AN ANALYSIS OF SHRINKING CITIES
# AN ANALYSIS OF SHRINKING CITIES

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1. FOREWORD

1.1. What is a shrinking city?

Shrinking cities are cities that are experiencing acute population loss. Deindustrialisation and out-migration are some of the common reasons that cities shrink. In the United States, this problem is most commonly associated with the Rust Belt, while parts of Eastern Europe also experience similar problems. Since the infrastructure of such cities was built to support a larger population, its maintenance can become a serious concern.

http://en.wikipedia.org/wiki/Shrinking_cities#cite_note-glasgow-0

A shrinking city is a densely populated urban area with a minimum population of 10,000 residents that has faced population losses in large parts for more than two years and is undergoing economic transformations with some symptoms of a structural crisis (Wiechmann 2007).

Shrinking Cities International Research Network (SCIRN)

1.2 The phenomenon of shrinking cities

While the world is concentrating on the population growth and mega cities, that just won’t stop growing, there is another development coming up. Due to demographic, economic and physical reasons between 1950 and 2000 about 370 cities all over the world with a population over 100 000 inhabitants started to shrink for a minimum of 10%, between 1990 and 2000 every fourth city in the world was shrinking. And whereas most of them seem to handle it quite well, quite a few are called dying cities by now. There are a lot of factors that influenced this development, i will just name a few of these: post-industrial shift from manufacturing to service industries, suburbanization, war, natural or human made disasters, demographic change, political change...

But actually shrinking isn’t a new thing after all. The fall of the Roman Empire or catastrophes like war, fire, earthquakes and diseases led to the same phenomenon throughout the world’s history. But whereas cities seemed to soon recover in former days, the shrinkage now is a steady process. It all started about 100 years after the industrial revolution. At the beginning of the 19th century new inventions led to a disproportional growth of cities and more and more people moved into the growing metropoles. But in the first half of the 20th century the population in London, Liverpool, Paris, Berlin, Vienna and many more cities started to decline. After the 2nd World War a similar process started in the USA and soon it was clear that it would be even worse than in Europe. More and more cities (even New York and Tokyo) had to cope with the same problems but in the 1990s the process started to stabilize, just when the collapse of the Soviet Union caused another shrinking period in Russia, Rumania and many more east-european countries.

War has always caused certain risks to cities and new technologies led to even worse effects as the case of Hiroshima has shown. But with the growing knowledge there have been more ecological catastrophes such as chemical spill or problems in nuclear power stations. And then there are natural disasters like hurricanes, tsunamis or earthquakes that will always endanger urban and non-urban living. On top of that there is a demographic change in the human population. People get older and certainly there are declining birth rates in well developed countries that also lead to shrinking cities. Furthermore there are economic changes, the productivity is rising although employment figures are declining. People are now forced to accept to commute between home and work, the city loses attraction. The quality of living outside the city is certainly higher as you can afford a house and a garden.

It is estimated that the population will continue to grow for quite a while, however, the world population is expected to stop growing by 2070 to 2100. Up to then cities are expected to continue to grow, but these cities will be mostly cities in developing countries. Anywhere else most of the urban population will stagnate or decline. And the population decline won’t be exclusively in metropoles, whole countries will shrink. Shrinking is getting to a global phenomenon!
2. SHRINKING CITIES

Empty houses, even empty streets of houses, a lot of fallow land, dying infrastructures....shrinking has a big impact on affected areas. But what are the reasons of this global development? Nowadays you can distinguish between three different sources of shrinkage.

1. Economic Change: Deindustrialisation, reallocation of industry and service (Manchester)
2. Structural Change: Suburbanization, outflow of people (Detroit)
3. Political Change: Collapse of socialist organizations in Eastern Europe (Ivanovo)
4. Economic/Structural/Political Change: In East Germany, where shrinking has been a major problem since the fall of the Iron Curtain, it is a mixture of all three of these sources. After the fall of the Berlin Wall (political) East Germany was united with the former DDR. To support a quick integration the government reached for economic measures which led to a structural change of the society. (Leipzig)

This classification doesn’t mean that there have been just ecological, structural or political reason in one area. The classification has been generated due the dominant reasons, which could be found in certain regional districts.

