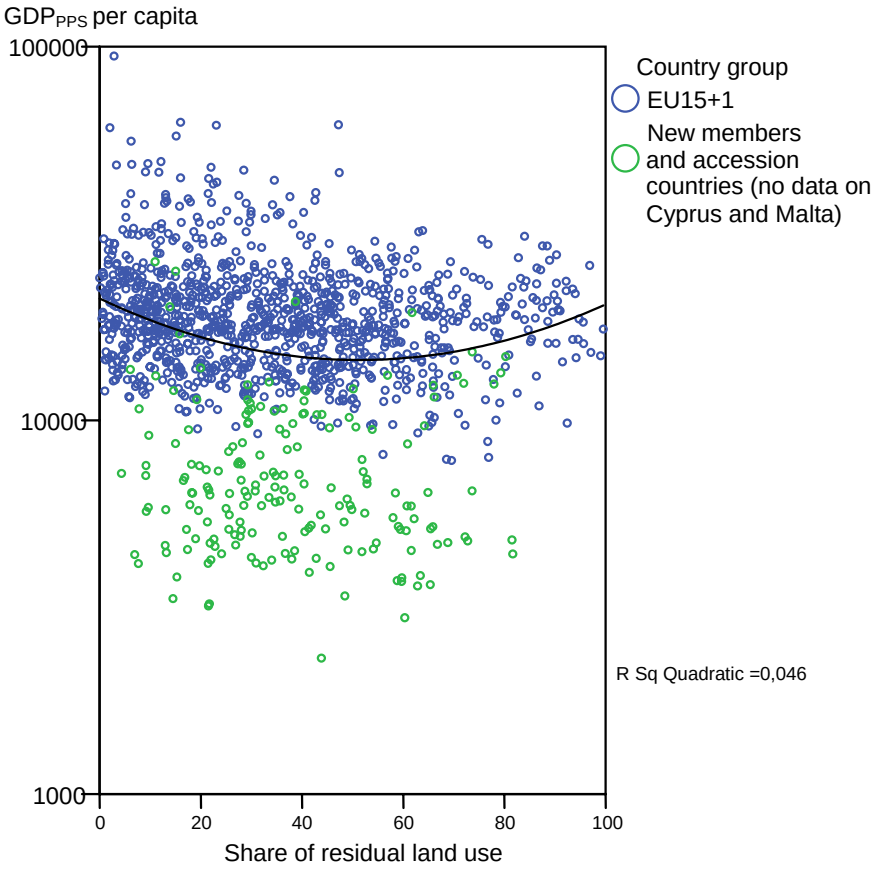
Graph 3.21. FUA ranking in relation to GDP$_{PPS}$ per capita.



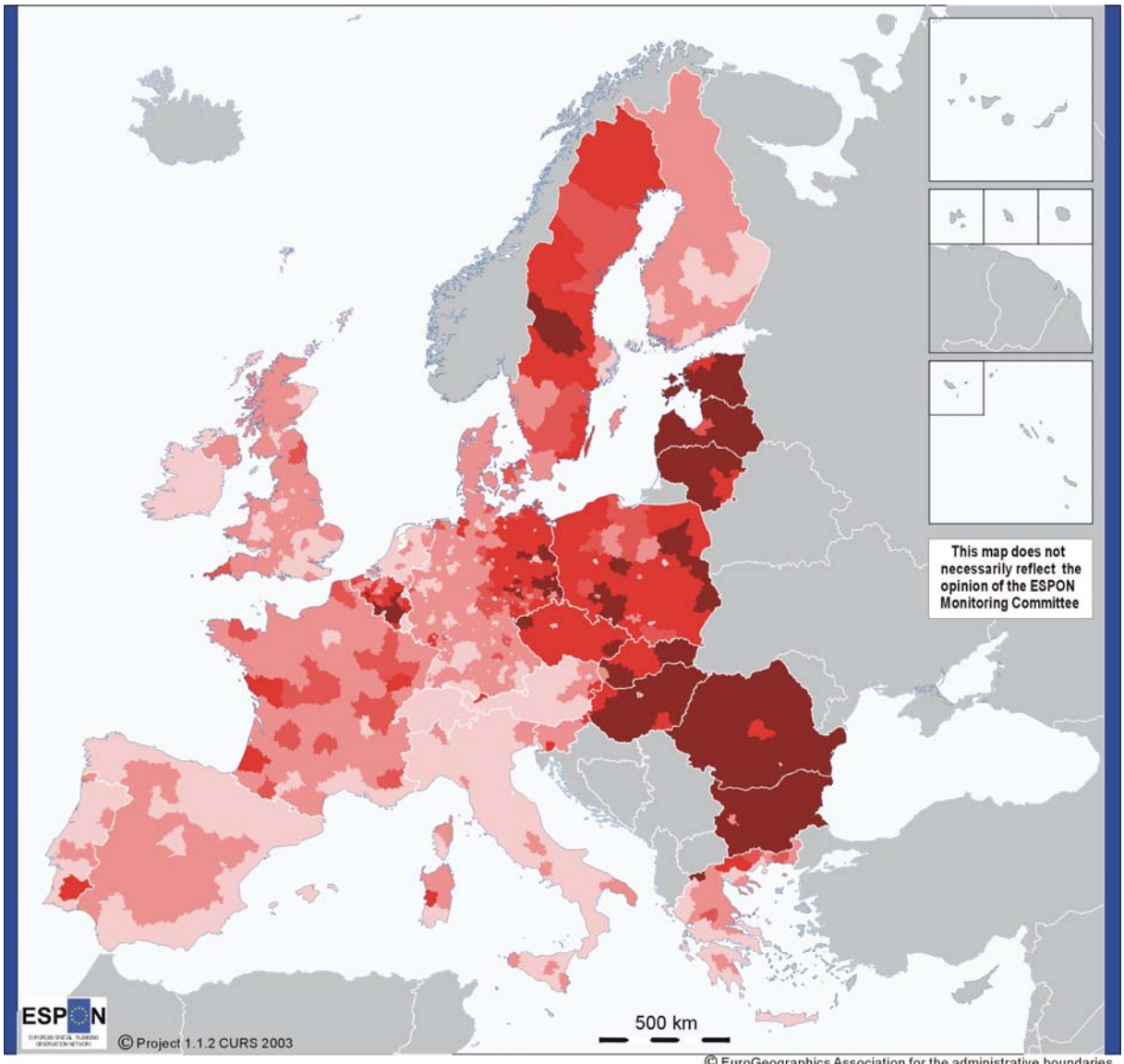
Graph 3.22. Share of artificial surfaces in relation to GDP_{PPS} per capita.



Graph 3.23. Share of agricultural land use in relation to GDP_{PPS} per capita.

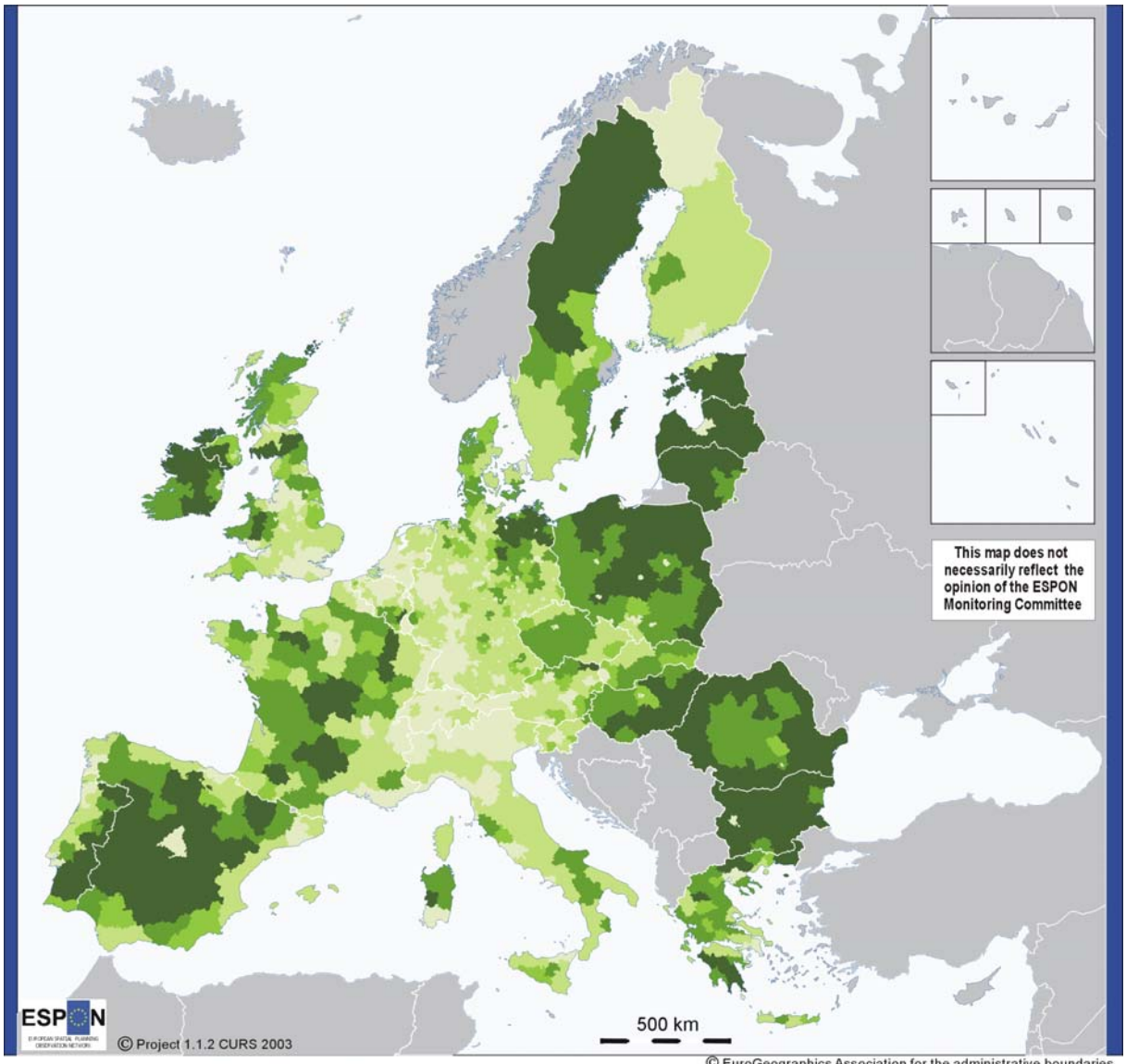


Graph 3.24. Share of residual land use in relation to GDP_{PPS} per capita.



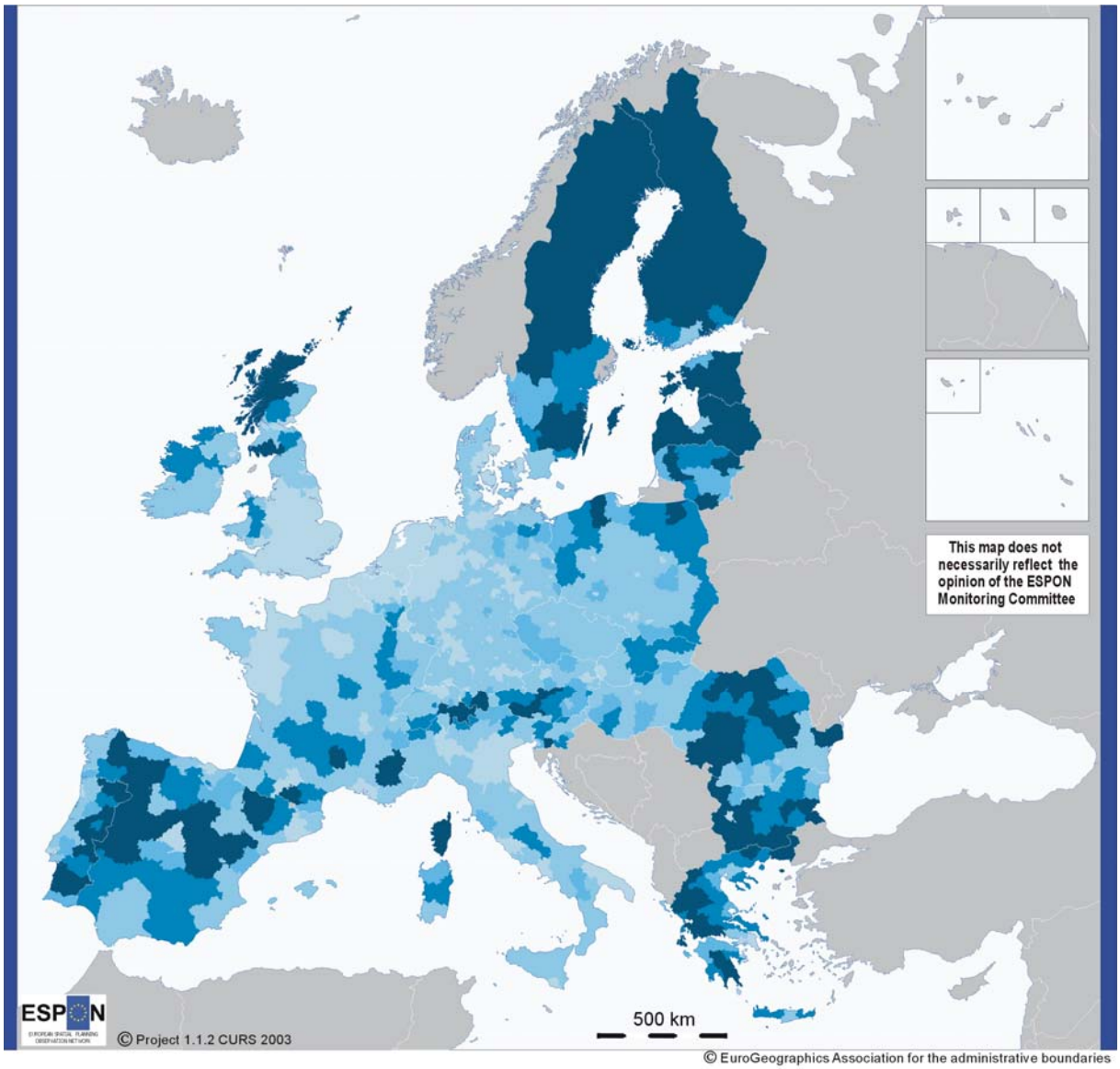
The average amount of artificial surfaces per 100 million PPS in EU23+3 is 2,8 km2 / 100 million euros (no land cover data on Cyprus, Malta and Norway).

Map 3.20. Artificial surfaces per GDP_{PPS}.

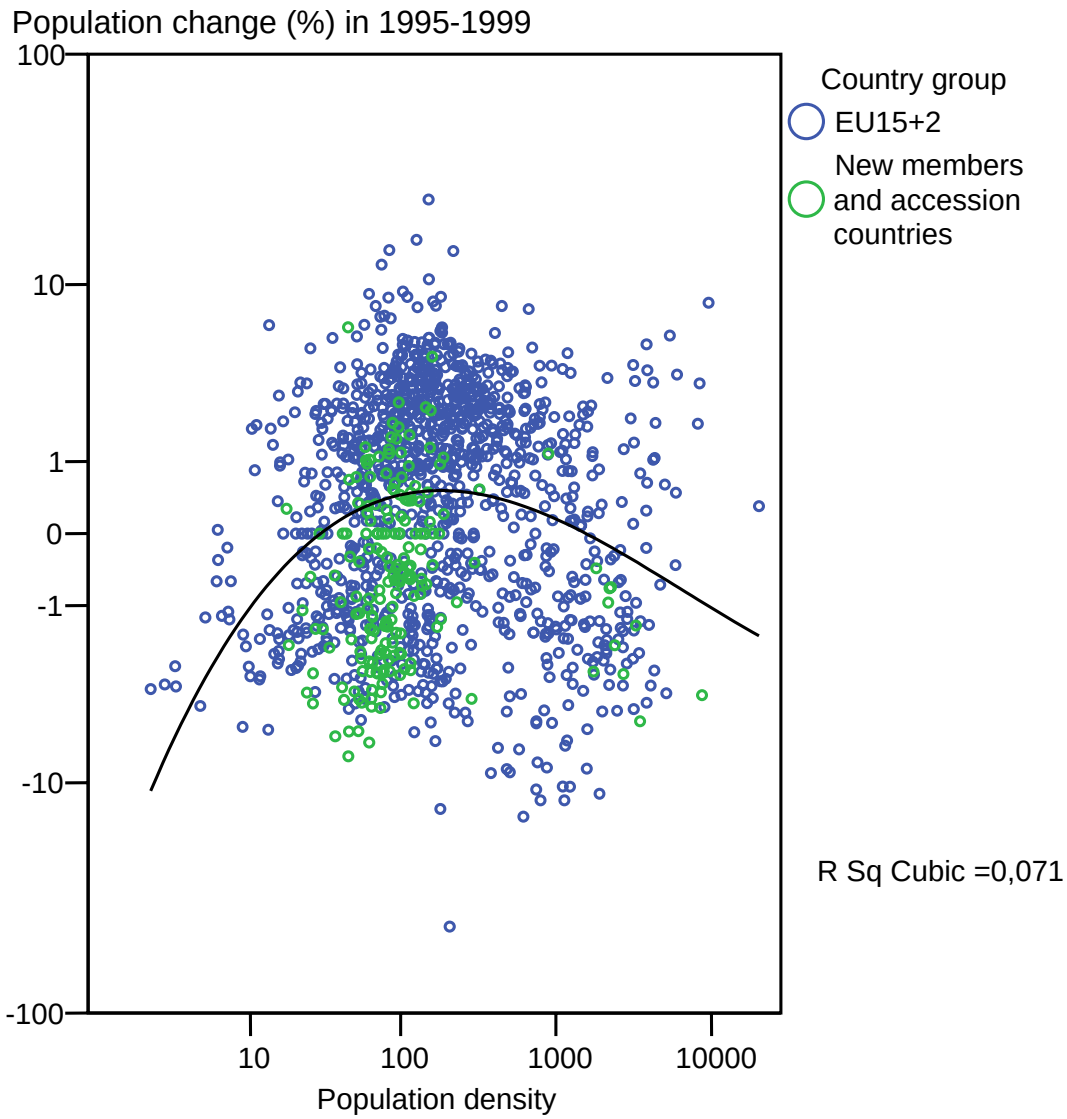


The average amount of agricultural land per GDP$_{PPS}$ in EU23+3 is 46,65 km^2/100 million euros (no data on Cyprus, Malta and Norway).

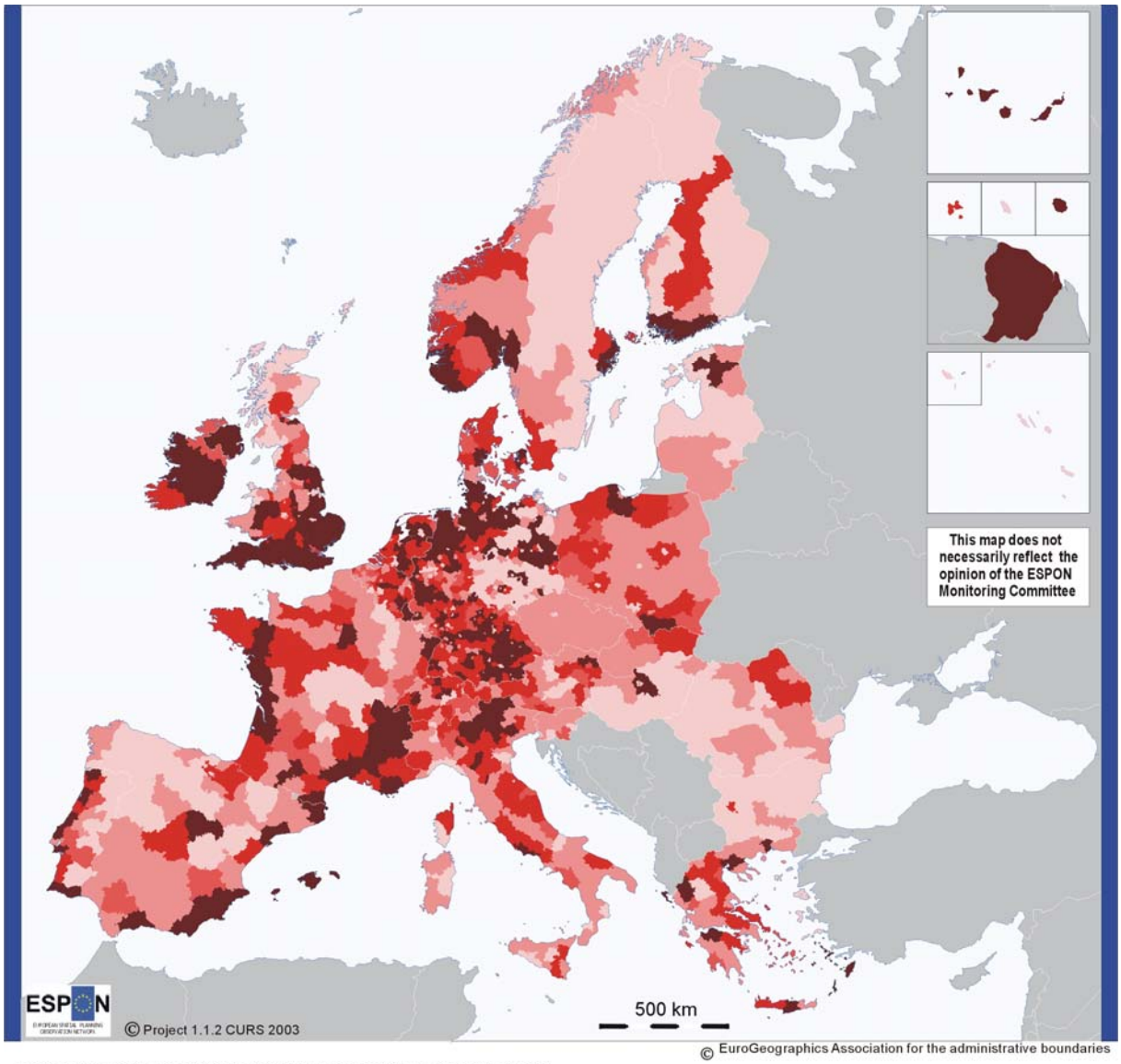
Map 3.21. Agricultural land use per GDP$_{PPS}$.



