

Greek cities in the era of economic recession and crisis; analysing business demography and portraying the emerging new urban landscapes

Stella Manika^{1*}, Aspa Gospodini²

*1PhD Candidate, Department of Planning and Regional Development, University of Thessaly, Greece,
IKY State Scholarships Foundation Fellowship of excellence for postgraduate studies in Greece –
Siemens Program*

2Professor, Department of Planning and Regional Development, University of Thessaly, Greece

** smanika@uth.gr*

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Shrinkage is usually discussed under the label of "urban decline", implying various changes in the spatial organization of urban areas (Lever 1993) and has seen through the lens of uneven economic development and the underlying dynamics of territorial division of labor (Haase, Haase et al. 2012) or as a result of demographic changes. Urban shrinkage is described as a phenomenon which results from interactions of various local macro – processes (Moss 2008). These macro-processes include economic or demographic developments, environmental risks and changes in the political or administrative system. As main causes of urban shrinkage can be defined (Pallagst, Aber et al. 2009), (Gospodini 2013): suburbanization leading to the depression of the city centers and inner city areas – i.e., flight of people and jobs from the inner city areas towards urban periphery and exurban space, economic transformations, economic restructuring – e.g. a shift from state economy to market economy as in the former socialist countries of Eastern Europe, demographics as well economic and political immigrant settlement-patterns and economic crisis due to forces of globalization and other structural reasons – e.g. the recent economic crisis in Greece, Ireland, and Portugal.

Current procedures defining the shrinkage arising through the decline of traditional industries, the overall economic crisis, unemployment rates and by the population migration rates in other prosperous regions. Moreover, processes of suburbanization are responsible for citizens' choice to leave their home. As a result, the average age of the rest of the population rises rapidly and a wider demographic decline happens instantly (Nuissl and Rink 2005). Population decline has impact on business and employment, the available housing estate, social and technical infrastructure, social cohesion and other aspects of urban life.

Urban shrinkage leads to a configuration and reconfiguration of land uses. On the one hand shrinkage creates vacant spaces and reduces cohesion in neighborhoods affected and on the other hand allows the reallocation of households according to their current housing preferences based on low local land and house prices in specific areas. Urban shrinkage has the power to affect the quality of citizens' life by feeding the decline (and additional population movement) or revive of urban areas (Kabisch, Haase et al. 2010).

Population change index appears as the main index for measuring urban shrinkage since all causes and effects of this phenomenon are usually associated with population growth. Even though urban shrinkage refers mainly to a specific symptom, population decline, a wide variety of procedures and causes are behind it. Greece provides rich source of data for studying this phenomenon, in particular the population dimension, due to the economic crisis (placed in 2008 but perceived at least two years later) and the procedures that led much earlier to this.

Since 2009 economic recession and crisis has entailed decline and closing of small businesses, reduction of job offers, outmigration flows and population decrease in Greek cities. As a result, urban shrinkage shapes new landscapes in Greek cities. Reflecting a situation more or less in common with other cities in south Europe, Greek cities have been showing signs of shrinkage rooted in new socio-economic conditions: Intense economic recession and the dramatic decline of the number of small businesses, have given rise to outmigration flows and demographic shrinkage in city centres, as well as intensive business mobility and relocation within city centres.

This paper aims at analyzing, surveying and mapping changes in the business demography due to shrinkage; and it attempts a typological classification of the emerging urban landscapes caused by shrinkage. For these purposes, the paper introduces (a) tools of demographic analysis and spatial indexes and (b) a systematic record of change in small business demography (2008-2014) in Larissa - a typical medium-sized city. Analysis uses data from the Greek Ministry of Finance – The General Secretariat of Information Systems. Survey and mapping are based on a) the type of economic activity of businesses and b) their mobility and relocation patterns within the city centres. The research outcome is then used for setting up a typology of new business landscapes in Greece cities under the conditions of recession and crisis.

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