2.1. Deindustrialization in Great Britain

At mid-nineteenth century Industrial Revolution was starting out from England, the railroad industry and the shipbuilding sector gained in importance and industrial plants popped up all over Great Britain. The former manual labour and draft-animal-based economy became a machine-based manufacturing. With the Industrial Revolution the urbanization process started and more and more people moved into cities to get one of the newly developed jobs. It was the birth of a new labouring class, which moved into the newly developed houses, that emerged close to the industrial plants. The employment figures boomed as there was enough demand even form overseas and at the climax of the Industrial
Revolution 48% of all employees were working in the industrial sector. About 100 years later the USA managed to gain global supremacy which led to the fall of the British empire. Until 1983 employment figures dropped dramatically to 34%. The progressive deindustrialization led to similar developments in Eastern Germany or the Rustbelt/USA and in every other developed capitalistic country, but England had to struggle most.

CAUSES AND EFFECTS
Great Britain was the first ever country to be fully industrialized, it also was the first “ready” for deindustrialization which has a few reasons:
- The service sector gained in importance.
- Great Britain was strongly depended on export, but global demand declined in post-war era.
- Economic reasons: Economic crisis after the 1973 oil crisis, where OPEC restricted their output by 5% during the Yom-Kippur-War to restrain the support of the western world in Israel, which caused a price increase of 70%. During the 1980s Margaret Thatchers economic policy of monetarism, where the money is controlled by the central bank to prevent cyclical fluctuations and ensure a smooth economic development, caused half of all lost jobs in Great Britain!
- Political reasons: Margaret Thatcher abolished state aid and introduced free market economy. The most powerful industries should survive and get Britain back on the worlds top, but it didn’t work. Her biggest enemy was the organized labour class, which she tried to decimate. This is how they ruined even Britain’s industrial basis!

Starting in 1974 the traditional industrial sectors collapsed and created a grave crisis for regions deepened on engineering (West Midlands/Birmingham, North West-Merseyside) as they had not developed a proper service sector. Especially big industrial cities like Liverpool, Manchester or Glasgow had to struggle most, because the service connected to the industrial sector collapsed as well. People had to look for other jobs and moved away leaving behind the specially built workers’ settlements. London was the only city which could manage to regenerate soon. And even if there was a new movement in female part-time employment, a lot of male full-time employees stayed without any income.

SOCIAL CHANGE
Whereas industrialization led to a “modern” society with common organized job structures and unions, the “post-modern” society concentrated on the individual. Fordism and assembly line work created a uniform society, Post-Fordism concentrated on single individuals which all have different needs. This is when work and home grew apart and a production of immaterial things like music and film started. The strict gender-related life came to an end and the male modern world developed into a female post-modern world.

2.1.1 Manchester_fall of the world’s first industrial metropole

Manchester
1930: 766 000 inhabitants
1992: 422 300 inhabitants
population decline: 44,9%

In 1961 the industrial sector in Manchester offered 220 000 jobs, which is half of all offered jobs. In 2001 it was only 35 000, which is a quarter.
In the late 1960s Liverpool and Manchester had 100 000 unemployed people, it had been 20 000 before. In 2000 there have been 30 000 in each city.
From 1981 to 1996 Merseyside lost 83 000 jobs, which is one of three.

Manchester was the world’s first industrial metropole and the biggest commercial city of the Industrial Revolution. This was in the 19th century. Today the city is struggling to get back on track!

Since the end of the 18th century Manchester was known for its machine-based manufactured cotton goods which was one of the most important factors of Britain’s industrialization. But with other countries starting to draw level with England’s industrialization process, the slow fall of a metropole began by 1850.
In 1913 Manchester was the centre of the global cotton market, 65% of the global cotton clothes’ production was based in the Manchester area. But 45% off all goods was shipped to only one country: India. When the First World War made it impossible to keep up with the export, the indian market was taken over by Japan and some local companies. By 1945 Manchester could only export a fifth of their former shipped goods. In 1959 the government tried to save a market with the “Cotton Industry Act” and some major interventions concerning rationalization and modernization, but the industry was already dead.