Map 3.22. Residual land use per GDP$_{PPS}$.



Graph 3.25. Population density in 1999 in relation to population change from 1995 to 1999.



Population change (%) in NUTS3 regionsfrom 1995 to 1999

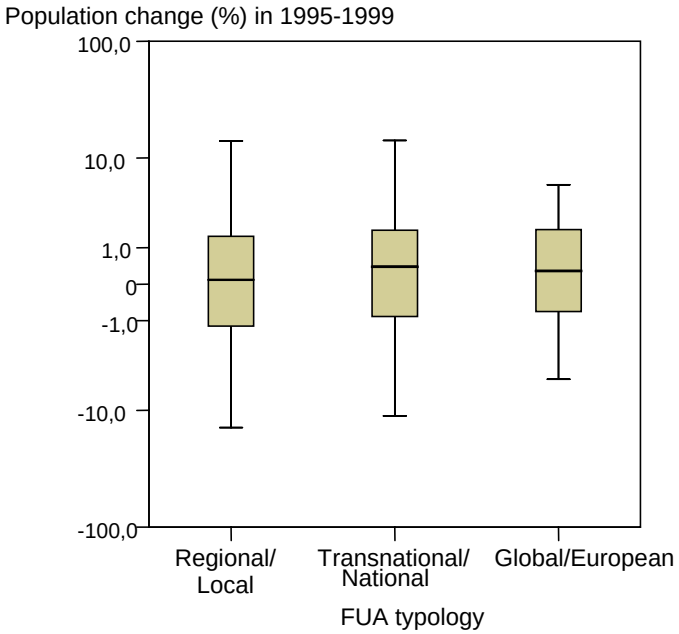
2 ,32	- 23 ,91	(286 NUTS3 regions)
0 ,90	- 2 ,31	(287)
0 ,55	- 0 ,89	(75)
-0 ,94	- 0 ,54	(339)
-42 ,92	- -0 ,93	(339)

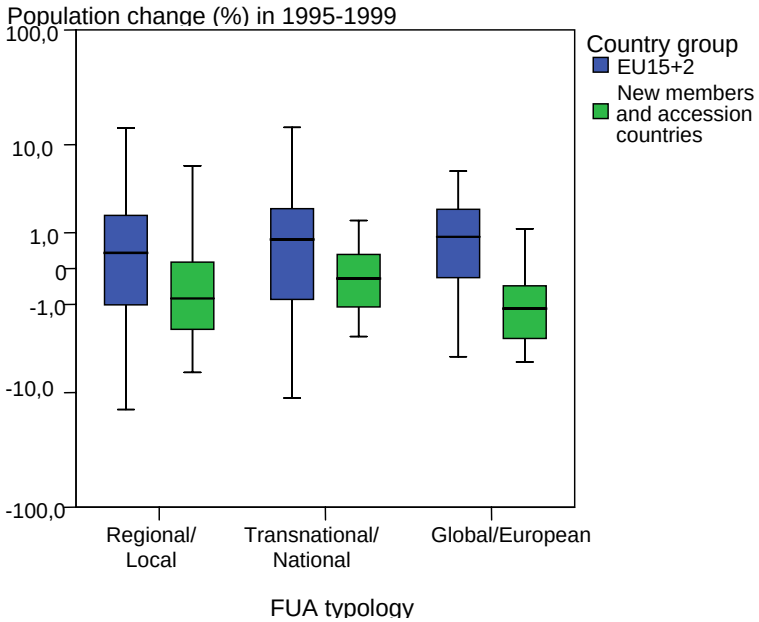
Origin of data: EU15 and CC's: Eurostat
Norways and Switzerland: National Statistical Offices

Source: ESPON Data Base

The average population change in EU23+4 from 1995 to 1999 is 0,72% (no data on Cyprus and Malta).

Map 3.23. Population change from 1995 to 1999.

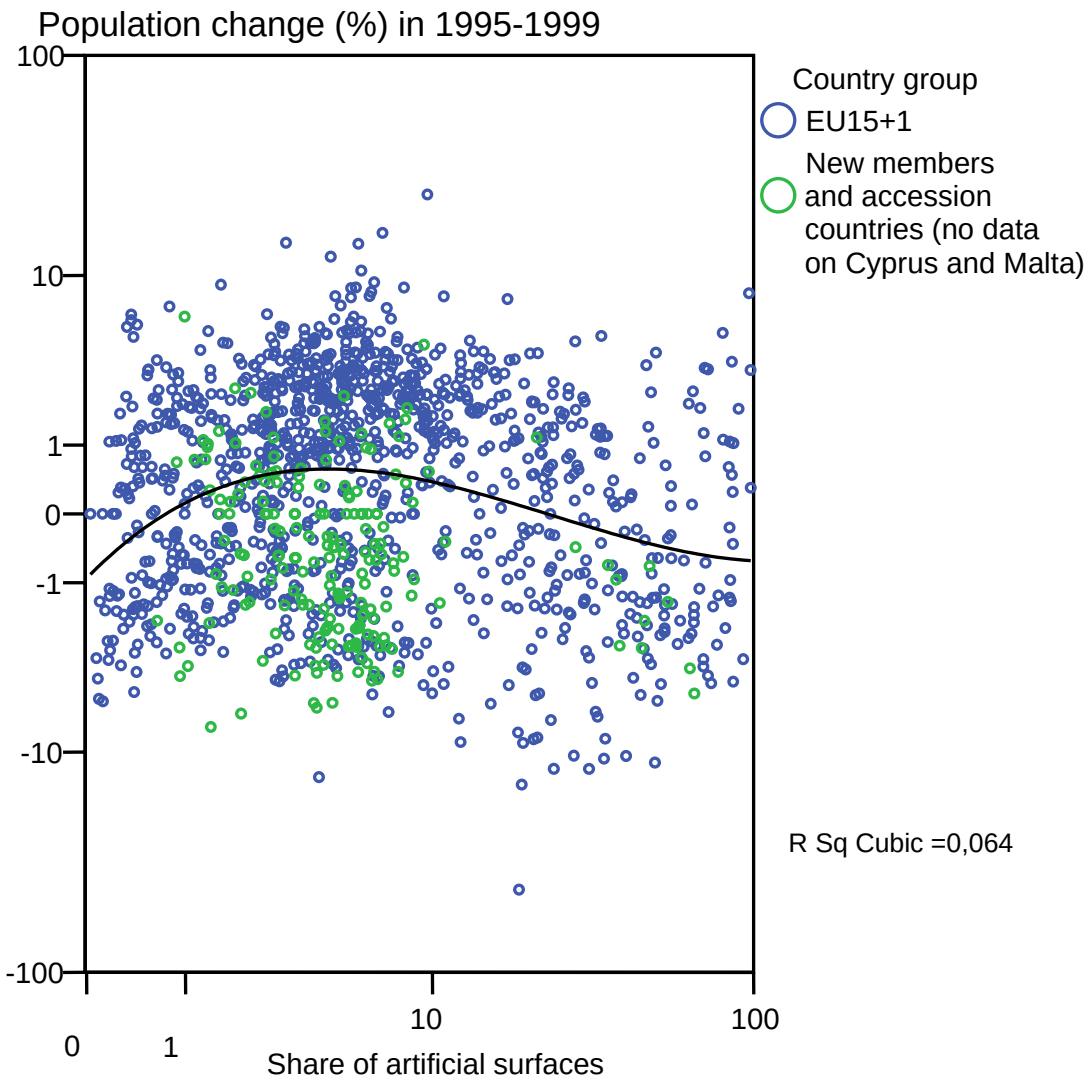




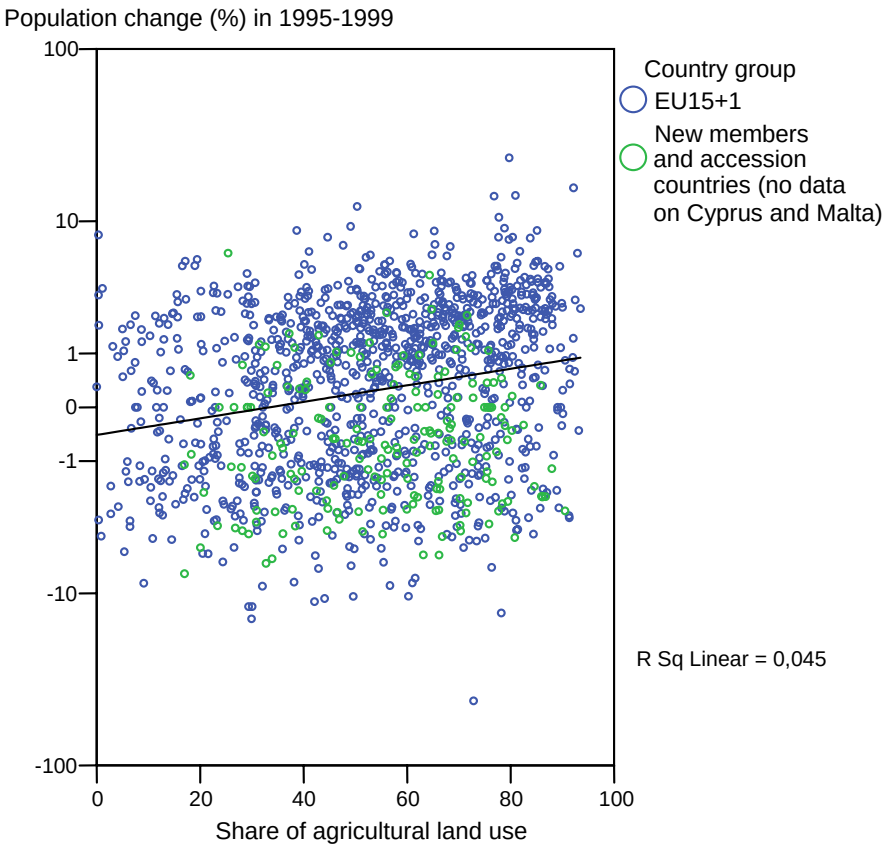
Population change (%) in 1995-1999

FUA typology	Country group	N	Median	Minimum	Maximum	Range
Regional/ Local	EU15+2	469	0,35	-14,3	14,2	28,4
	New members and accession countries	110	-0,78	-6,5	6,3	12,8
	Total	579	0,09	-14,3	14,2	28,4
Transnational/ National	EU15+2	204	0,76	-11,2	14,3	25,6
	New members and accession countries	44	-0,21	-2,7	1,5	4,3
	Total	248	0,39	-11,2	14,3	25,6
Global/ European	EU15+2	58	0,85	-4,5	5,6	10,1
	New members and accession countries	18	-1,18	-5,1	1,2	6,3
	Total	76	0,29	-5,1	5,6	10,7
Total	EU15+2	1 130	0,80	-42,9	23,9	66,8
	New members and accession countries	188	-0,56	-7,5	6,3	13,8
	Total	1 318	0,47	-42,9	23,9	66,8

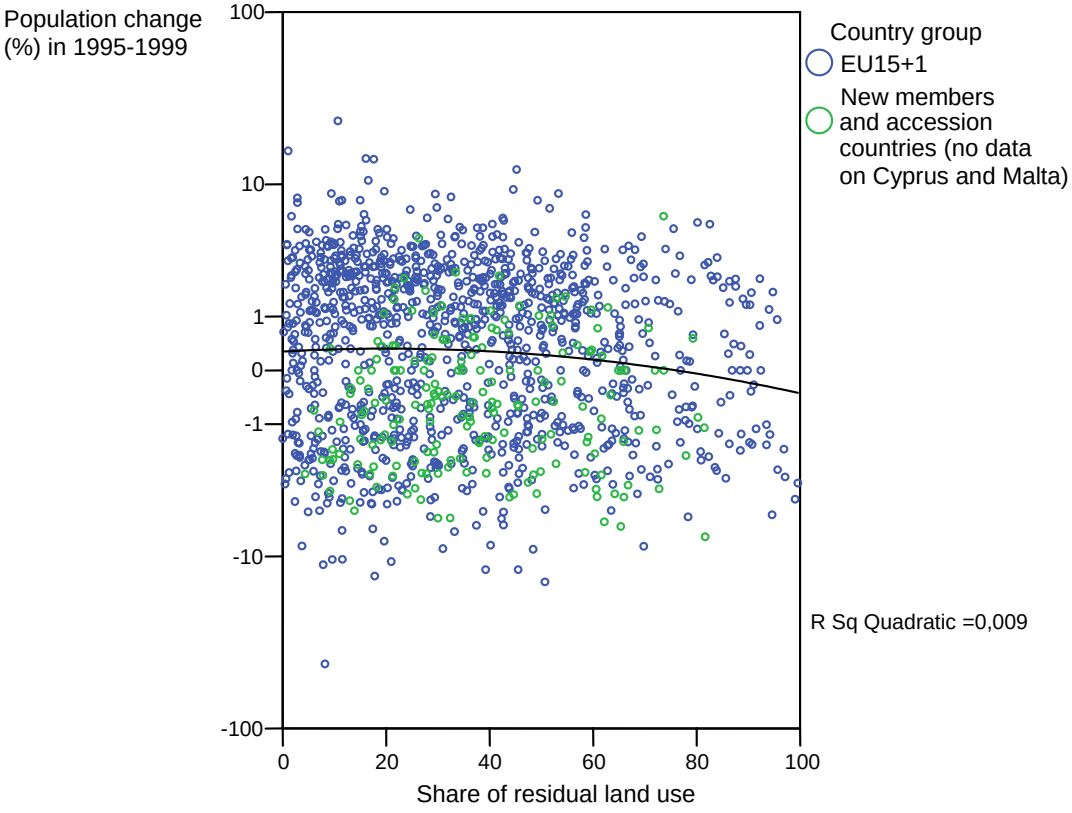
Graph 3.26. FUA ranking in relation to population change from 1995 to 1999.



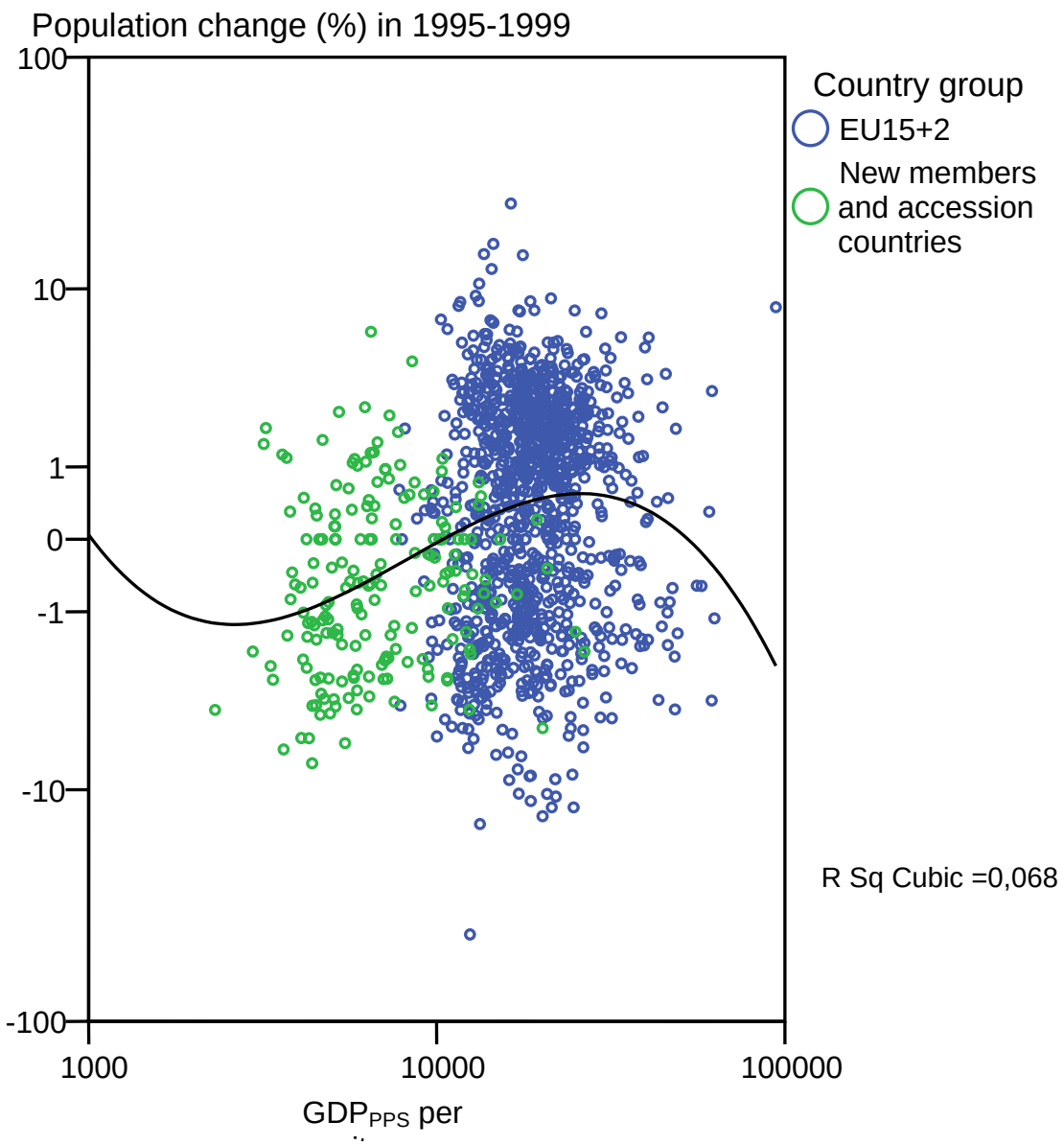
Graph 3.27. Share of artificial surfaces in relation to population change from 1995 to 1999.



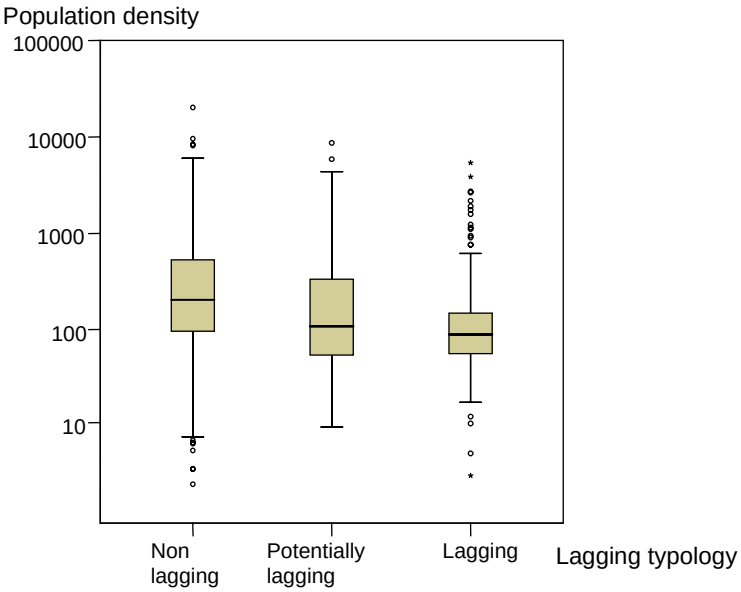
Graph 3.28. Share of agricultural land use in relation to population change from 1995 to 1999.

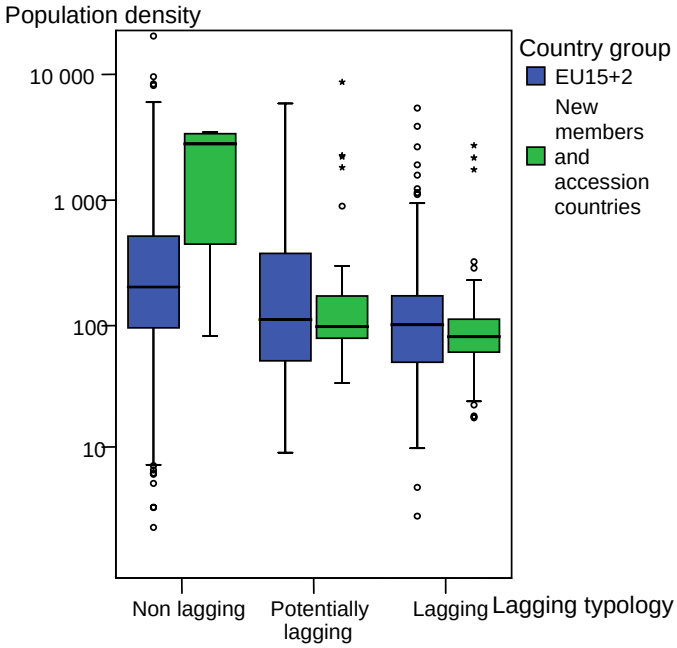


Graph 3.29. Share of residual land use in relation to population change from 1995 to 1999.



Graph 3.30. GDP_{PPS} per capita in relation to population change from 1995 to 1999.

