The Small Towns Conundrum: What do we do about them?

Hungarian Central Statistical Office
Budapest, October 17th 2018.
The Issue

• SMSTs have long been seen as an important element in Europe’s urban structure - 24.2% European population
• Despite this we know relatively little about them – can have important role in services and employment
• There is a tendency to view them as a homogenous category – requires a more disaggregated understanding in order to develop policy approaches
• Drawing on research from the ESPON TOWN project I will try to throw some light on the issue
A Broad Categorisation

• We can place them into 3 categories - drawing on EC/OECD classification (not perfect)

• Also based on the assumption – In ‘most cases’ Location Matters:

1. SMSTs in Metropolitan Regions – can be subdivided into
   - Thriving Metropolitan Regions
   - Declining Metropolitan Regions
A Broad Categorisation

2. SMSTs in Remote/Rural or Peripheral Regions

3. SMSTs in Intermediate Regions – can be subdivided into

- Those close Metropolitan/Urban Regions
- Those close to Rural/Peripheral Regions

• Two riders – both location and path-dependence matter but are not always determinant
### Number of SMSTs

- In the ESPON TOWN study from our data we identified:

<table>
<thead>
<tr>
<th>Classes</th>
<th>Delimitation criteria</th>
<th>Count</th>
<th>Av. Pop</th>
<th>Av. Sq.km</th>
<th>Av. Density</th>
<th>Total pop. in this class as % of ESPON space*</th>
</tr>
</thead>
<tbody>
<tr>
<td>High-density Urban Clusters (HDUC)</td>
<td>Pop. &gt; 50,000, Pop. Density &gt; 1,500 inh/km²</td>
<td>850</td>
<td>275,476.10</td>
<td>92.3</td>
<td>2,927.10</td>
<td>234,154,670</td>
</tr>
<tr>
<td>Large SMST</td>
<td>Pop &gt; 50,000, Pop. Density &lt; 1,500 inh/km²</td>
<td>100</td>
<td>132,331.4</td>
<td>101.8</td>
<td>1,299.6</td>
<td>13,233,142</td>
</tr>
<tr>
<td>Medium SMST</td>
<td>25,000 &lt; Pop &lt; 50,000, Pop. Density &gt; 300 inh/km²</td>
<td>966</td>
<td>35,162.90</td>
<td>19.7</td>
<td>2,060.59</td>
<td>33,967,357</td>
</tr>
<tr>
<td>Small SMST</td>
<td>5,000 &lt; Pop &lt; 25,000, Pop. Density &gt; 300 inh/km²</td>
<td>7348</td>
<td>10,241.50</td>
<td>7.6</td>
<td>1,470.09</td>
<td>75,254,510</td>
</tr>
<tr>
<td>Very Small Towns (VST)</td>
<td>Pop. &lt; 5,000, Pop. Density &gt; 300 inh./km²</td>
<td>69,043</td>
<td>1,193.10</td>
<td>1.7</td>
<td>699.3</td>
<td>82,376,586</td>
</tr>
</tbody>
</table>

* including EU 27+ Iceland, Norway, Lichtenstein, Switzerland
Distribution of SMSTs
What can be done?

• No simple answer – because the type of region they are located in matters

• Even then not simple e.g. thriving vs declining Metropolitan Region

• Connectivity important, but can bring problems (e.g. dormitory towns)

• National, regional and local policy and planning approach adopted - Vilafranca del Penede`s or Colwyn Bay – EU can help

• Some stuck simply in ‘path dependent’ rut - Tredegar and Ustı nad Orlic

• Then there is great intangible local milieu which means even towns in adverse situations can succeed – e.g. Athienou
What can be done?

• The place-based approach appears to be the ‘answer’ but need to tread cautiously – it is not a cure all – requires ‘capacity to act’

• Requires long term ‘Strategic Vision’

• Governance:
  ➢ local engagement
  ➢ Cooperation and integration important but often hard to achieve
  ➢ Local ‘competition’ often an obstacle
  ➢ Territorial governance a perennial problem
What can be done?

• Process (how)
  - Systematic analysis of local potentials/assets (Territorial Capital)
  - Requires working across silos and sharing of information – ‘thinking outside the box’ (depends on ‘who’)

• Projects/programmes (what) – ‘Policy Bundles’
  - Identify how to build on existing TC and address deficits
  - Public realm/heritage projects popular
  - But limited number of ‘levers’ that can be pulled – requires additional finance/resources
What can be done?

• Balance between diverse economic structure based on SMEs and larger firms – ‘spread risk’

• Important to remember not every small town can be the focus of attention

• Choices have to be made and there will be ‘winners’ and ‘losers’
References