But Manchester managed to survive till the 1960s due to the fact that they had other industries as well. They had been a centre of metal processing, engineering, food and drinks, road- and rail transport and clothing industry. Furthermore they had become a centre of global trade since the Manchester Ship Canal was built in 1894 and connected the inland city with the ocean. They had overcome the dependence on Liverpool’s harbor and stayed the third to fourth most important harbor of Great Britain till 1964. But with the “container revolution” of the 1970s the final fall of a metropole was near. Only harbors that could ship huge container-ships and had enough storage capacity were able to survive. Manchester’s industrial park Trafford Park was to small and couldn’t compete with the rivalry. The impact was tremendous: Between 1961 and 1983 Manchester lost 150 000 jobs, every fourth factory had to close. The biggest economic change since the Industrial Revolution was the economy’s relocation towards the service sector (banking and consulting services), but it couldn’t compensate the the jobs killed by the foregone events.

The decay of the inner city began and within the following decades Manchester shrank by nearly 50%. The unplanned suburbanization and the establishment of new middle-class suburbs was followed by planned resettlement of people to newly build public housing areas outside the city as the living standard in their former houses was horrible. In the Mid-seventies only about 400 people were living in the city centre!

![Manchester average price per postcode district (2001) (1)](image)

The cheapest postcode districts are are mostly located in the north of the city center. These areas are points of interest for upcoming investments.

**REVITALIZATION**

Soon a rehabilitation progress started. The former Trafford Park was renamed Salford Quays and a new complex of leisure facilities and business premises were built. Today the Lowey Centre – a complex with two theatres, art galleries,
shops, cafes and restaurant – has become a highlight in the former industrial harbor and due to the business premises there are still jobs offered.

In the 80s and 90s there was a new development coming up: joined-up thinking and global flow of information promoted a world-wide economy instead of national thinking. This is when Manchester started off with Public-Private Partnerships and a busy building phase began. Prestigious buildings with focus on sport, leisure and culture should help Manchester to get back on top again. With Manchester United earning global fame they concentrated on big sport events and applied to the Olympic Games 1996 and 2000 and in 2002 they finally hold the Commonwealth Games. Therefore a lot of big sports arenas were built. But they also came up with a cultural strategy which led to few more prestigious buildings like the Bridgewater Concert Hall (1990), MEN Arena (1996), PrintWorks (2000) or the extenction of the Manchester Art Gallery (2002).

On June, 15 1996 Manchester was target of a IRA terror attack. Luckily nobody died, but in the inner city buildings were destroyed. But the city managed to get something positive out of a horrible incident and started off a far-reaching inner city revitalization program which not only concentrated on the rebuilding but also on a resettlement. With the building activity the area was revalued and out of former run down factories and industrial buildings apartments were build. It also attracted young musicians and artists to invest into the unoccupied buildings to create an underground scene of band, bars, art galleries and a buzzing gay scene. It became home to a relatively young, well-educated and fairly wealthy group of people.

But the revaluation process also has it’s shady sides. Whereas Manchester managed to get into global media with a new music and art scene and areas seemed to recover in the city centre and the middle-class suburbs, the gap between rich and poor is getting bigger. If you have a closer look at the northern and eastern part of Manchester it’s all still a big struggle. The social disparity in Manchester is bigger than anywhere else in England. According to the Index of Multiple Deprivation (The Index of Multiple Deprivation is a UK government statistical study of deprived areas in UK local authorities. The first study (released in 2004) covers seven aspects of deprivation. The statistics described by the Neighbourhood Renewal Unit are: Income, Employment, Health deprivation and Disability, Education Skills and Training, Barriers to Housing and Services, Crime the Living Environment. http://en.wikipedia.org/wiki/Multiple_deprivation_index) Manchester is the 6th poorest area within the UK and 27 of the 33 city districts come within the 10% of the worst affected areas.
2.2 Suburbanization in the USA

Ebenezer Howard (1850 – 1928) was the founder of the english “garden city” movement and was convinced of the utopia that London – at this point with 6.6 million people one of the world’s leading metropoles – would shrink down to 20% of it’s inhabitants. People would move to the outskirts to enjoy better living conditions and improve the situation in the crowded city centers at the same time. Ebenezer Howard’s thoughts became popular all over the world and nearly every urban planner of the 20th century supported suburbanization, which became the new form of urbanization: In the 1930th the US started to promote suburbanization to increase demand and strengthen economy. The Soviet Union supported the sprawl to overcome the difference between city and countryside as the communist manifesto claimed. And the fascists and National Socialists hated cities anyway.