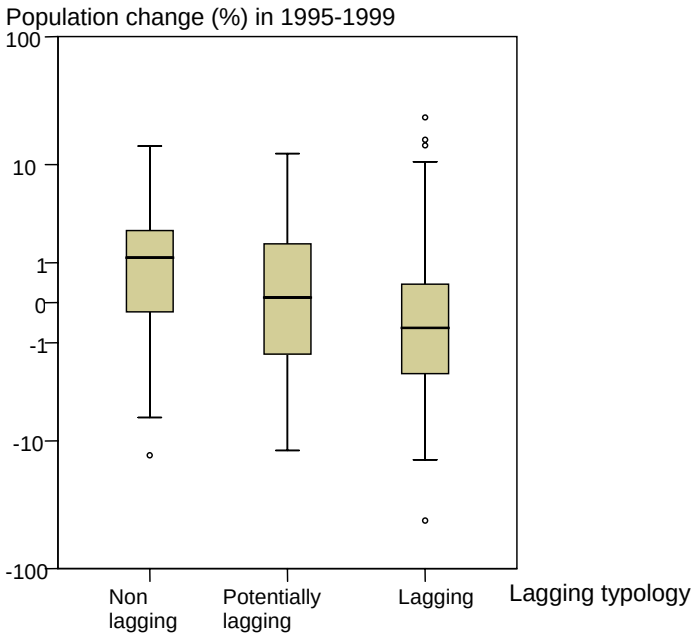


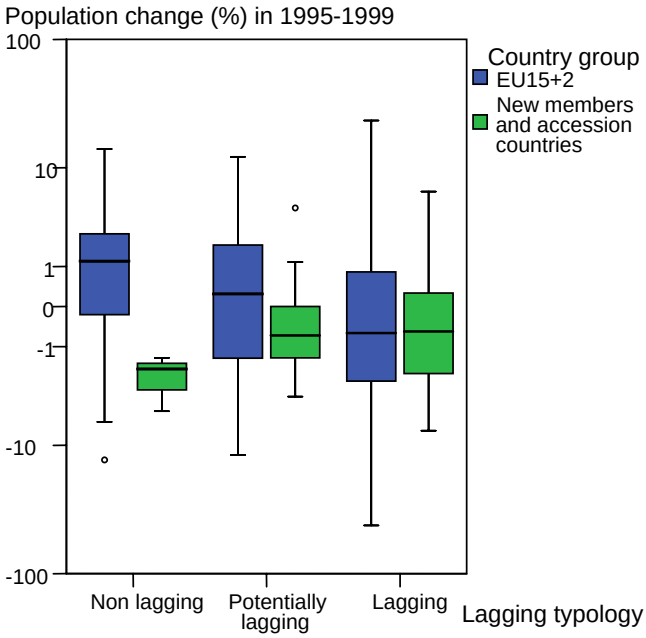


Population density

Lagging typology	Country group	N	Median	Minimum	Maximum	Range
Non lagging	EU15+2	725	203	2	20 161	20 160
	New members and accession countries	4	2834	82	3 476	3 394
	Total	729	204	2	20 161	20 160
Potentially lagging	EU15+2	224	112	9	5 864	5 855
	New members and accession countries	29	98	34	8 677	8 642
	Total	253	107	9	8 677	8 668
Lagging	EU15+2	181	101	2	5 392	5 390
	New members and accession countries	156	81	18	2 722	2 704
	Total	337	88	2	5 392	5 390
Total	EU15+2	1 130	157	2	20 161	20 160
	New members and accession countries	189	84	18	8 677	8 659
	Total	1 319	137	2	20 161	20 160

Graph 3.31. Lagging typology (from ESPON Action 2.1.1) in relation to population density.

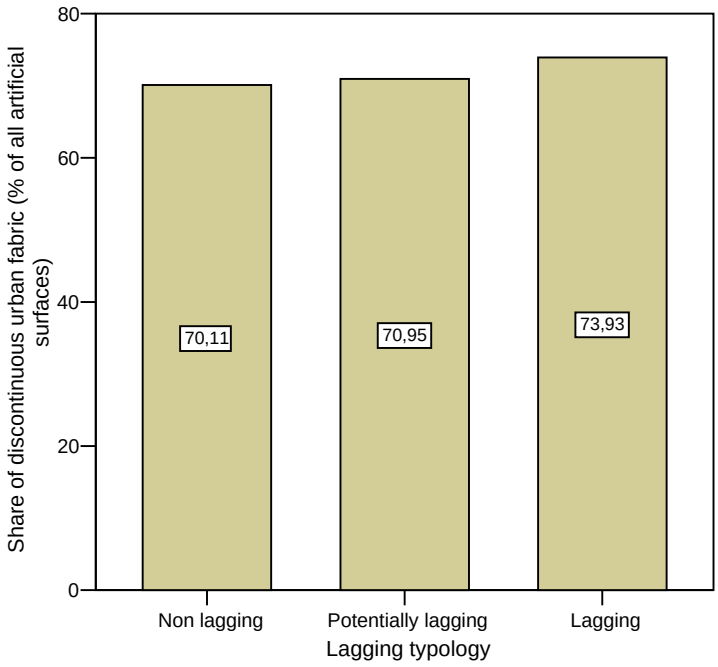


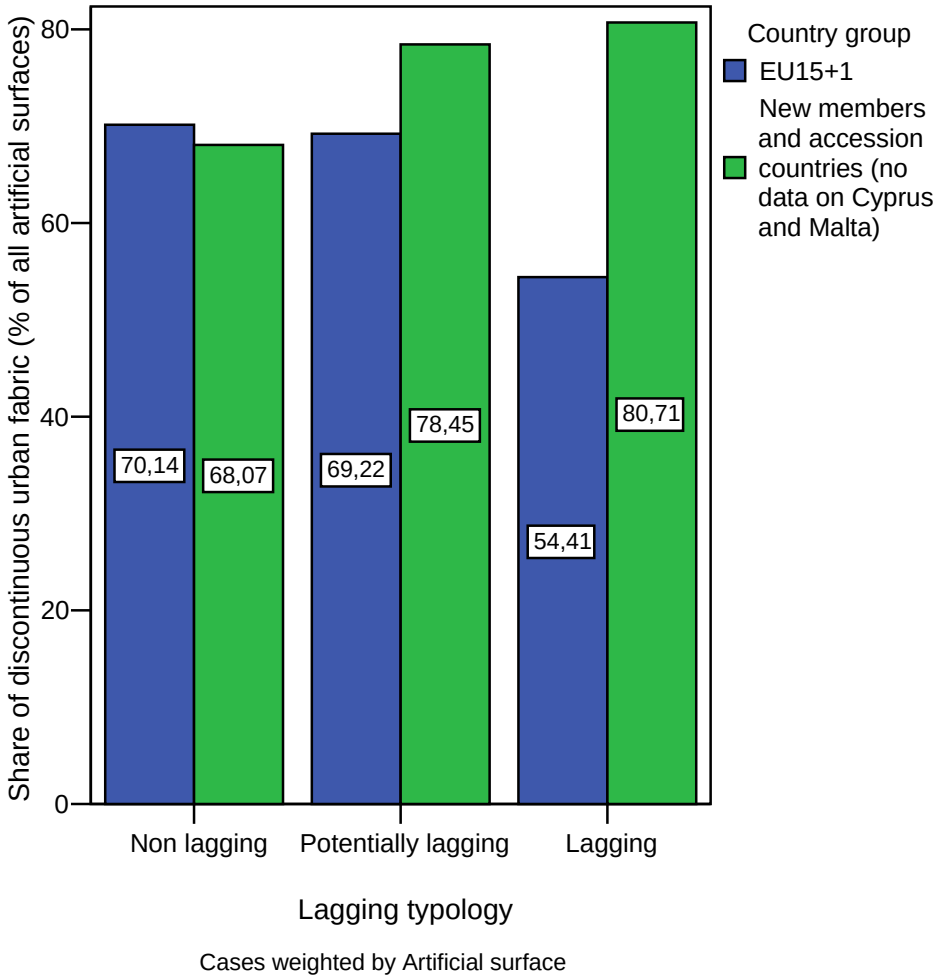


Population change (%) in 1995-1999

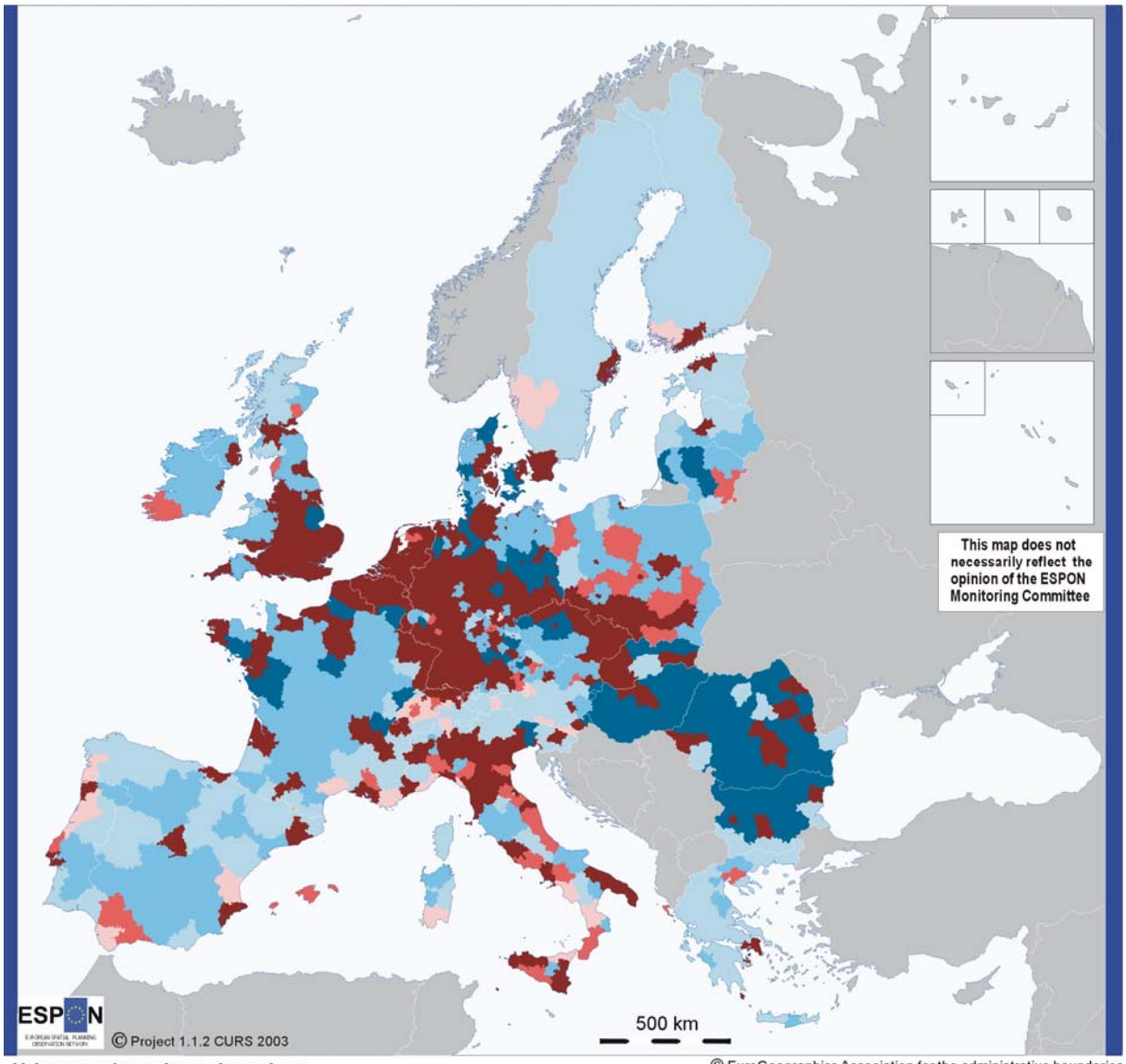
Lagging typology	Country group	N	Median	Minimum	Maximum	Range
Non lagging	EU15+2	726	1,19	-13,2	14,2	27,3
	New members and accession countries	3	-1,93	-5,1	-1,4	3,7
	Total	729	1,18	-13,2	14,2	27,3
Potentially lagging	EU15+2	225	0,24	-12,0	12,3	24,3
	New members and accession countries	29	-0,64	-3,7	4,5	8,2
	Total	254	0,09	-12,0	12,3	24,3
Lagging	EU15+2	187	-0,58	-42,9	23,9	66,8
	New members and accession countries	156	-0,53	-7,5	6,3	13,8
	Total	343	-0,55	-42,9	23,9	66,8
Total	EU15+2	1 138	0,80	-42,9	23,9	66,8
	New members and accession countries	188	-0,55	-7,5	6,3	13,8
	Total	1 326	0,47	-42,9	23,9	66,8

Graph 3.32 Lagging typology (from ESPON Action 2.1.1.) in relation to population change from 1995 to 1999.





Graph 3.33. Lagging typology (from ESPON Action 2.1.1.) in relation to share of discontinuous urban fabric.



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Urban-rural typology, based on population density, FUA ranking and land cover

- **High urban influence, high human intervention**
- **High urban influence, medium human intervention**
- **High urban influence, low human intervention**
- **Low urban influence, high human intervention**
- **Low urban influence, medium human intervention**
- **Low urban influence, low human intervention**

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Population density:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

Land cover types:
Origin of data: EEA, Corine Land Cover 90

Source: ESPON Data Base

The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

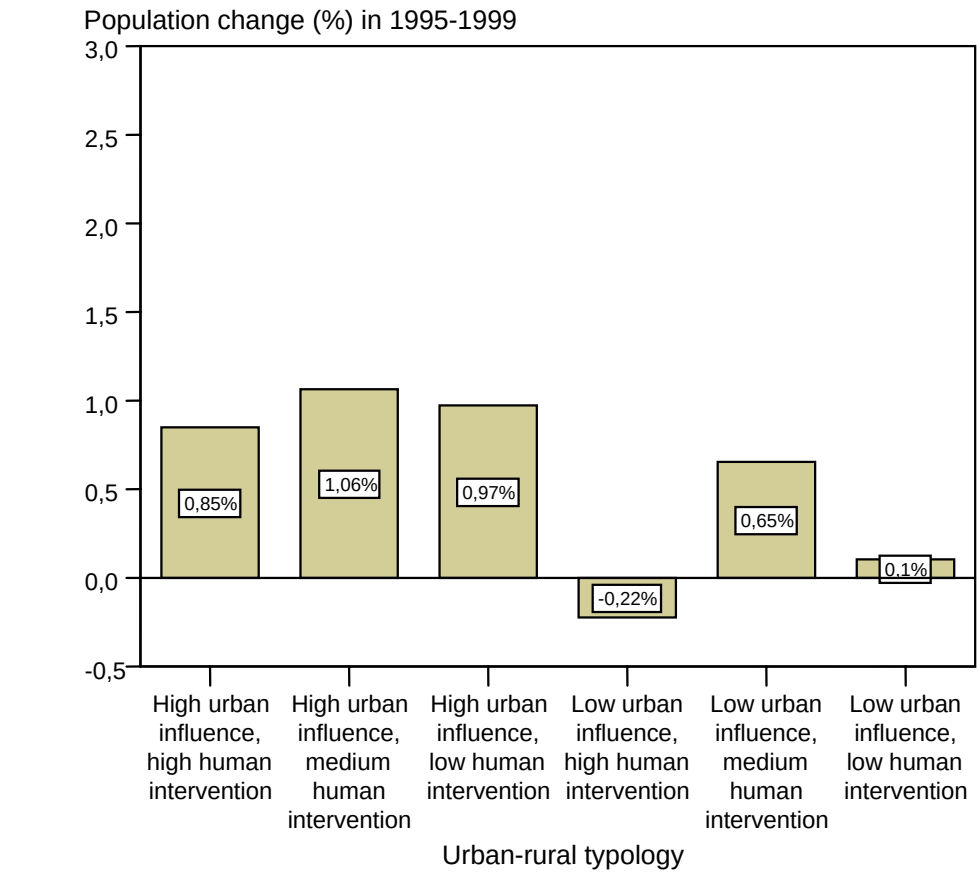
Degree of human intervention is estimated through the average shares of land covers (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

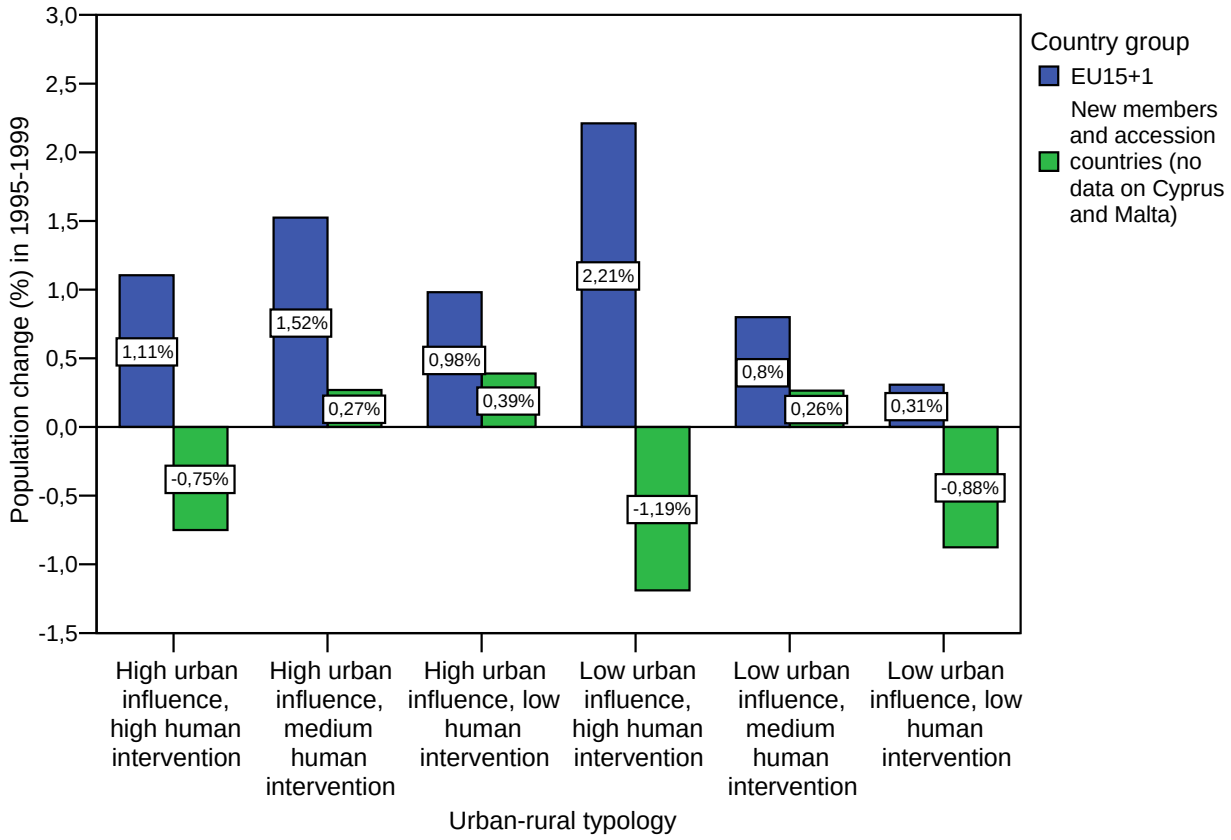
Map 3.24. Urban–rural typology.

Urban-rural typology	Number of NUTS3 regions	Total area in km²	Total area as % from EU 25+4	Total population in 1999	Total population as % of EU 25+4 total	Population change from 1995 to 1999 (%)	Index of population change (100 = EU25+4 average)	Accessibility to transportation terminals (minutes)	Index of accessibility, reversed (100 = EU25+4 average)
EU 25+3									
1	691	906 881	19	299 173 237	60	0,84	118	33,00	134
2	52	204 887	4	25 990 947	5	1,06	149	56,64	78
3	34	127 231	3	17 743 721	4	1,01	142	47,91	92
4	131	523 154	11	42 177 800	9	-0,18	-26	64,93	68
5	184	1 049 959	22	57 913 200	12	0,64	91	61,28	72
6	201	1 440 310	31	42 021 486	8	0,08	11	64,40	68
Total	**1 293**	**4 252 420**	**91**	**485 020 391**	**98**	**0,68**	**96**	**43,69**	**101**
Areas not in typology	36	442 103	9	9 925 329	2	2,81	390	81,07	184
EU15+1									
1	643	711 652	15	257 320 237	52	1,10	153	29,65	149
2	42	115 629	2	15 951 947	3	1,54	214	49,27	90
3	33	124 847	3	17 486 721	4	1,02	141	47,92	92
4	57	141 717	3	12 170 800	2	2,21	307	46,18	96
5	156	815 493	17	42 758 200	9	0,78	109	56,61	78
6	174	1 266 578	27	34 710 486	7	0,28	39	62,43	71
Total	**1105**	**3 175 916**	**68**	**380 398 391**	**77**	**1,04**	**145**	**37,87**	**116**
EU 10+2									
1	48	195 229	4	41 853 000	8	-0,78	-109	53,58	82
2	10	89 258	2	10 039 000	2	0,30	41	68,35	65
3	1	2 384	0	257 000	0	0,39	54	47,26	93
4	74	381 436	8	30 007 000	6	-1,15	-160	72,54	61
5	28	234 465	5	15 155 000	3	0,24	34	74,43	59
6	27	173 732	4	7 311 000	1	-0,88	-122	73,75	60
Total	**188**	**1 076 504**	**23**	**104 622 000**	**21**	**-0,64**	**-89**	**64,85**	**68**
EU 25+4	**1 329**	**4 694 523**	**100**	**494 945 720**	**100**	**0,72**	**100**	**44,10**	**100**

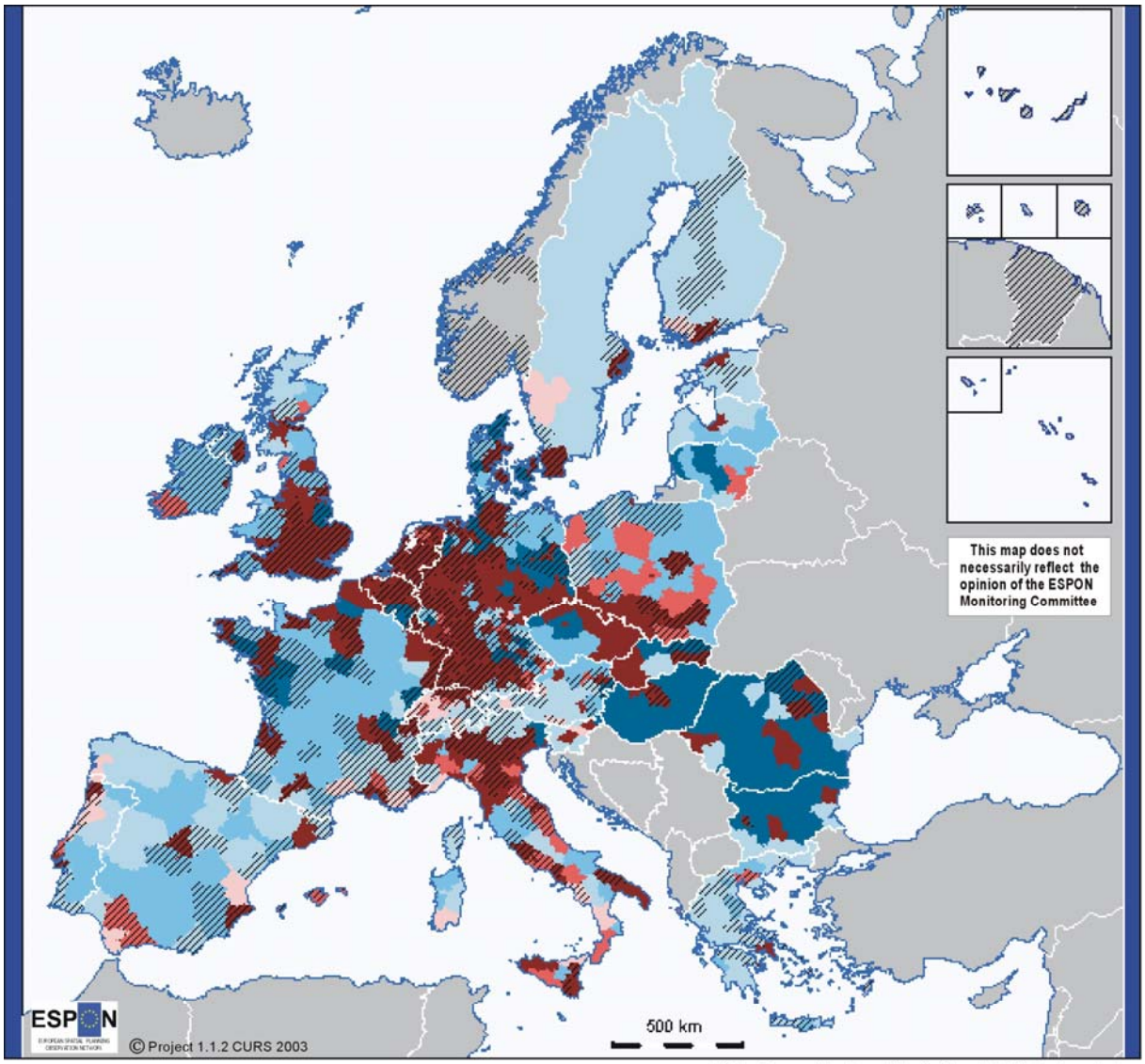
Urban-rural typology	Total GDPpps in 1999	GDPpps as % of EU25+4 total	GDPpps per capita in 1999	Index of GDPpps per capita (100 = EU 25+4 avg)	Change of GDPpps per capita from 1995 to 1999	Percentage change of GDPpps per capita	Index of the percentage change of GDPpps (100 = EU25+4 average)	Employment in agriculture, forestry and fishing (% of the total work force)	Population density	Index of population density (100 = EU 25+4 average)
EU 25+3										
1	6 453 790	70	21 572	116	3 721	21	100	N/A	330	308
2	358 441	4	13 791	74	2 668	26	125	N/A	127	119
3	312 803	3	17 629	95	3 034	22	106	N/A	139	130
4	404 005	4	9 579	52	1 254	13	60	N/A	81	75
5	818 486	9	14 133	76	2 520	24	112	N/A	55	52
6	661 896	7	15 751	85	2 622	20	97	N/A	29	27
Total	**9 009 422**	**98**	**18 575**	**100**	**3 186**	**21**	**100**	**N/A**	**114**	**106**
Areas not in typology	182 581	2	18 396	99	4 608	27	129	N/A	16	15
EU15+1										
1	6 007 777	65	23 347	126	3 953	20	97	2,49	361	338
2	286 082	3	17 934	97	3 264	23	109	11,22	138	129
3	309 410	3	17 694	95	3 041	22	106	10,90	140	131
4	217 990	2	17 911	96	2 585	17	82	6,96	86	80
5	719 711	8	16 832	91	2 908	21	102	10,99	52	49
6	613 761	7	17 682	95	2 934	21	98	10,25	27	25
Total	**8 154 731**	89	**21 437**	**115**	**3 628**	**21**	**98**	**4,70**	**119**	**112**
EU 10+2										
1	446 013	5	9 674	52	1 604	25	117	N/A	214	200
2	72 359	1	6 512	35	1 650	33	157	N/A	112	105
3	3 393	0,04	13 204	71	2 587	24	116	N/A	108	101
4	186 015	2	5 768	31	502	11	53	N/A	79	74
5	98 776	1	6 260	34	1 624	34	164	N/A	65	60
6	48 135	1	5 902	32	1 114	21	102	N/A	43	41
Total	**854 691**	**9**	**6 904**	**37**	**1 321**	**22**	**102**	N/A	**97**	**91**
EU 25+4	**9 192 003**	**100**	**18 572**	**100**	**3 204**	**21**	**100**	**4,70**	**107**	**100**

Table 3.6. Urban–rural typology in relation to core indicators.





Graph 3.34. Population change from 1995 to 1999 in relation to urban–rural typology.



Urban-rural typology, based on population density, FUA ranking and land cover

- High urban influence, high human intervention
- High urban influence, medium human intervention
- High urban influence, low human intervention
- Low urban influence, high human intervention
- Low urban influence, medium human intervention
- Low urban influence, low human intervention

Population change (%) from 1995 to 1999
(EU23+4 average is 0,72%, no data on Cyprus and Malta)

- 0,73 - 100 % (612 NUTS3 regions)
- -42 ,91 - 0,72 (714)

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Population density and population change:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

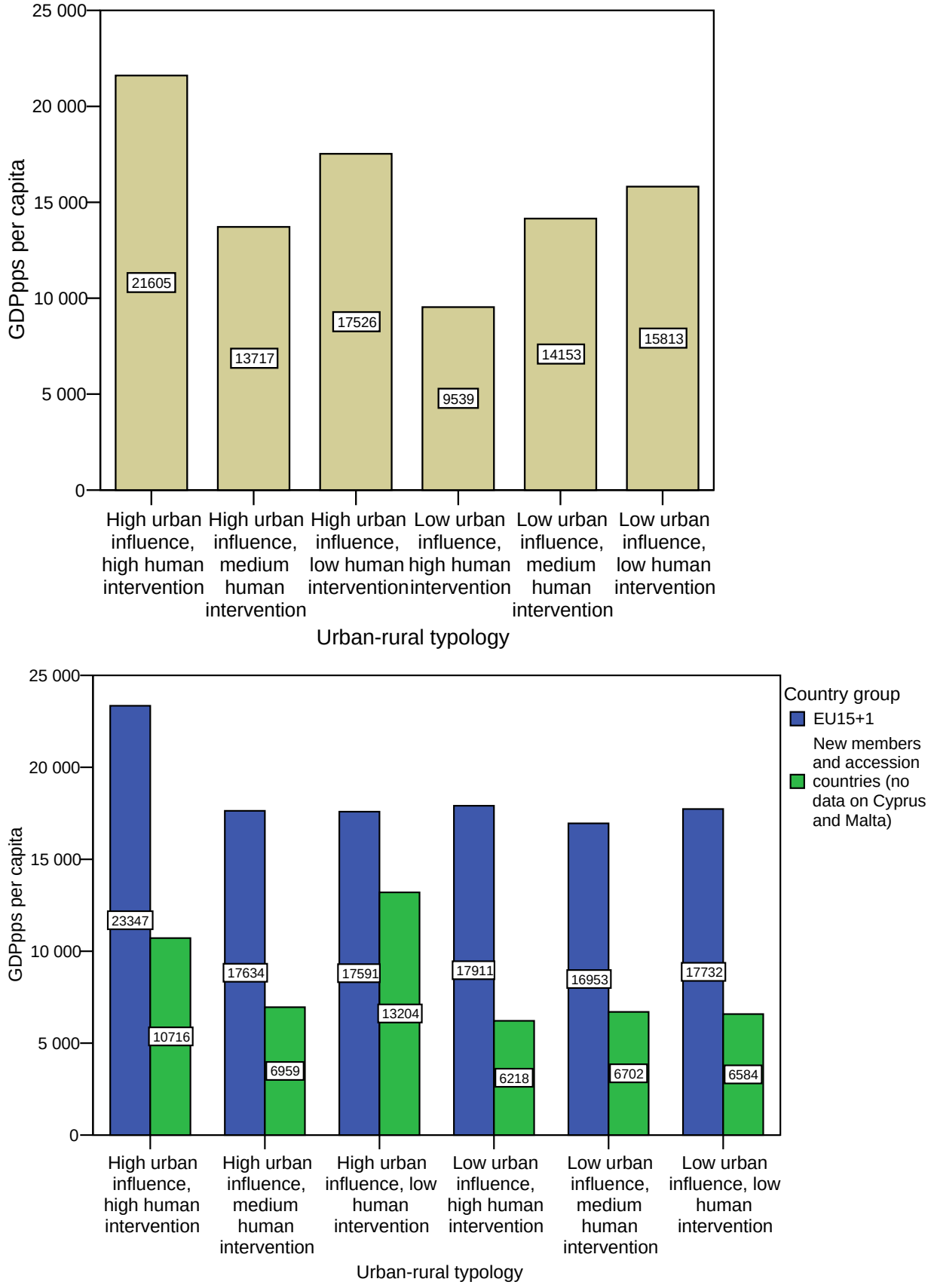
Land cover types:
Origin of data: EEA, Corine Land Cover 90

Source: ESPON Data Base

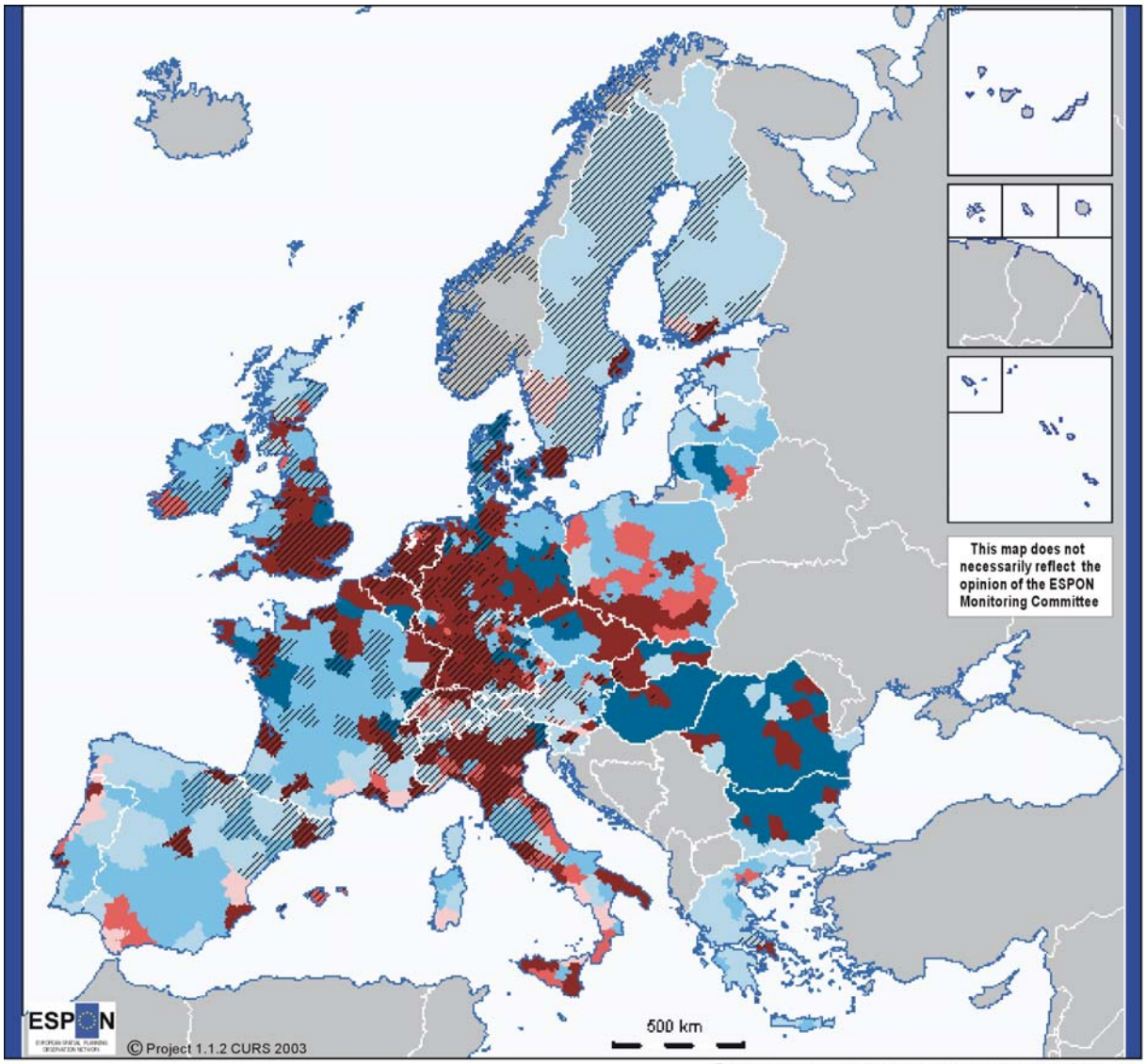
The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a european level functional urban area (based on ranking made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land use (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

Map 3.25. Population change from 1995 to 1999 in relation to urban–rural typology.



Graph 3.35. GDP_{PPS} per capita in relation to urban–rural typology.



Urban-rural typology, based on land use, population density and FUA -ranking

- High urban influence, high human intervention
- High urban influence, medium human intervention
- High urban influence, low human intervention
- Low urban influence, high human intervention
- Low urban influence, medium human intervention
- Low urban influence, low human intervention

GDP_{PPS} per capita (EU25+4 average is 18 607 euros/capita)

- 18 608 - 94 324 (601 NUTS3 regions)
- 2 310 - 18 607 (709)

The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a european level functional urban area (based on ranking made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land use (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

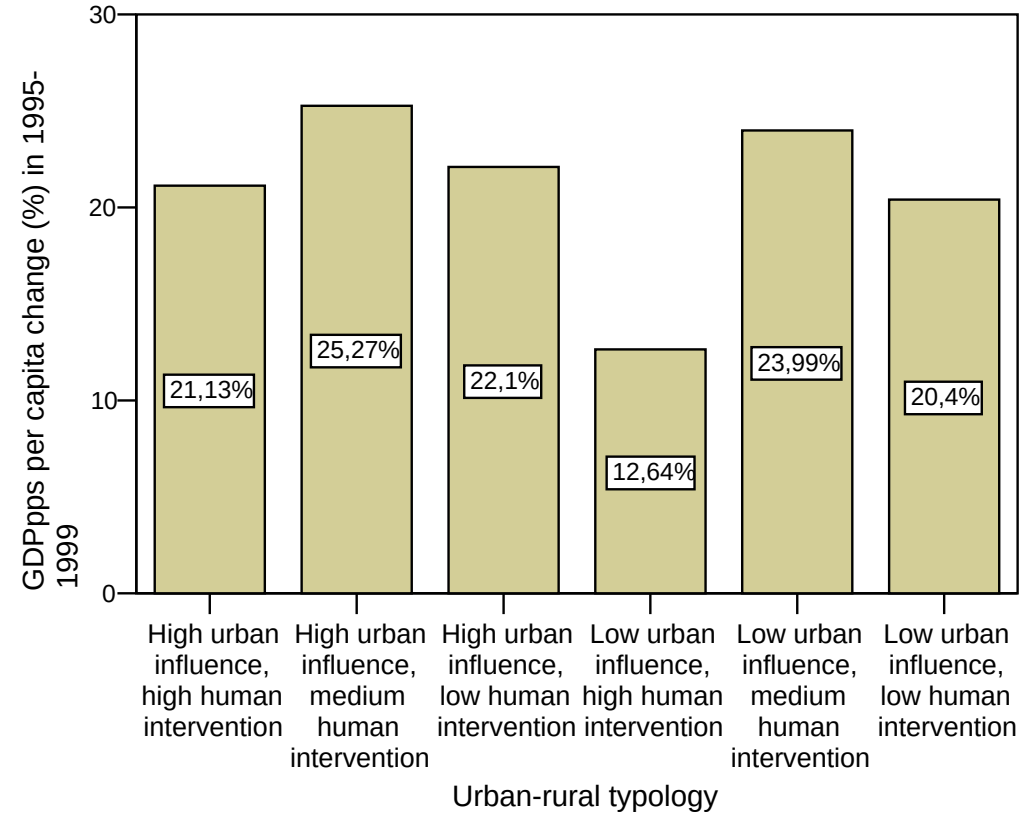
Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

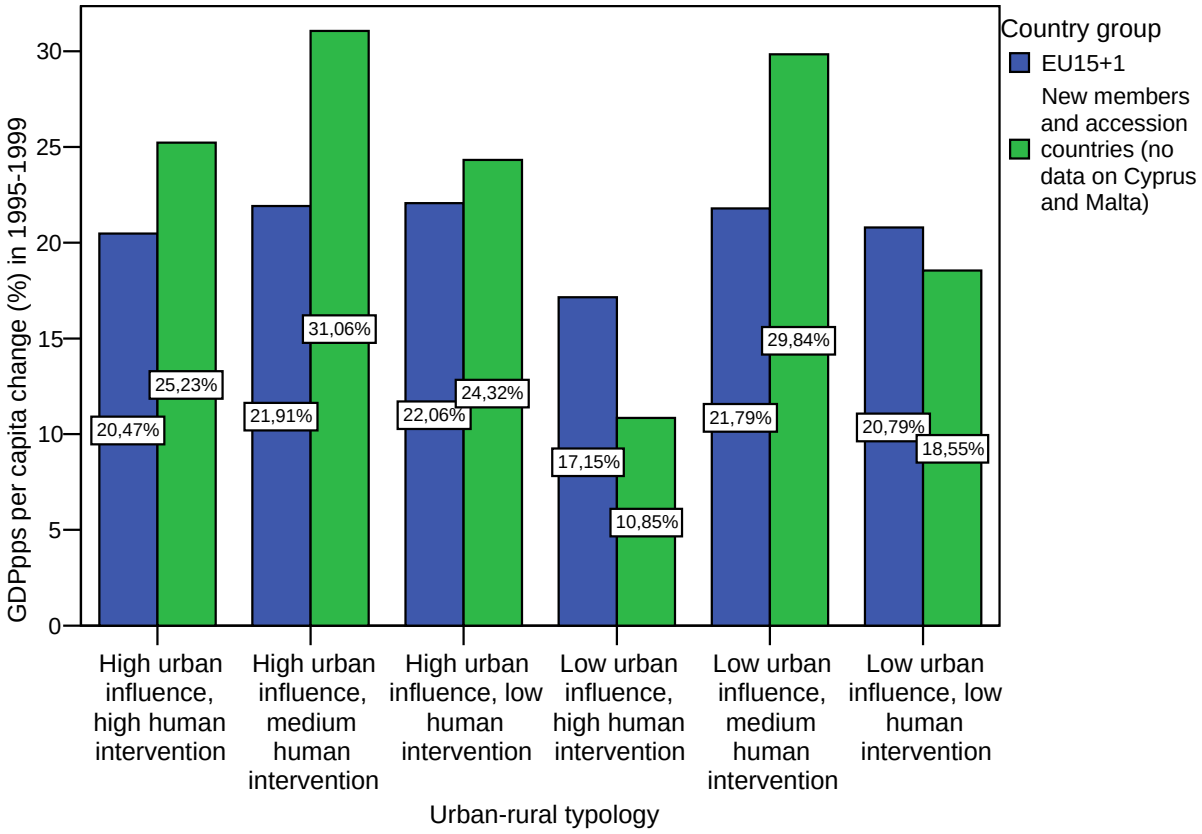
Population density and GDP_{PPS} per capita::
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

Land cover types:
Origin of data: EEA, Corine Land Cover 90

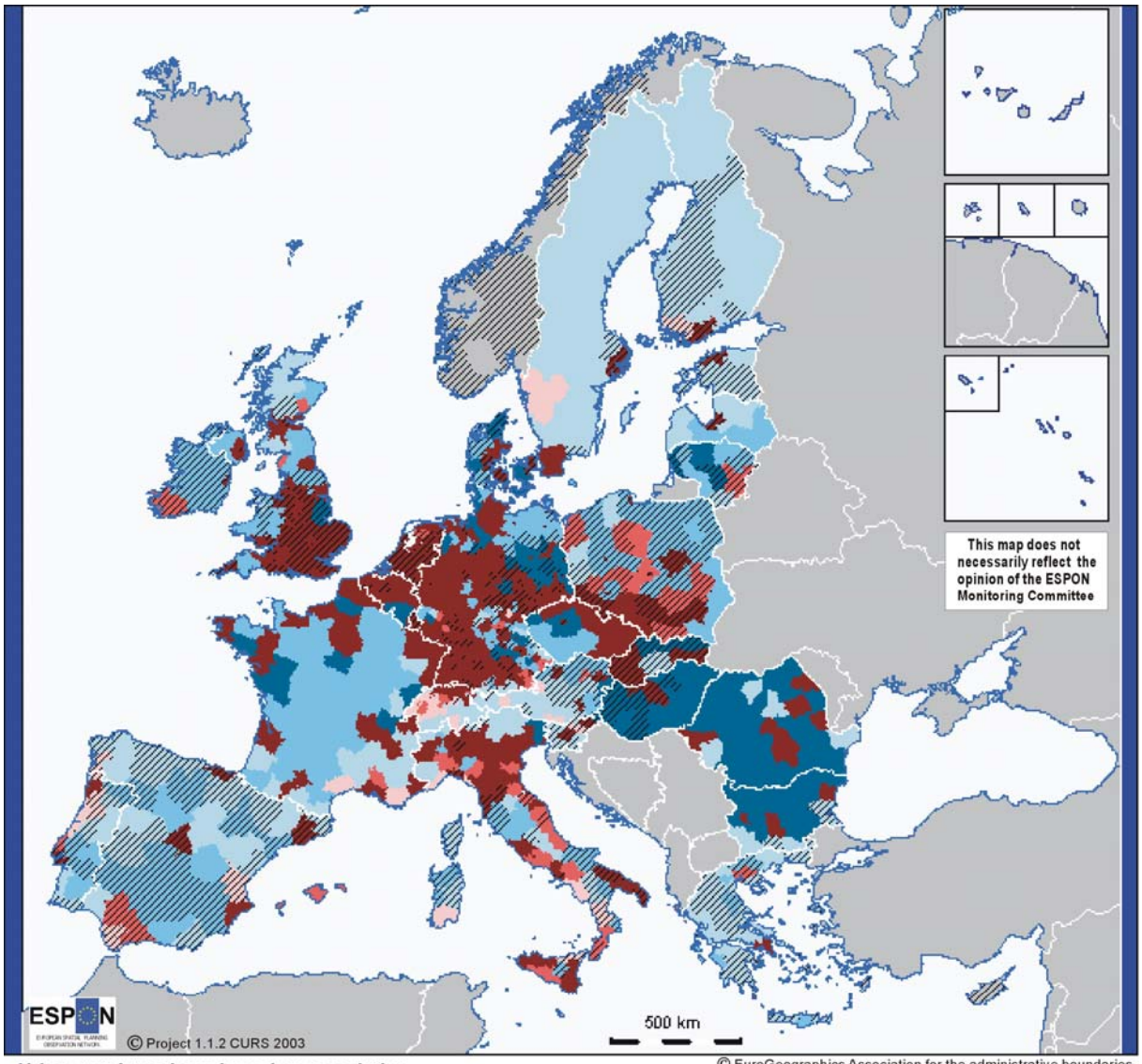
Source: ESPON Data Base

Map 3.26. GDP_{PPS} per capita in relation to urban–rural typology.