E. Howard wasn’t right about London’s shrinkage as there are over 12 million people living there by now, but the growth didn’t affect the inner city, London grew that big because of the agglomeration.

Suburbanization was a global phenomenon, but this time it was the USA to struggle most. Especially big cities like Milwaukee, Chicago, St. Louis, Kansas City, Cleveland, Pittsburgh, Boston, New York, Philadelphia, Baltimore and Detroit developed lots of fallowland, vacant houses and major problems in the city centre. Between 1890 and 1930 a lot of multistory factories popped up in the city centre with big workers settlements surrounding them generating a densely developed area around railway stations and other traffic junctions. After the 2nd World War a new era started when factories became more spacious and leveled out as the production happened on only one floor, so they moved to the suburbs where more space could be provided. Furthermore transport was shifted from the rail towards highway, especially after the “Interstate Highway Act” of 1956 where the US government financed a highway network of 65 600 km. Even more crucial was the government’s newly introduced housing program. For a long time US citizens had dreamed of a proper american single-family home with a garden and a garage in the suburbs. But it still was too expensive and loans also weren’t affordable. This should change in the 1950s and 1960s when the US government under President Dwight Eisenhower tried to boost the weakening economy by increase demand. The Federal Housing Administration (FHA) initiated a new accounting system and reduced interests on loans for building a house in the suburbs and made single-family homes affordable for the white American middle and working class. Their flats in the centre were overtaken by black workers from the South who tried to get new jobs after the cotton production has collapsed. But the “Great Black Migration” and the upcoming racism accelerated the resettlement of the white who left behind lots of vacant houses. The situation in the now almost exclusively black centre heated up as the government couldn’t afford keeping up the maintenance of the infrastructure leaving behind a area where violence and drug addiction started to gain the mastery. The centre got poor whereas the suburbs boomed as the shops, schools, hospitals and jobs moved there as well.

CAUSES
- The American dream of a single-family home in the suburbs was supported by the US government
- US government started to build a proper infrastructure network, but as private cars spread fast they didn’t finish their plans.
- After the 2nd World War Europe tried to regulate traffic and housing policy concentrating on public housing projects whereas the US government supported private operators with public money.
- Racism and upcoming crime drove even those away that were willing to stay.

REVITALIZATION
Since the 1990s the US government is working on a revitalization of the inner city. They seem to have recognized the traditional urbanization and are promoting the qualities of short distances and the reach-ability by foot. New buildings like office constructions or recreational facilities revaluated inner cities and renewed the connection to the suburbs. Furthermore the black inhabitants have generated a black middle-class that is staying in the centre to stay close to their workplaces. But even when US government has started to work against the housing sprawl and cities like New York (Brooklyn, Queens) are slowly recovering there is still a lot of work left for most of the effected areas.
2.2.1 Detroit_downfall by racism

Detroit:
1950: 1 849 568 inhabitants
2003: 921 758 inhabitants
population decline: 50.2%

Between 1950 and 2000 the inner city of Detroit lost 147 000 houses due to demolishing or arson. During this period about 1 000 000 new houses were built in the suburbs.
Since 1969 there have been 167 130 demolition permits and 3 540 building permissions in the inner city of Detroit. (2002)
Between 1980 and 1990 there have been 0 – 13 building permissions each year in the inner city of Detroit. It’s been 10 000 each year in the suburbs.
In 1999 the average annual income per capita in Detroit was only half of the average annual income per capita of the suburbs.
Since 1960 Detroit lost 165 000 of 230 000 industrial jobs. The service sector only offered 30 000 new ones. The suburbs gained 50 000 industrial jobs and 600 000 jobs in the service sector since 1960.