Graph 3.36. Change of GDP_{PPS} from 1995 to 1999 in relation to urban–rural typology.



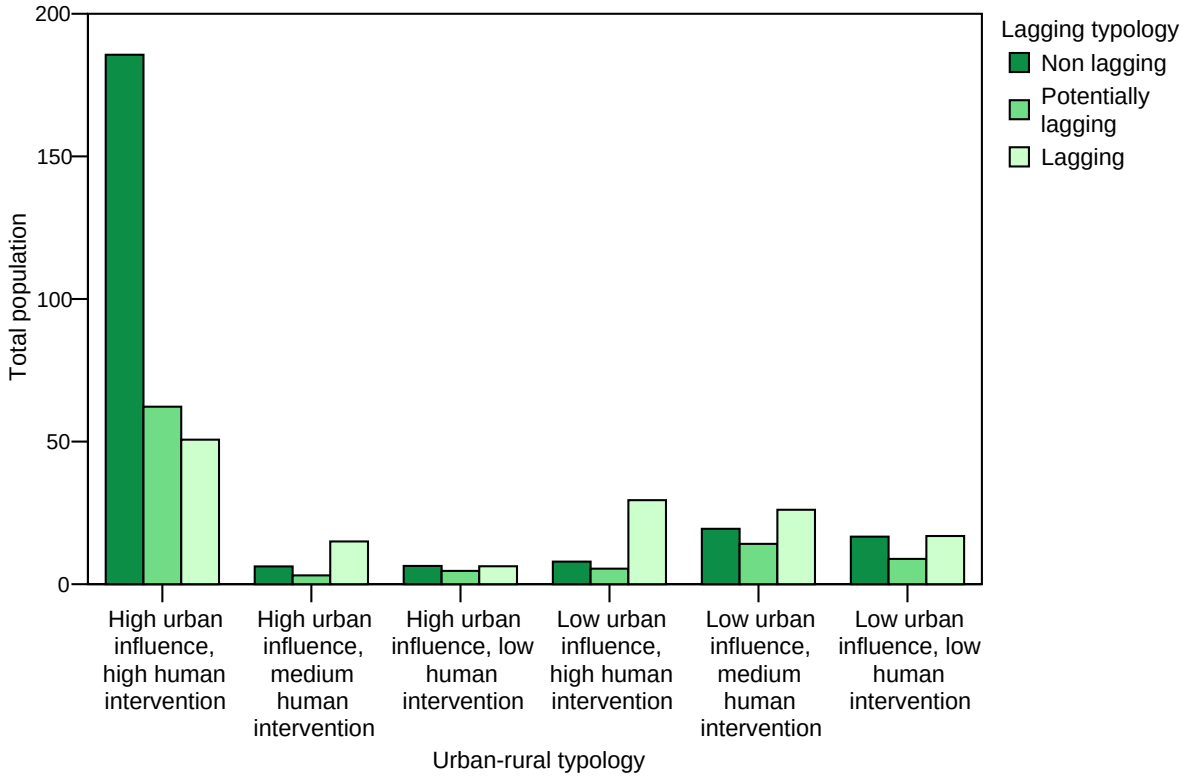
The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a european level functional urban area (based on ranking made by ESPON Action 1.1.1)

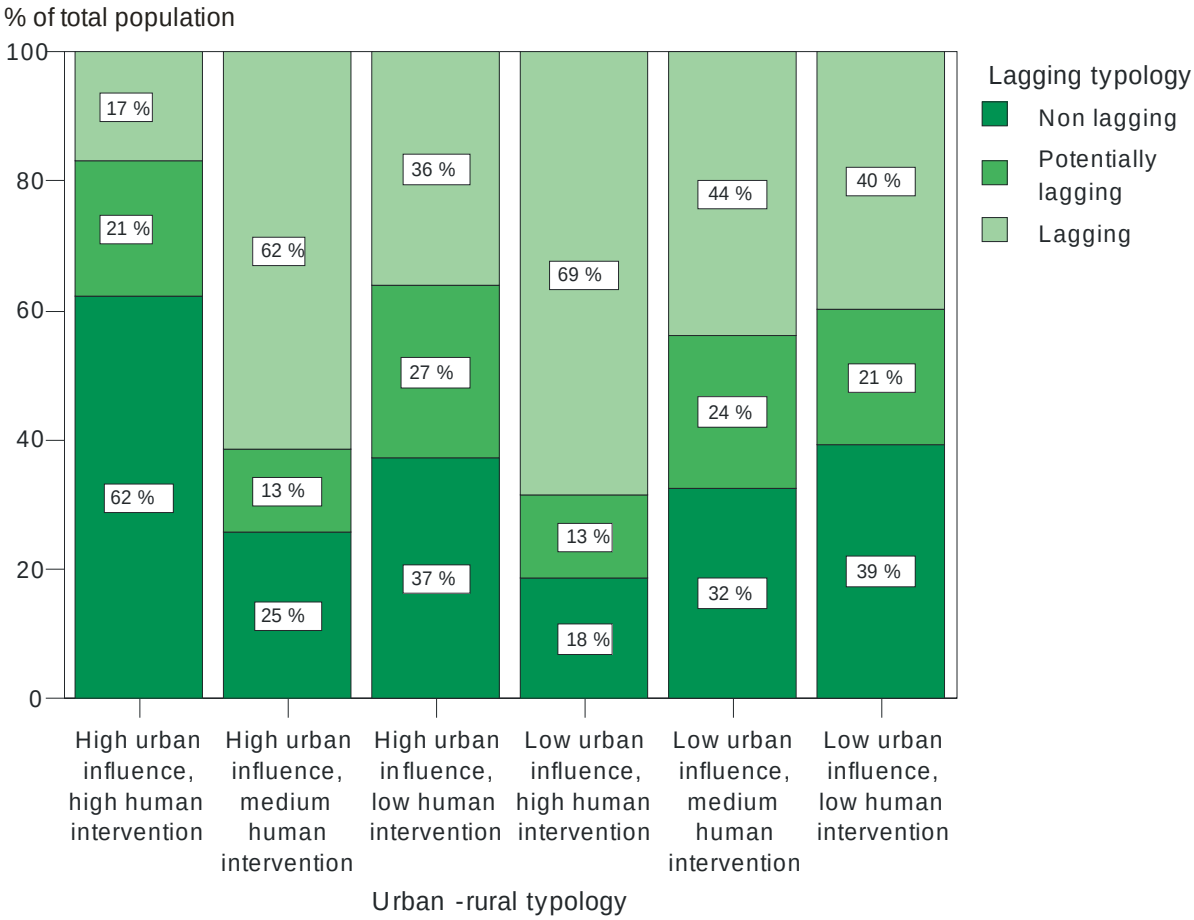
Degree of human intervention is estimated through the average shares of land use (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

Map 3.27. Change of GDP_{PPS} from 1995 to 1999 in relation to urban–rural typology.

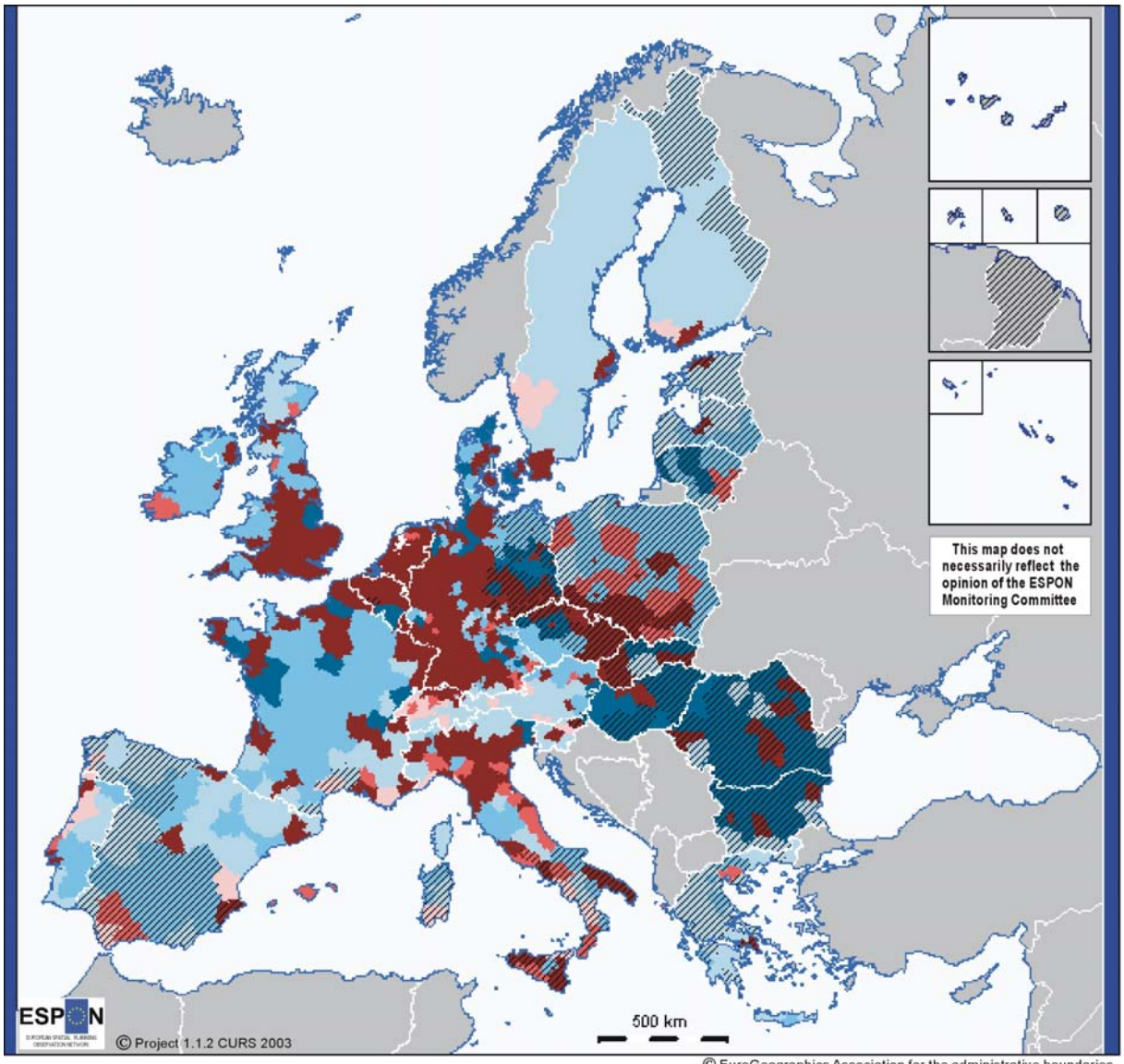
			Lagging typology			
			Non lagging	Potentially lagging	Lagging	Total
Urban-rural typology	High urban influence, high human intervention	% of population within Urban-rural typology	62%	21%	17%	100%
		% of population within Lagging typology	75%	63%	34%	60%
	High urban influence, medium human intervention	% of population within Urban-rural typology	25%	13%	62%	100%
		% of population within Lagging typology	2%	3%	10%	5%
	High urban influence, low human intervention	% of population within Urban-rural typology	37%	27%	36%	100%
		% of population within Lagging typology	3%	5%	4%	3%
	Low urban influence, high human intervention	% of population within Urban-rural typology	18%	13%	69%	100%
		% of population within Lagging typology	3%	6%	20%	9%
	Low urban influence, medium human intervention	% of population within Urban-rural typology	32%	24%	44%	100%
		% of population within Lagging typology	8%	14%	18%	12%
	Low urban influence, low human intervention	% of population within Urban-rural typology	39%	21%	40%	100%
		% of population within Lagging typology	7%	9%	11%	9%
	Areas not in urban–rural typology	% of population within Urban-rural typology	55%	11%	34%	100%
		% of population within Lagging typology	2%	1%	3%	2%
Total		% of population within Urban-rural typology	50%	20%	30%	100%
		% of population within Lagging typology	100%	100%	100%	100%

Table 3.7. Lagging typology (from ESPON Action 2.1.1.) in relation to urban–rural typology.

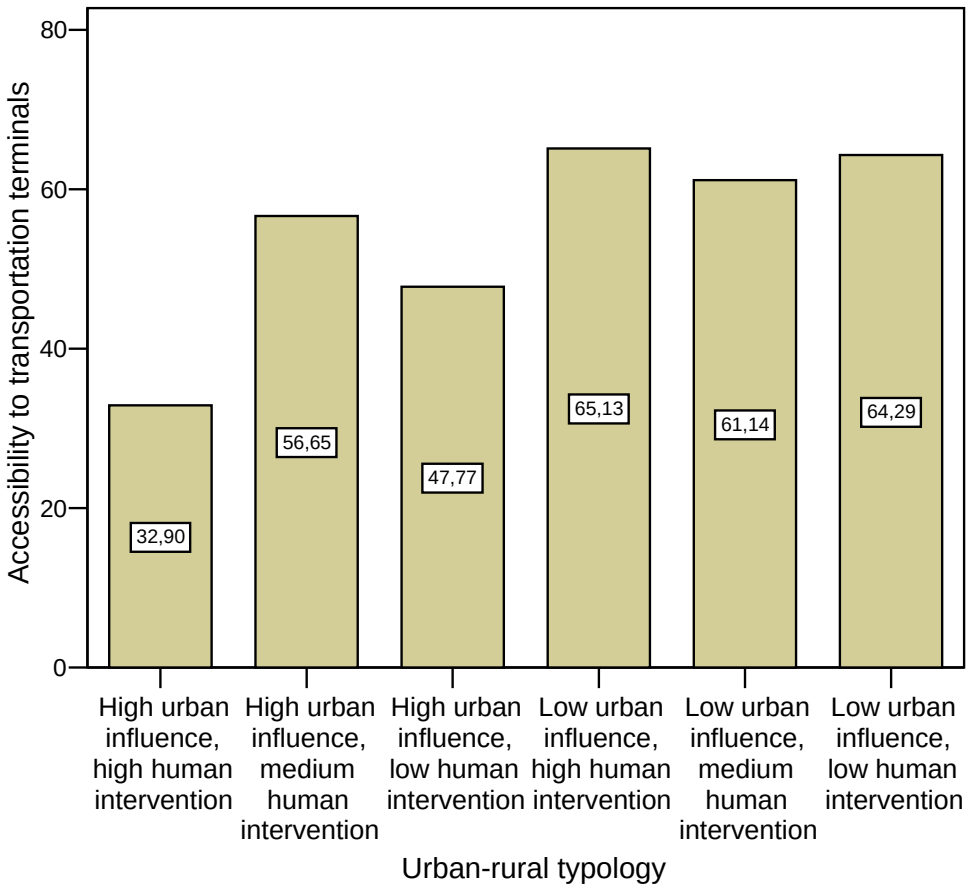


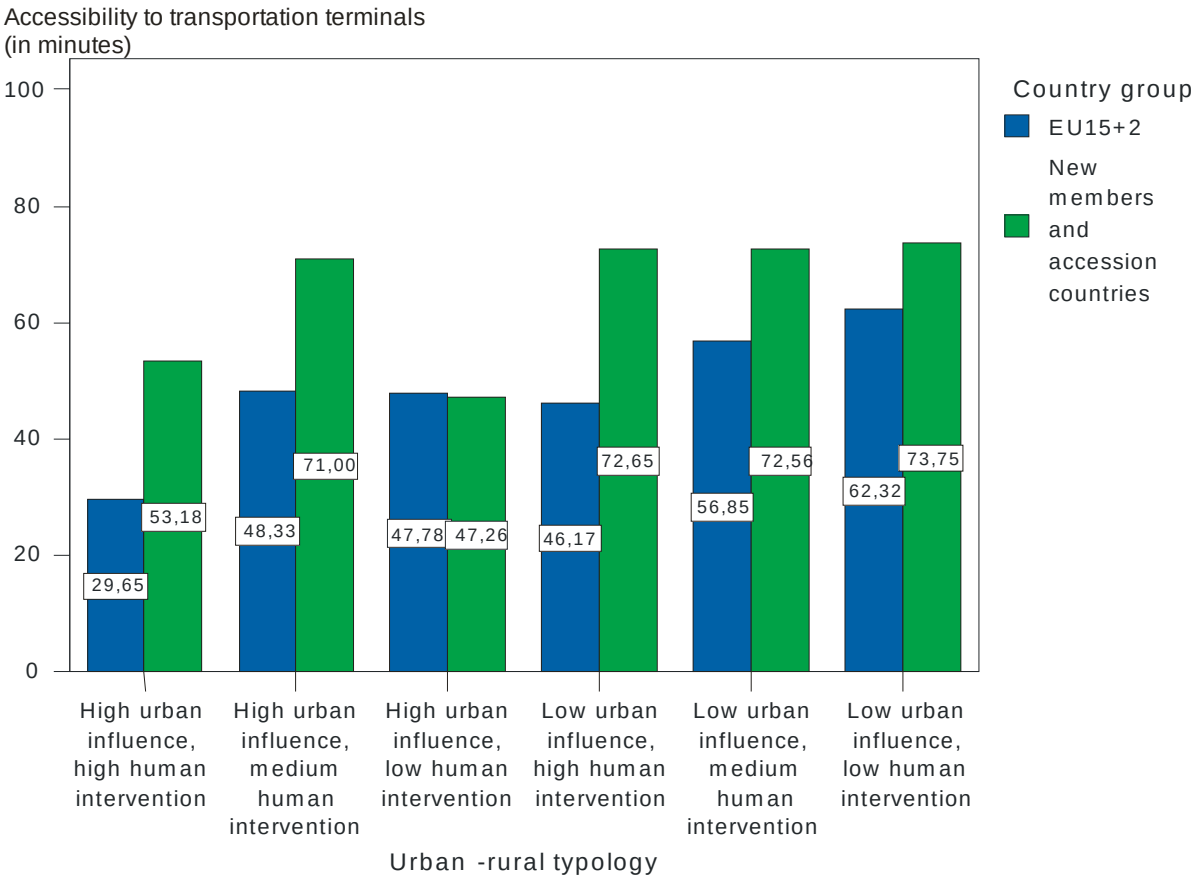


Graph 3.37. Lagging typology (from ESPON Action 2.1.1.) in relation to urban–rural typology.

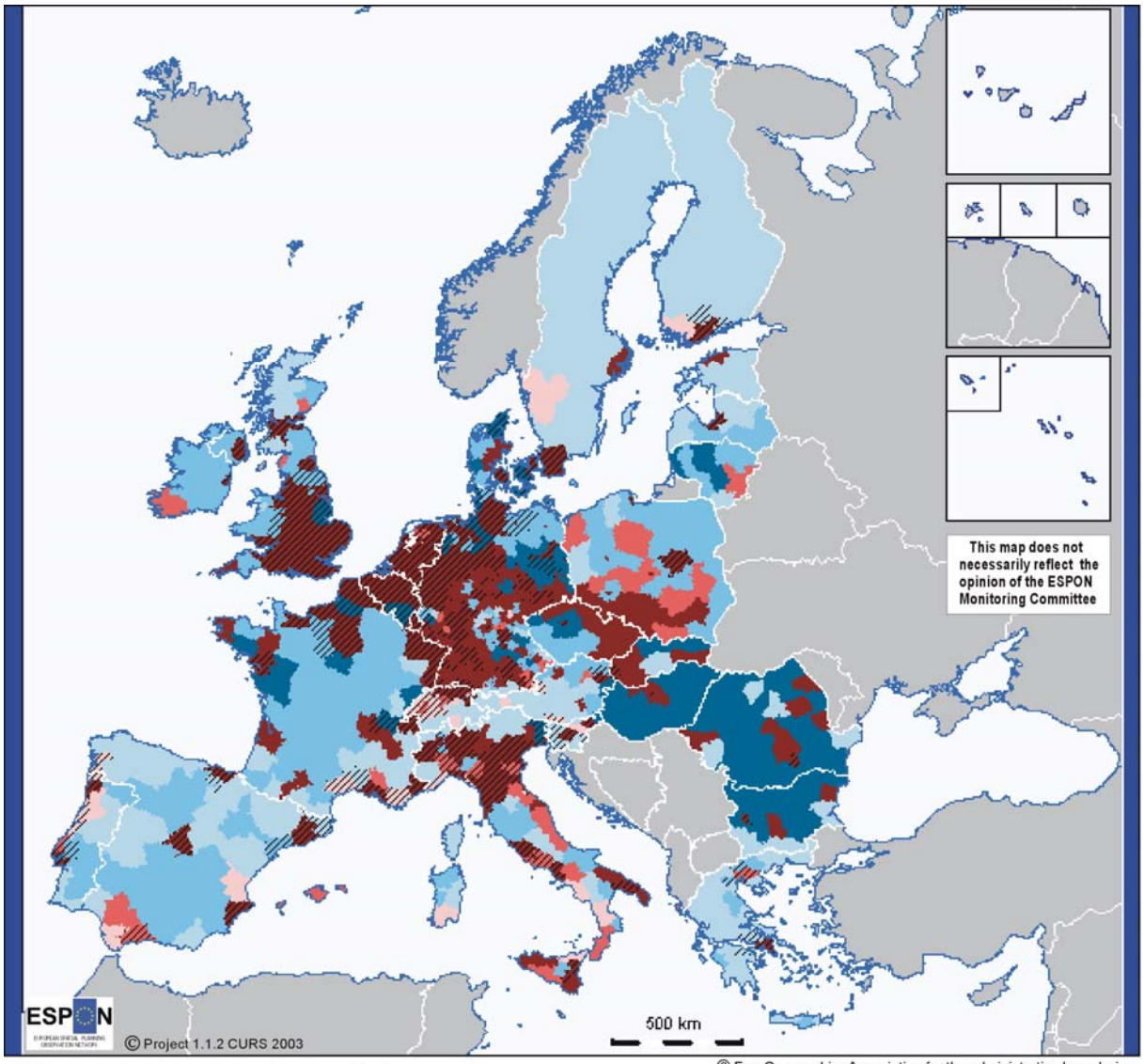


Map 3.28. Lagging typology (from ESPON Action 2.1.1.) in relation to urban–rural typology.





Graph 3.38. Accessibility to transportation terminals in relation to urban–rural typology.



Urban-rural typology, based on population density, FUA ranking and land cover

- High urban influence, high human intervention
- High urban influence, medium human intervention
- High urban influence, low human intervention
- Low urban influence, high human intervention
- Low urban influence, medium human intervention
- Low urban influence, low human intervention

Accessibility to transportation terminals (EU25+4 average is 44 minutes)

- 7 - 43 (601 NUTS3 regions)
- 44 - 150 (709)

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Population density:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

Land cover types:
Origin of data: EEA, Corine Land Cover 90

Accessibility:
Origin of data: ASSEMBLING graph, European Comission
Time reference: 2001

Source: ESPON Data Base

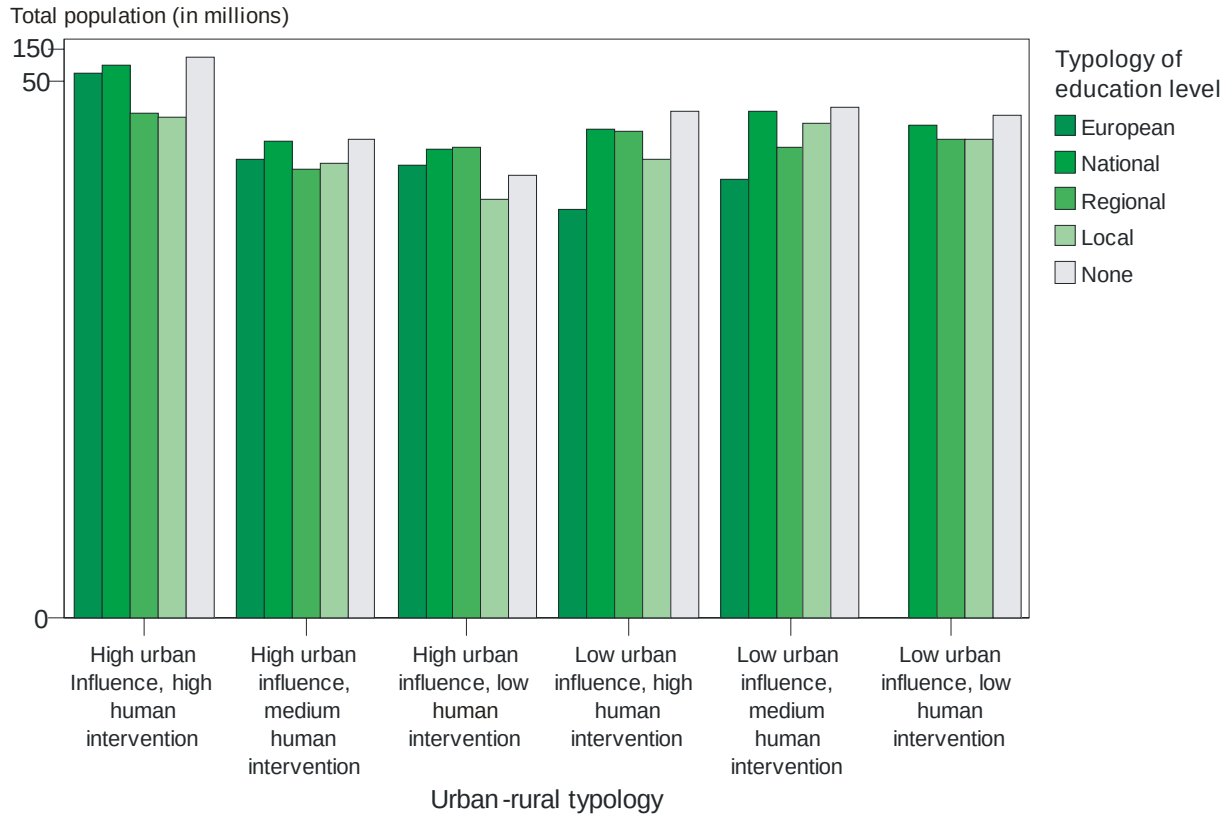
The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a european level functional urban area (based on ranking made by ESPON Action 1.1.1)

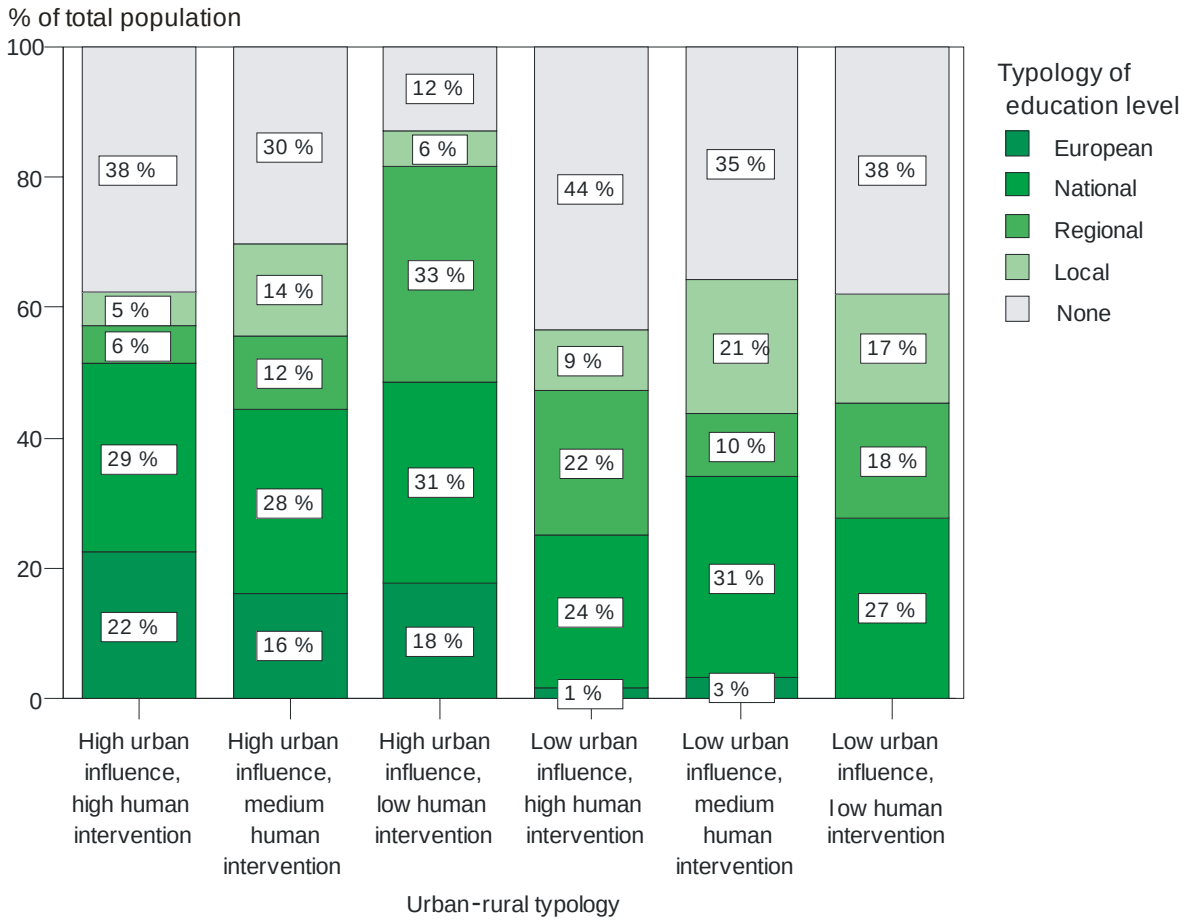
Degree of human intervention is estimated through the average shares of land use (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

Map 3.29. Accessibility to transportation terminals in relation to urban–rural typology.

			Typology of education level					
			None	Local	Regional	National	European	Total
Urban-rural typology	High urban influence, high human intervention	% of population within Urban-rural typology	38%	5%	6%	29%	22%	100%
		% of population within Typology of education level	62%	33%	36%	61%	87%	60%
	High urban influence, medium human intervention	% of population within Urban-rural typology	30%	14%	12%	28%	16%	100%
		% of population within Typology of education level	4%	7%	6%	5%	5%	5%
	High urban influence, low human intervention	% of population within Urban-rural typology	12%	6%	33%	31%	18%	100%
		% of population within Typology of education level	1%	2%	11%	4%	4%	4%
	Low urban influence, high human intervention	% of population within Urban-rural typology	44%	9%	22%	24%	1%	100%
		% of population within Typology of education level	10%	8%	19%	7%	1%	9%
	Low urban influence, medium human intervention	% of population within Urban-rural typology	35%	21%	10%	31%	3%	100%
		% of population within Typology of education level	12%	27%	12%	13%	3%	12%
	Low urban influence, low human intervention	% of population within Urban-rural typology	38%	17%	18%	27%	0%	100%
		% of population within Typology of education level	9%	15%	15%	8%	0%	8%
	Areas not in urban–rural typology	% of population within Urban-rural typology	30%	37%	4%	29%	0%	100%
		% of population within Typology of education level	2%	8%	1%	2%	0%	2%
Total		% of population within Urban-rural typology	37%	9%	10%	29%	15%	100%
		% of population within Typology of education level	100%	100%	100%	100%	100%	100%

Table 3.8. Level of education (from ESPON Action 1.1.1.) in relation to urban–rural typology.

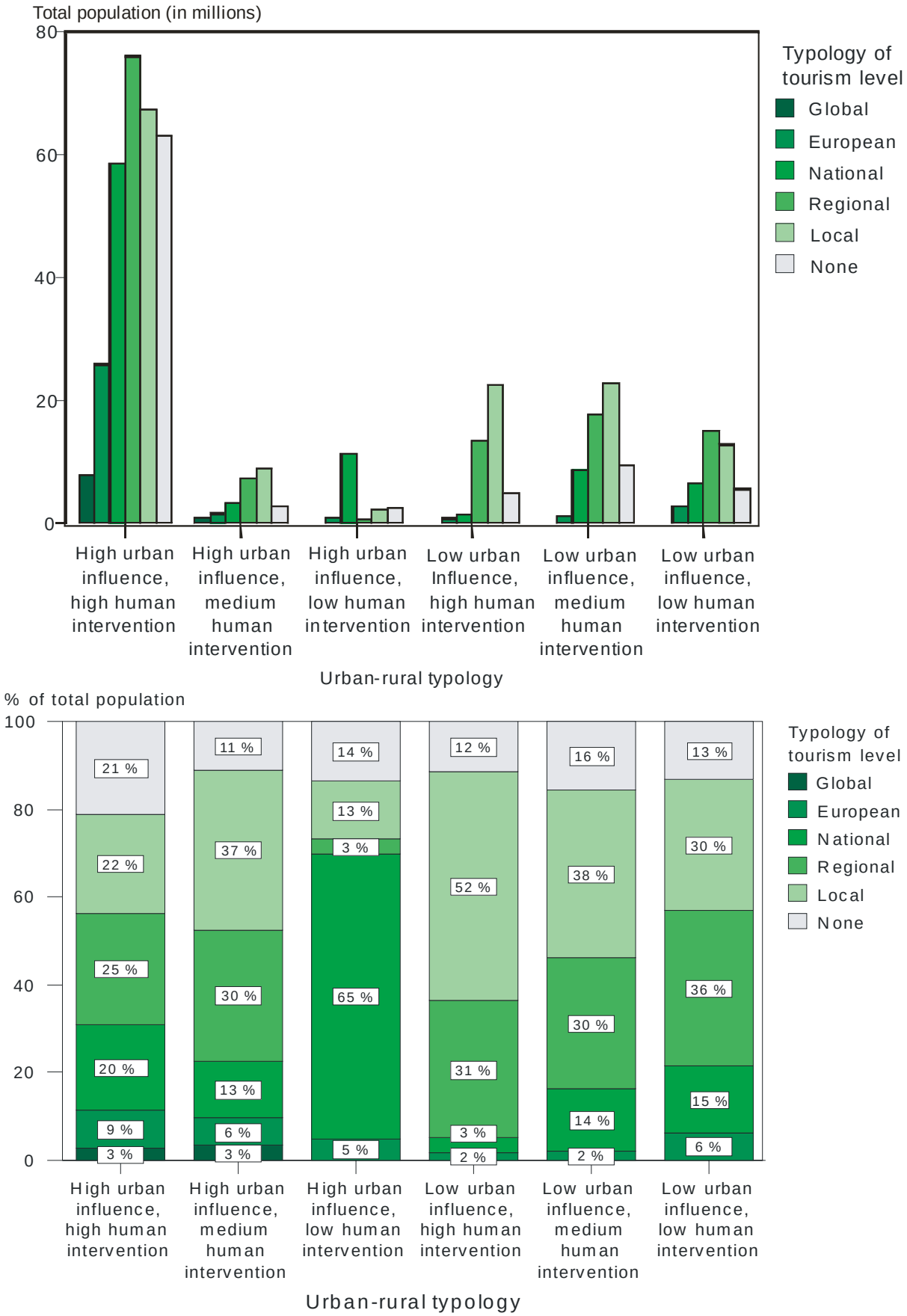




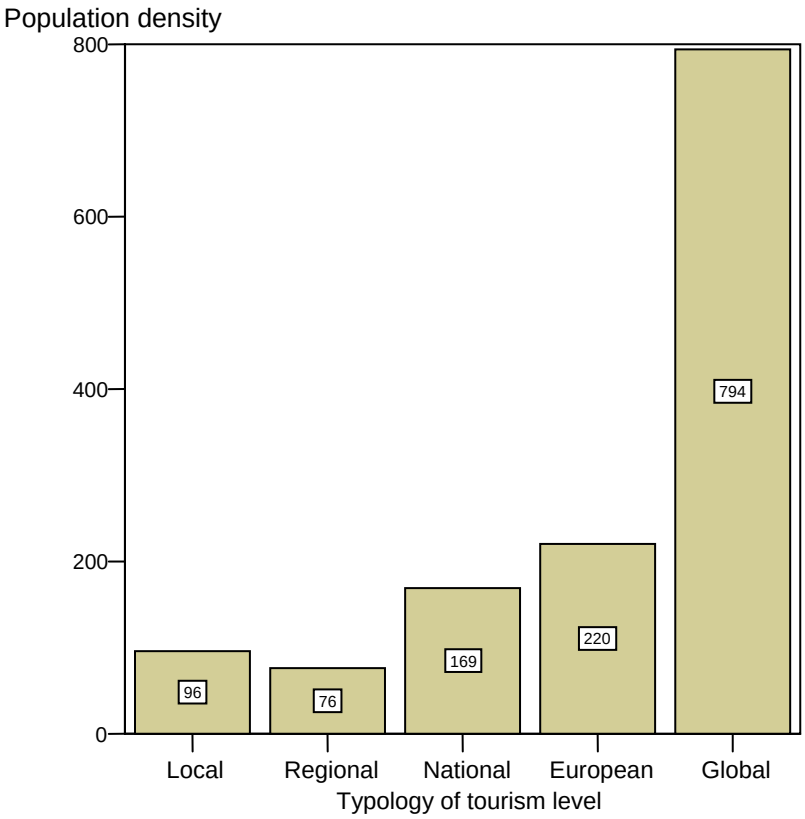
Graph 3.39. Level of education (from ESPON Action 1.1.1.) in relation to urban–rural typology.

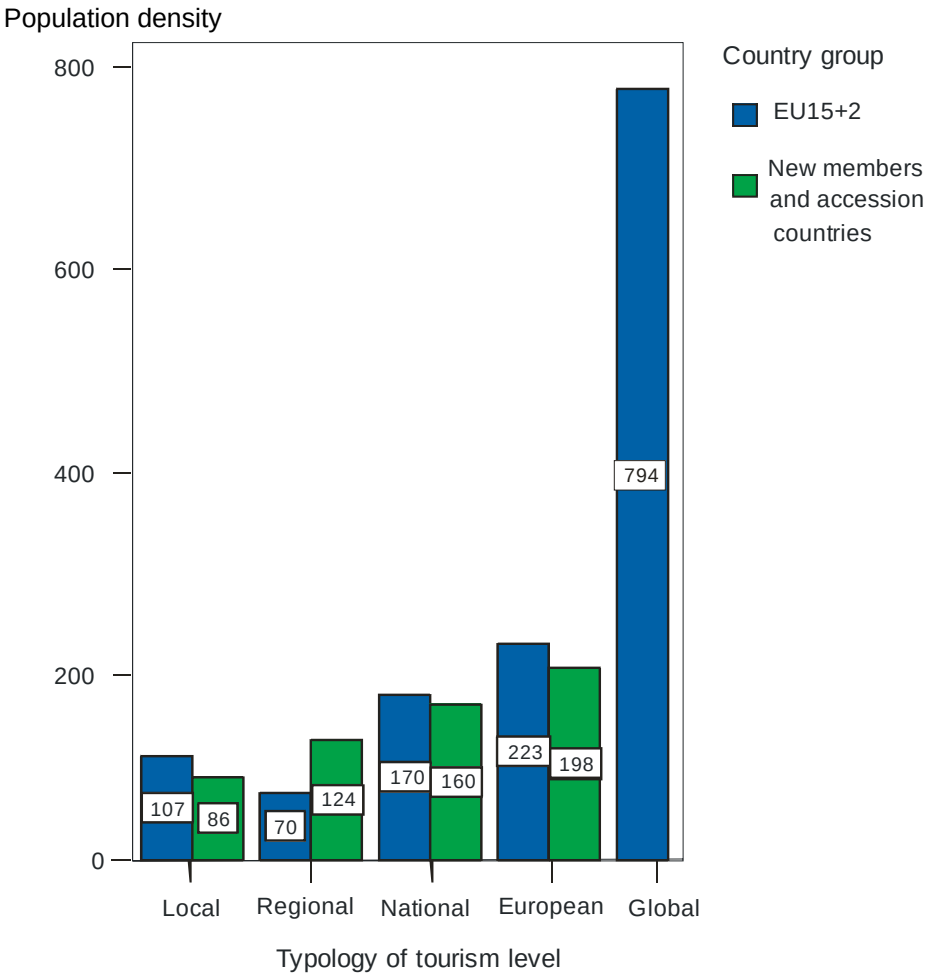
			Typology of tourism level						
			None	Local	Regional	National	European	Global	Total
Urban-rural typology	High urban influence, high human intervention	% of population within Urban-rural typology	21%	22%	25%	20%	9%	3%	100%
		% of population within Typology of tourism level	70%	49%	57%	65%	73%	91%	60%
	High urban influence, medium human intervention	% of population within Urban-rural typology	11%	37%	30%	13%	6%	3%	100%
		% of population within Typology of tourism level	3%	7%	6%	3%	4%	9%	5%
	High urban influence, low human intervention	% of population within Urban-rural typology	14%	13%	3%	65%	5%	0%	100%
		% of population within Typology of tourism level	3%	2%	1%	13%	2%	0%	3%
	Low urban influence, high human intervention	% of population within Urban-rural typology	12%	52%	31%	3%	2%	0%	100%
		% of population within Typology of tourism level	5%	15%	10%	2%	2%	0%	9%
	Low urban influence, medium human intervention	% of population within Urban-rural typology	16%	38%	30%	14%	2%	0%	100%
		% of population within Typology of tourism level	10%	17%	13%	10%	3%	0%	12%
	Low urban influence, low human intervention	% of population within Urban-rural typology	13%	30%	36%	15%	6%	0%	100%
		% of population within Typology of tourism level	6%	9%	11%	7%	8%	0%	9%
	Areas not in urban–rural typology	% of population within Urban-rural typology	27%	11%	25%	8%	29%	0%	100%
		% of population within Typology of tourism level	3%	1%	2%	1%	8%	0%	2%
Total		% of population within Urban-rural typology	18%	28%	27%	18%	7%	2%	100%
		% of population within Typology of tourism level	100%	100%	100%	100%	100%	100%	100%

Table 3.9. Level of tourism (from ESPON Action 1.1.1.) in relation to urban–rural typology.

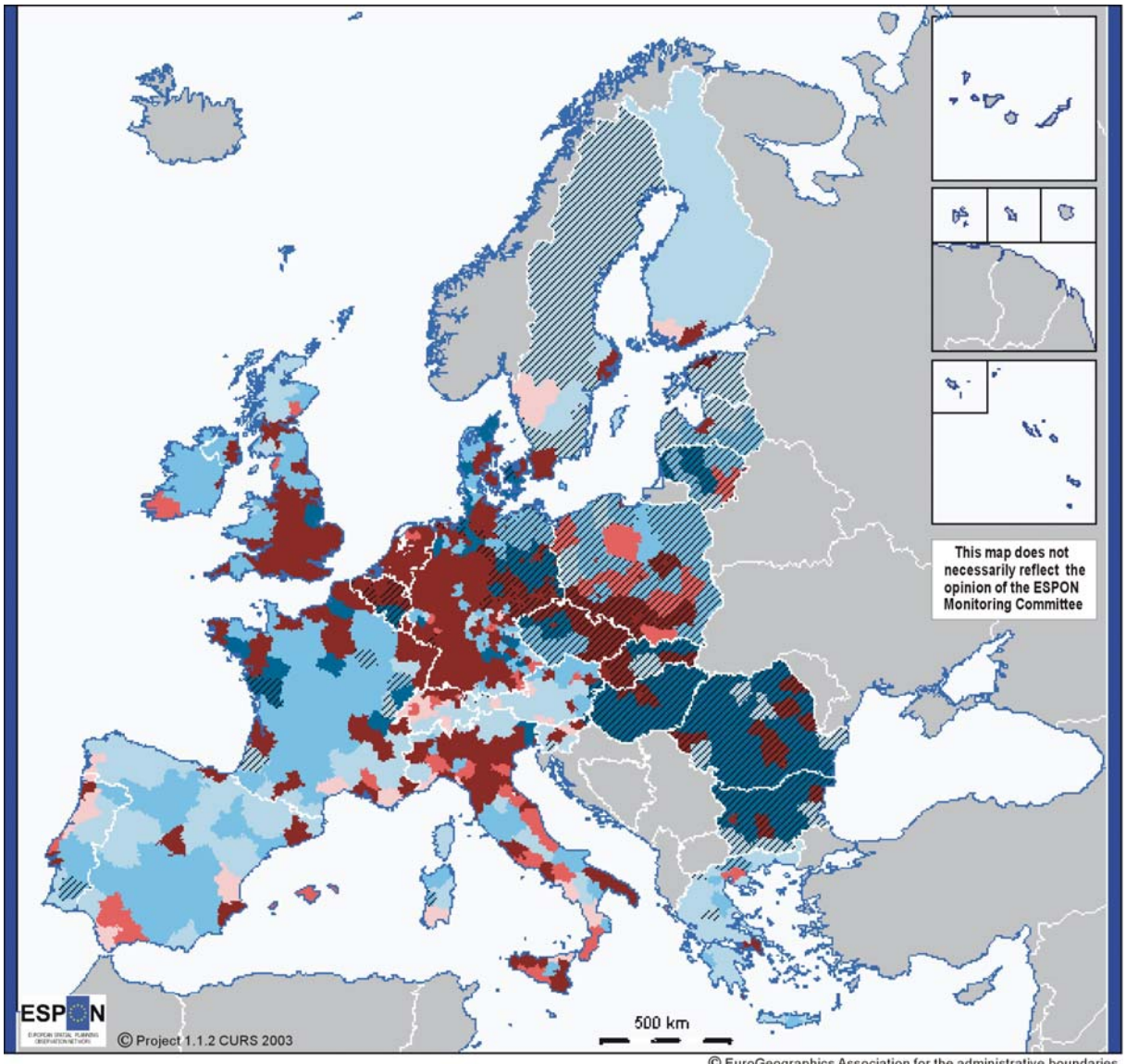


Graph 3.40. Level of tourism (from ESPON Action 1.1.1.) in relation to urban–rural typology.





Graph 3.41. Level of tourism (from ESPON Action 1.1.1.) in relation to population density.



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Urban-rural typology, based on population density, FUA ranking and land cover

- High urban influence, high human intervention
- High urban influence, medium human intervention
- High urban influence, low human intervention
- Low urban influence, high human intervention
- Low urban influence, medium human intervention
- Low urban influence, low human intervention

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Population density and GDP_{pps}:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

Land cover types:
Origin of data: EEA, Corine Land Cover 90

Source: ESPON Data Base

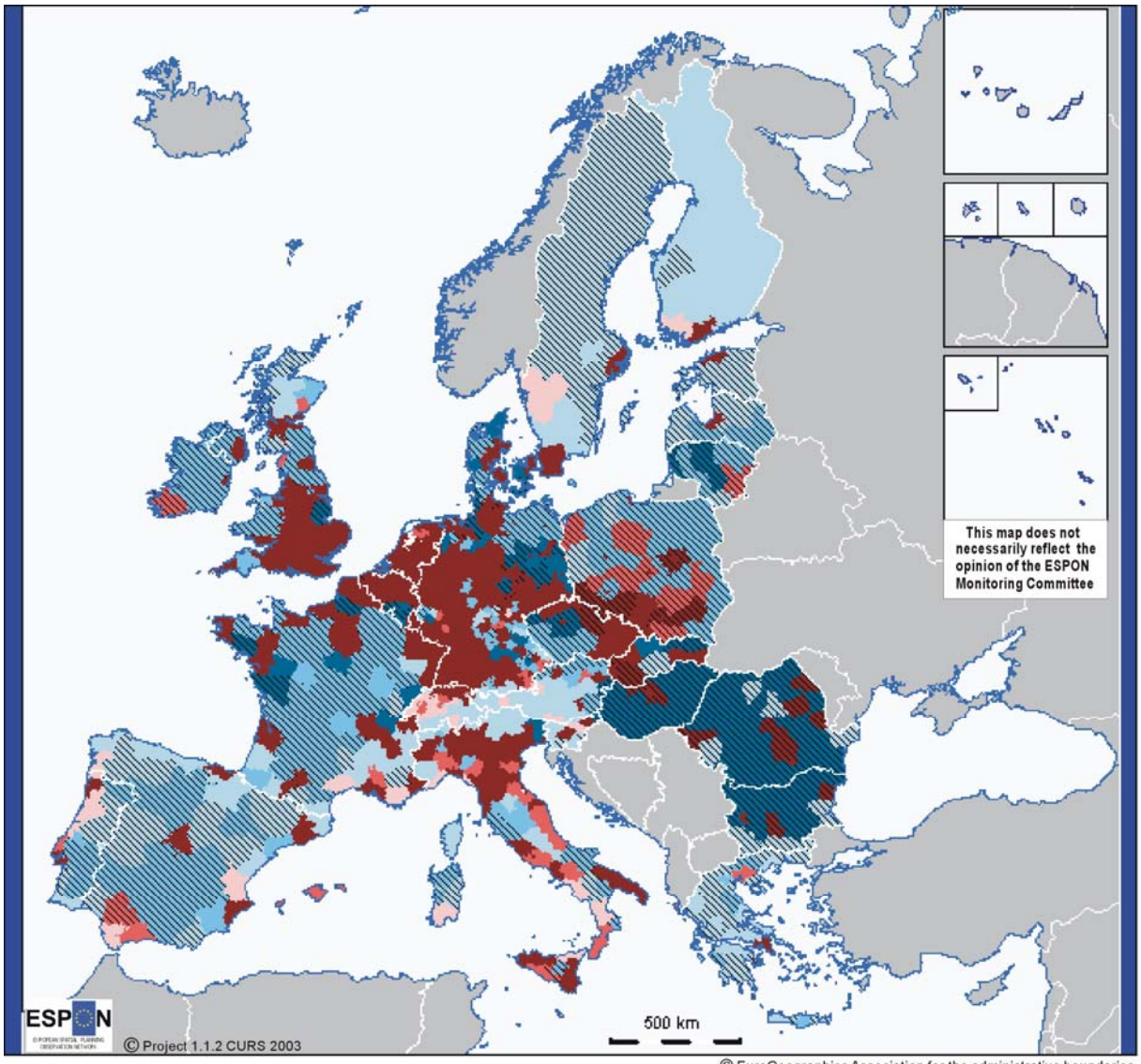
Land use sustainability (artificial surfaces per 100 million euros of GDP_{PPS}, EU 25+3 average = 2,8 km^2 / 100 million euros)

- 2,8 - 28 ,7 (300 NUTS3 regions)
- 0 - 2,7 (991)

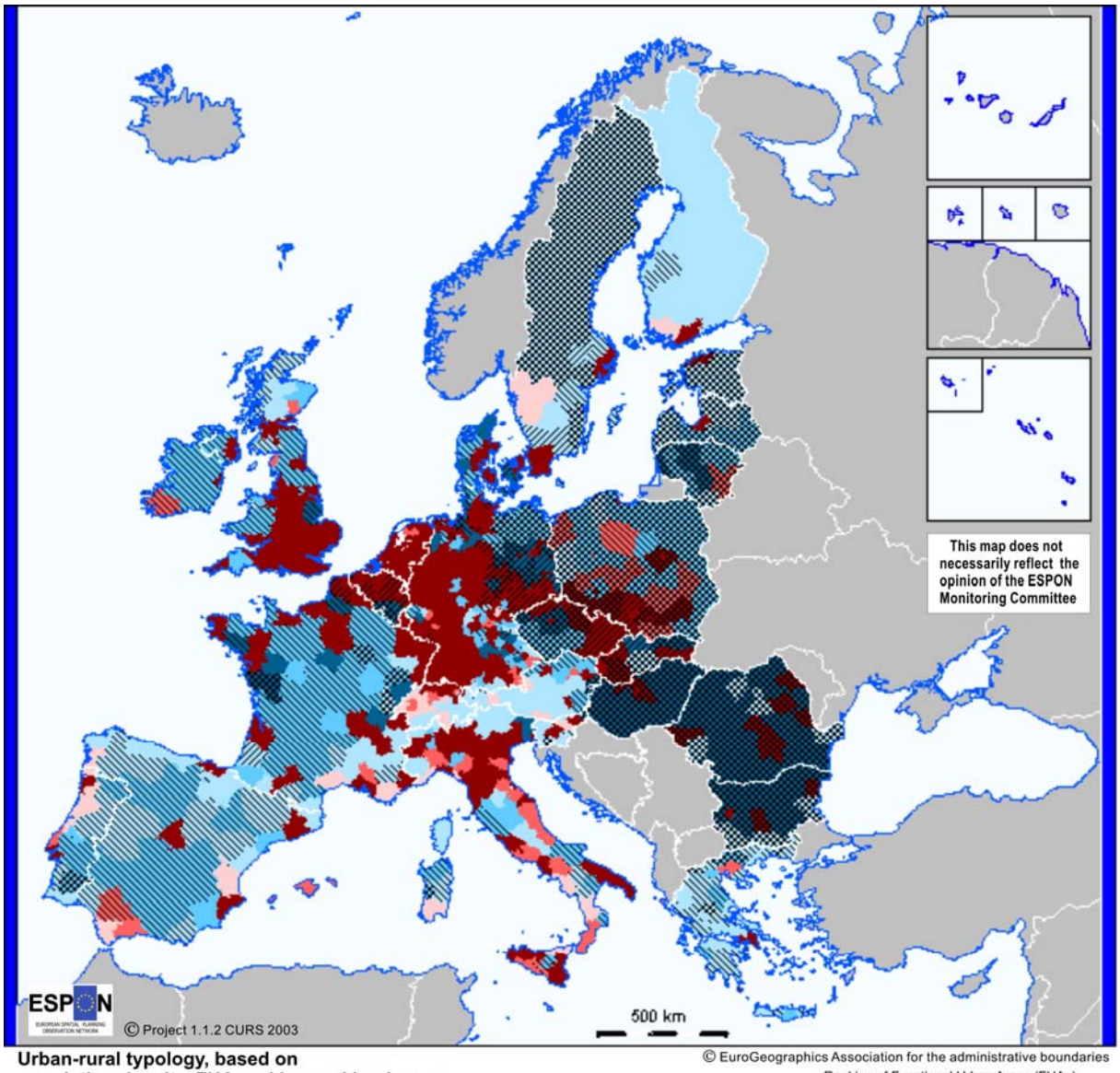
The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

Map 3.30. Land use sustainability (artificial surfaces per GDP_{PPS}) in relation to urban–rural typology.



Map 3.31. Agricultural land use per GDP_{PPS} in relation to urban–rural typology.



Urban-rural typology, based on population density, FUA ranking and land cover

- **High urban influence, high human intervention**
- **High urban influence, medium human intervention**
- **High urban influence, low human intervention**
- **Low urban influence, high human intervention**
- **Low urban influence, medium human intervention**
- **Low urban influence, low human intervention**

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

Population density and GDP_{PPS}:
Origin of data: EU15 and CC's: Eurostat
Norway and Switzerland: National Statistical Offices
Time reference:1999

Land cover types:
Origin of data: EEA, Corine Land Cover 90
Source: ESPON Data Base

Artificial surface / GDP_{PPS} (in 100 mill. euros), EU 23+3 average = 2,8 km2 / 100 mill. euros

- **2,8 - 28 ,7 (300 NUTS3 regions)**
- **0 - 2,7 (991)**

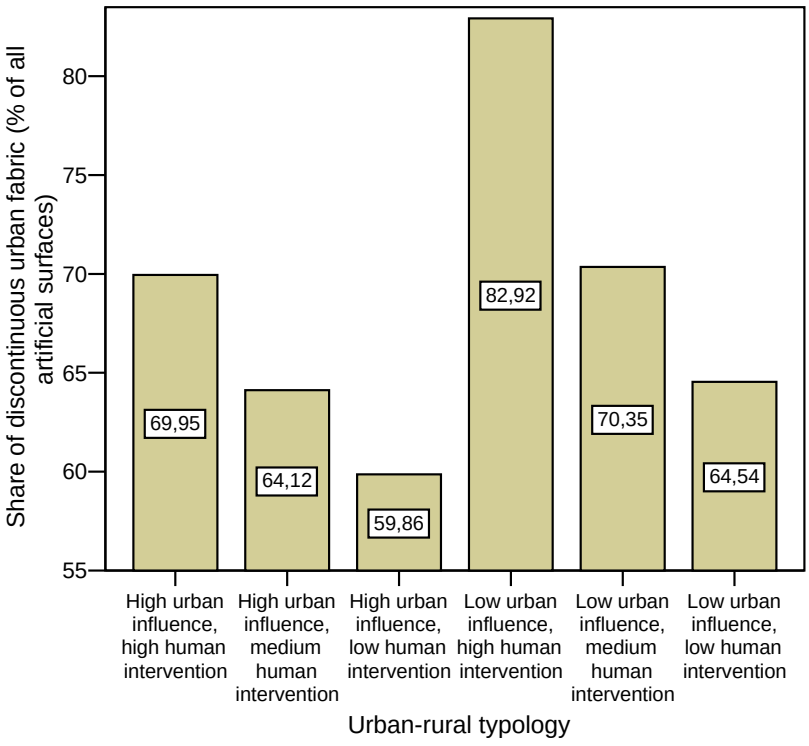
Agricultural land use/ GDP_{PPS} (in 100 mill. euros), EU 23+3 average = 46,6 km2 / 100 mill. euros

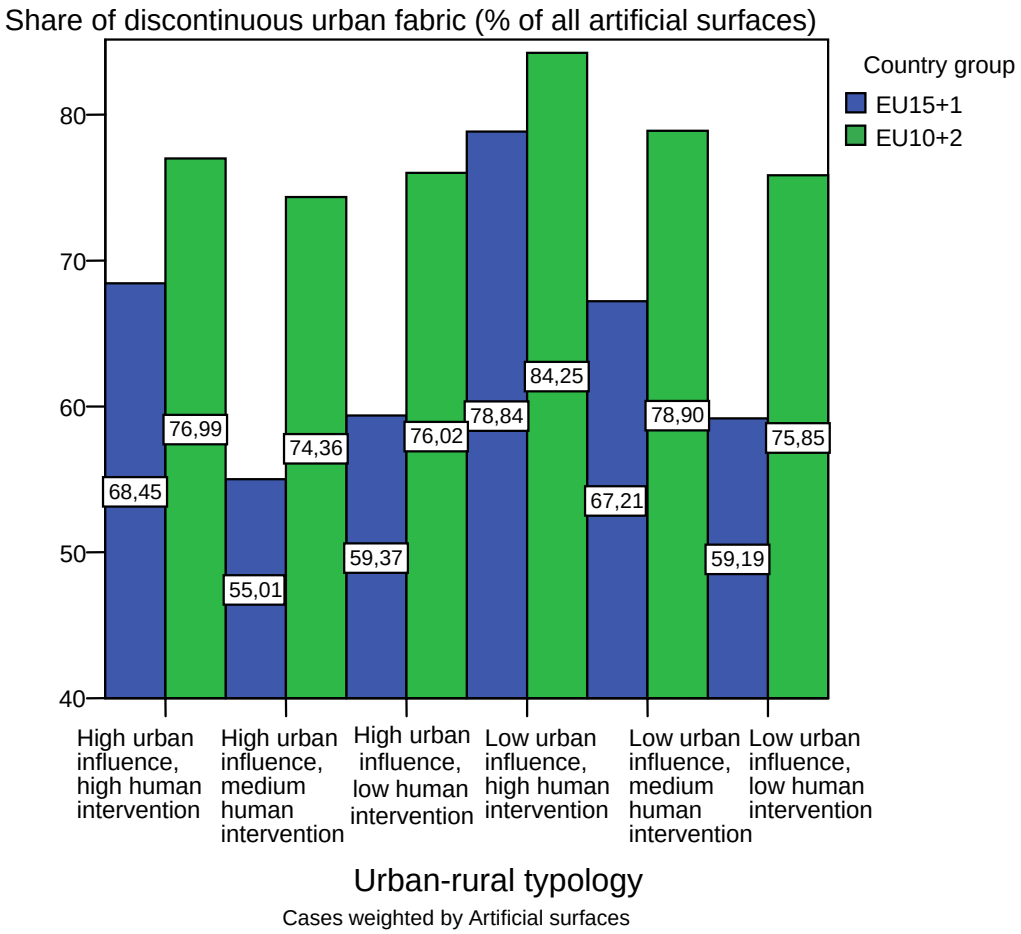
- **46 ,7 - 896 ,79 (386)**
- **0 - 46 ,6 (905)**

The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

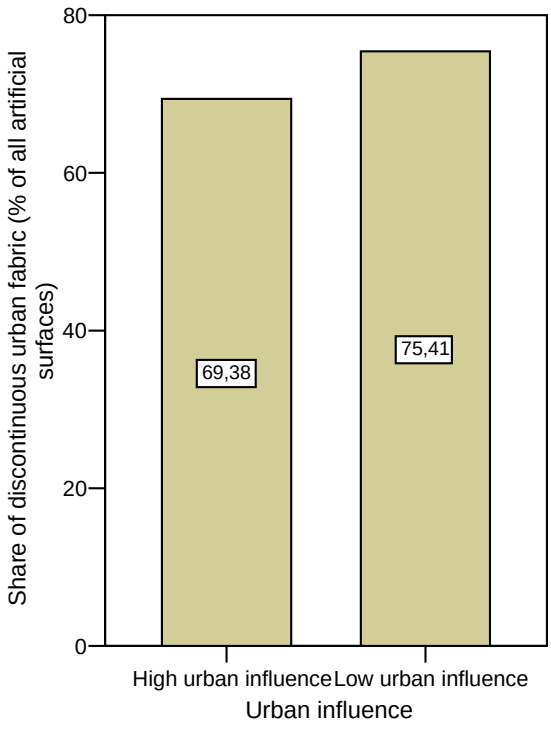
Degree of human intervention is estimated through the average shares of land covers (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

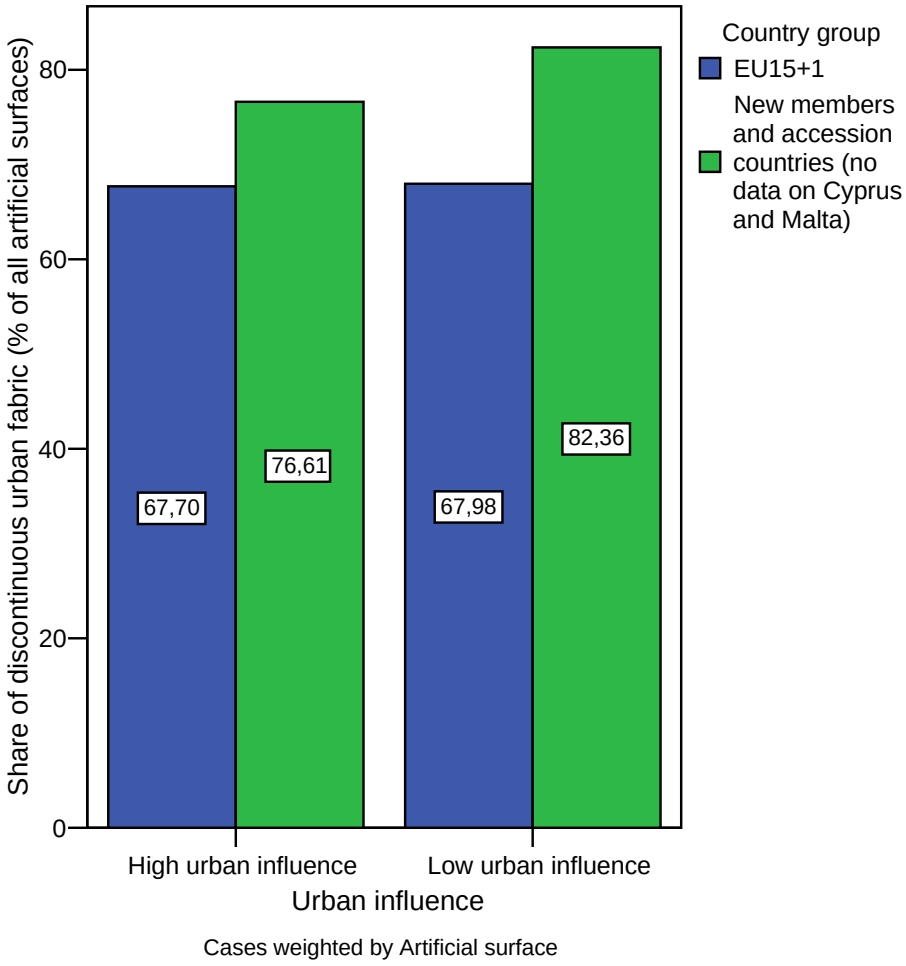
Map 3.32. Artificial surfaces per GDP_{PPS} and agricultural land use per GDP_{PPS} in relation to urban–rural typology.



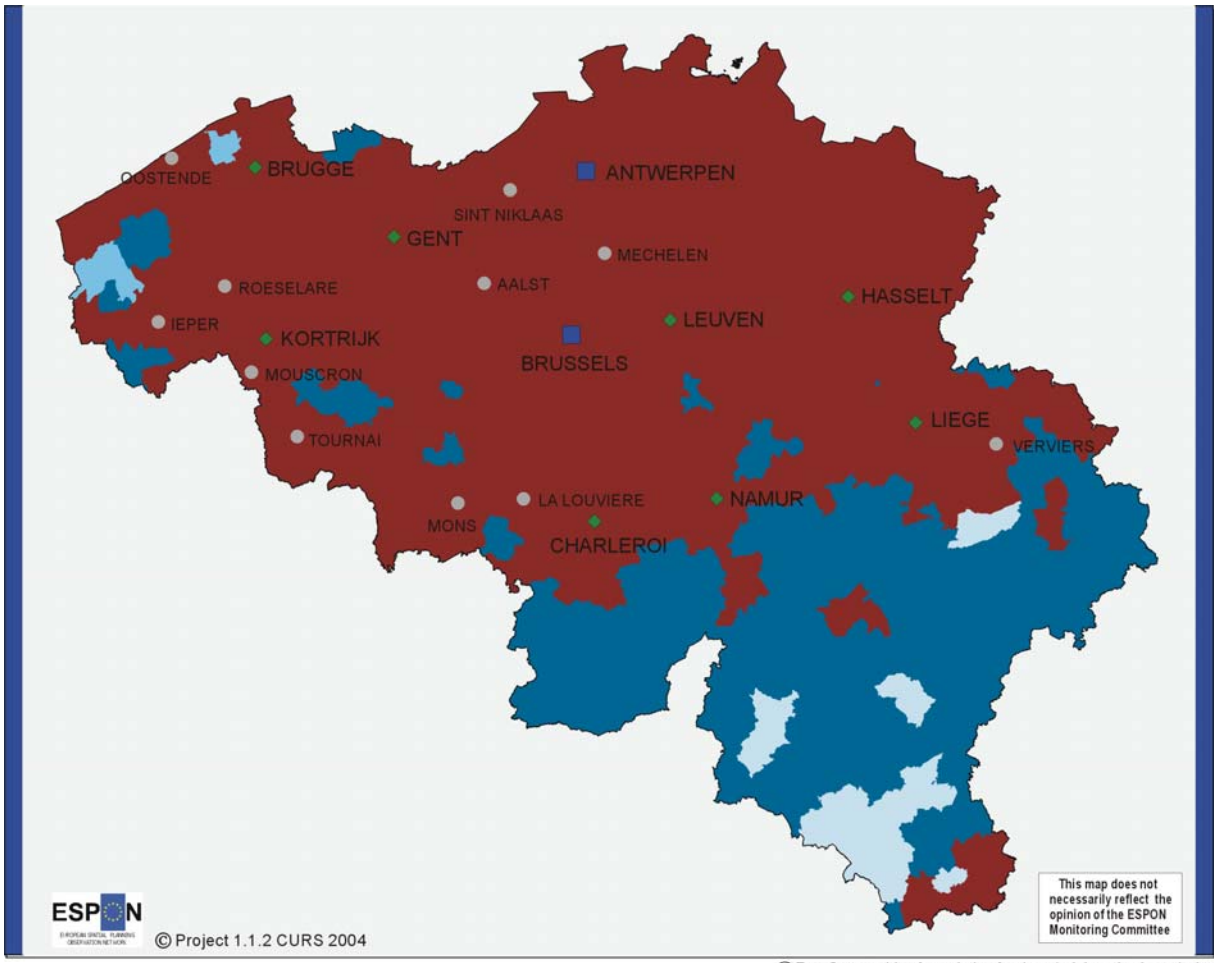


Graph 3.42. Share of discontinuous urban fabric in relation to urban-rural typology.





Graph 3.43. Share of discontinuous urban fabric in relation to urban influence.



Urban-rural typology in Belgium at NUTS5-level, based on EU 23+3 averages

- High urban influence, high human intervention (487)
- Low urban influence, high human intervention (88)
- Low urban influence, medium human intervention (3)
- Low urban influence, low human intervention (11)

Typology of Funtional urban areas (from ESPON Action 1.1.1)

- European/Global
- National/Transnational
- Local/Regional

Land cover:
Origin of data: Corine Land Cover 90

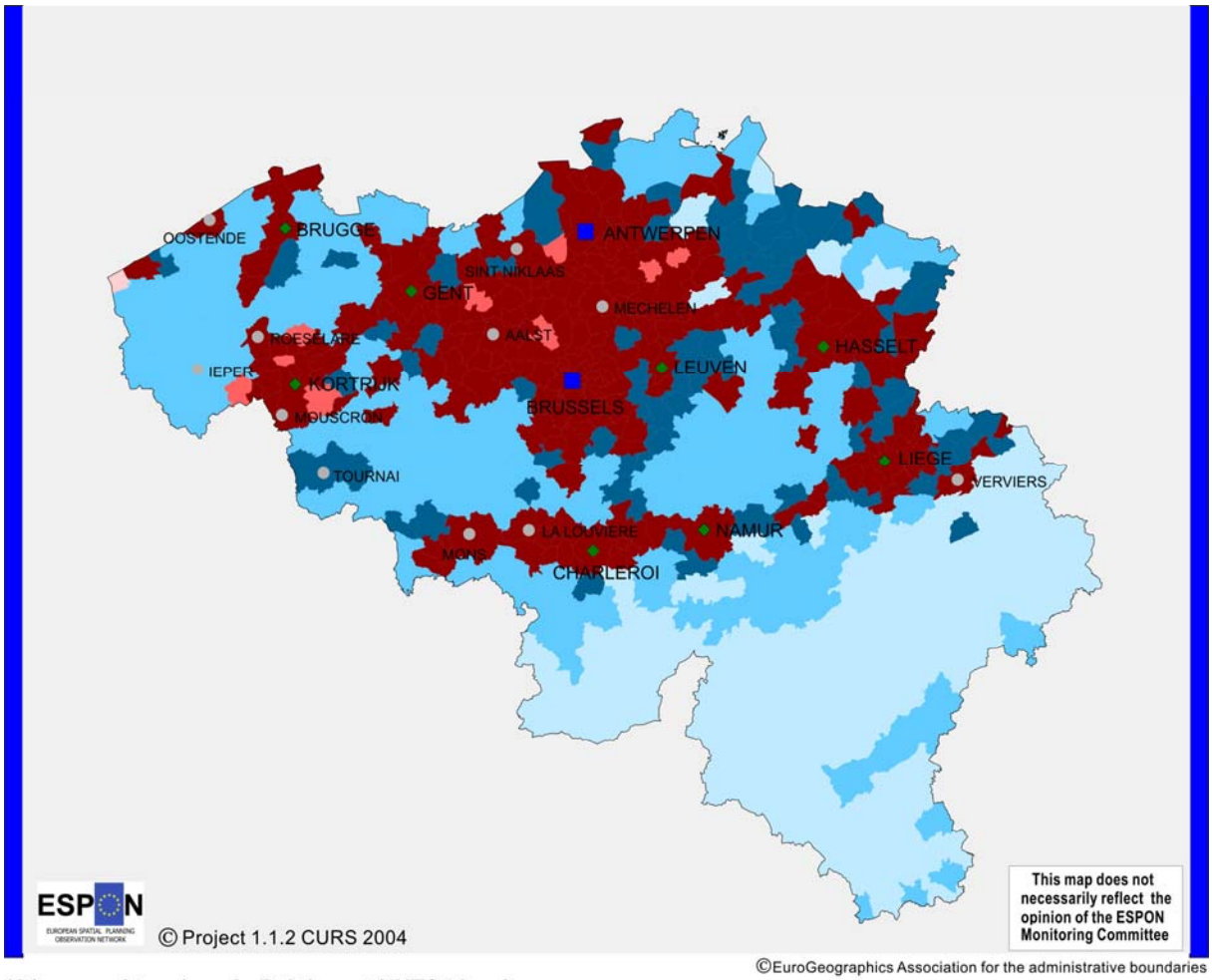
Population:
Origin of data: National Statistical Office
Time reference:2000
Source: CURS

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above average (3,48%)
Medium human intervention: at least the share of agricultural land above average (50,36%)
Low human intervention: only the share of residual land use above average (46,16%)

Map 3.33. Urban–rural typology in Belgium at NUTS 5 level, based on EU 23+3 averages.



Urban-rural typology in Belgium at NUTS5-level based on national averages

High urban influence, high human intervention	(239 NUTS 5 regions)
High urban influence, medium human intervention	(9)
High urban influence, low human intervention	(1)
Low urban influence, high human intervention	(77)
Low urban influence, medium human intervention	(179)
Low urban influence, low human intervention	(84)

Land cover:
Origin of data: Corine Land Cover 90
Population:
Origin of data: National Statistical Office
Time reference:2000
Source: CURS

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

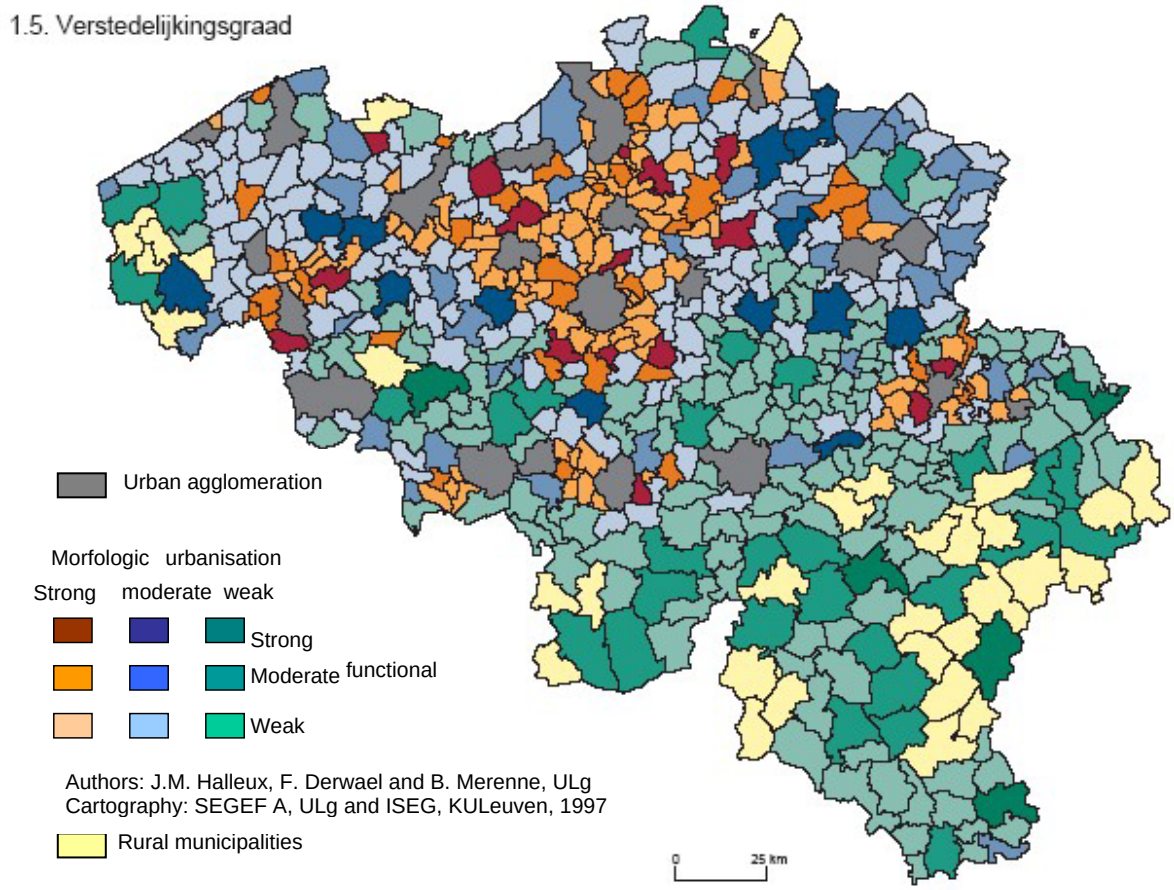
Typology of Funtional urban areas (from ESPON Action 1.1.1)

- **European/Global**
- **National/Transnational**
- **Local/Regional**

The criteria for urban influence:
- Population density above the average (336 inhabitants/km^2 in Belgium)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

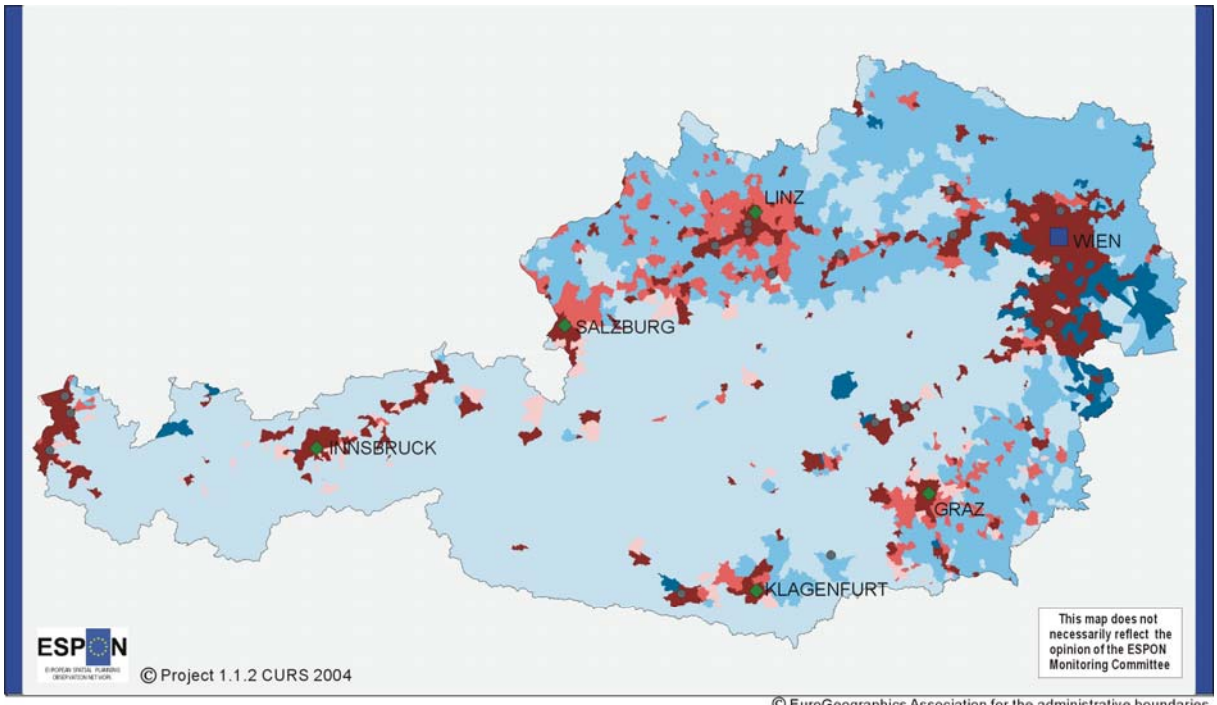
Degree of human intervention is estimated through the average shares of land covers (in Belgium):
High human intervention: at least the share of artificial surfaces above average (19,18%)
Medium human intervention: at least the share of agricultural land above average (58,63%)
Low human intervention: only the share of residual land use above average (22,19%)

Map 3.34. Urban–rural typology in Belgium at NUTS 5 level, based on national averages



Source: Mérenne, B., Van der Haegen, H., Van Hecke, E. (1998) België ruimtelijk doorgelicht, Brussel, DWTC: p. 14.

Map 3.35. Belgian classification for national urban–rural typology at NUTS 5 level



Urban-rural typology in Austria at NUTS5 level, based on European averages

High urban influence, high human intervention	(346)
High urban influence, medium human intervention	(236)
High urban influence, low human intervention	(83)
Low urban influence, high human intervention	(77)
Low urban influence, medium human intervention	(748)
Low urban influence, low human intervention	(868)

Land Cover:
Origin of data: Corine Land Cover 90
Source: CURS

Population density:
Origin of data: National Statistical Office
Time reference:1999
Source: ÖIR

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

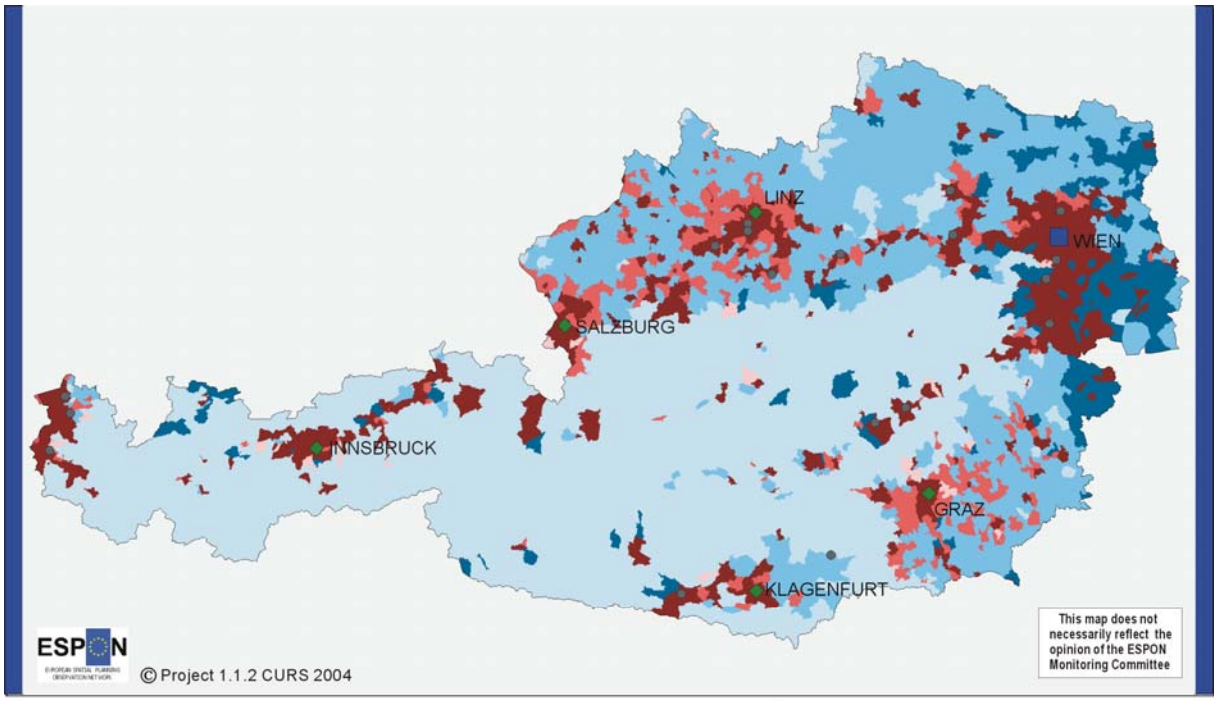
Typology of Functional urban areas (from ESPON Action 1.1.1):

- European/Global
- National/Transnational
- Local/Regional

The criteria for urban influence:
- Population density above the average (107 inhabitants/km^2 in EU25+4)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers (in EU23+3, no data on Cyprus, Malta and Norway):
High human intervention: at least the share of artificial surfaces above the average (3,48%)
Medium human intervention: at least the share of agricultural land above the average (50,36%)
Low human intervention: only the share of residual land use above the average (46,16%)

Map 3.36. Urban–rural typology in Austria at NUTS 5 level, based on EU 23+3 averages



Urban-rural typology in Austria at NUTS5 level, based on national averages

- High urban influence, high human intervention (438)
- High urban influence, medium human intervention (294)
- High urban influence, low human intervention (28)
- Low urban influence, high human intervention (163)
- Low urban influence, medium human intervention (769)
- Low urban influence, low human intervention (666)

Typology of Functional urban areas (from ESPON Action 1.1.1):

- European/Global
- National/Transnational
- Local/Regional

Land Cover:
Origin of data: Corine Land Cover 90
Source: CURS

Population density:
Origin of data: National Statistical Office
Time reference:1999
Source: ÖIR

Ranking of Functional Urban Areas (FUAs):
Origin of data: EUROSTAT, National Statistical Offices, National experts
Source: Nordregio, ESPON Data Base

The criteria for urban influence:
- Population density above the average (96,8 inhabitants/km^2)
- And/or at least a European level functional urban area (based on typology made by ESPON Action 1.1.1)

Degree of human intervention is estimated through the average shares of land covers:
High human intervention: at least the share of artificial surfaces above average (1,76%)
Medium human intervention: at least the share of agricultural land above average (36,34%)
Low human intervention: only the share of residual land use above average (61,9%)

Map 3.37. Urban–rural typology in Austria at NUTS 5 level, based on national averages