Detroit was an icon of the modern world. It was mobility that explained the city’s fame, it was mobility that finally led to the fall of the former metropole. Nowadays the inner city is shrinking whereas the suburbs won’t stop growing. The city is now split into black and white, poor and rich, city and suburb. Detroit has become a symbol of the doom of the modern world’s metropoles.

The growth of the city started with the invention of the assembly belt and Detroit’s transformation to the world’s centre of fordism. The mass production of automobiles kicked off in 1909 with the Ford Model T. In the following years more and more car companies located in Detroit, with “The Big Three” (General Motors, Ford and Chrysler) leading the way. The “Motor City” was born and people from all over the world travelled to Detroit, the city that embodied the fusion of manpower and technology, the American Dream and the centre of capitalism within the US. In the visitor areas of big car companies they could watch the production of the biggest consumer product of the 20th century. But it wasn’t long before a automobile crises came up as Detroit couldn’t compete with a strong automobile market in Asia.
The booming automobile industry attracted immigrants from Ireland, Italy, Germany and Eastern Europe, and eventually – after the collapse of the cotton industry - more and more African Americans. Due to class and racial segregation - leading motives within the American society – there have been ethnic riots ever since.
After the 2nd World War a new era began. Factories developed from skyscrapers to spread-out, flat buildings, which moved to the suburbs, where more ground could be provided. The white inhabitants fled from the black neighborhood and also moved to the suburbs, where they created a new urban settlement for the working white middle-class leaving behind their empty houses in the centre. A development that was supported by the new highways at first. Later it was the breaking automobile industry, cause as the jobs were dying out the white middle-class was gone. Detroit became a ghetto for unemployed black people, dominated by crime and violence, empty houses, abandoned areas, nailed-up windows and burnt down houses. The city’s biggest problem was the fact, that it had always been dependent on jobs in manufacturing industry. And they couldn’t generate enough jobs in other industries, because nearly everything was shifted to the suburbs. In 1954 the Northland Mall was build, which was the first ever shopping centre in suburbia and became a symbol of the new movement. The symbolic climax of the moving retail sector was in 1985, when the shopping centre Hudson’s finally closed. It was the last department store in the inner city! And whereas new roads and highways were build - connecting not only the centre with the newly developed suburbs, but mainly the suburbs with each other – and suburbia was glowing, nothing much was done in the inner city. In the 1980s the government tried to get some companies back into town by offering tax deduction. With the Poletown-building (General Motors), the new Chrysler factory and Ford’s Renaissance Park, there were a few structures built in the city centre, but they couldn’t provide enough jobs. There have been open housing projects and anti-discrimination-laws recently, but bigger revitalization projects dashed against financing! The consequences are devastating: Since 1950 Detroit lost nearly half of it’s inhabitants, and hundreds of thousands jobs. Areas, which had been densely populated in former days are now dominated by 10 000 empty houses, 60 000 abandoned areas, nailed-up windows and burnt down houses.
The slogan of the suburbanization process was: MORE land, MORE space. 50 years ago people didn’t actually have more, but everything was smaller. Look at a cinema for example. In the former densely populated inner city it had been squeezed into a little house and there had only been one screen, but you could get popcorn and a drink and it would be reachable within walking distance. Nowadays you get into your car and drive to a huge leisure centre surrounded by a huge parking space. There will be at least 15 screens and lot of other attractions! Ironically the popcorn-bag and the soft drink-cup will be bigger too, as well as the seating surface of the chairs.

REVITALIZATION

At the moment people are trying to get Detroit back on track again. And there are two different ways to reach the goal. They could either promote the "old" way of city planning – revitalization of the inner city by concentration – or they could go with the suburban idea of sprawling, which they prefer. The latest idea is to torn down whole neighborhoods and create fields and farmland that existed before the automobile. This first came up in the 1990s, where nobody would have thought about such drastic methods. But 10 years later the situation in Detroit hasn’t improved! So there might be a structural change in a few years. In former days, farmers settled in the countryside surrounding a city, in the future they could move to a green city-centre!
2.3 Russia and the fall of the Soviet Union

Shrinking due to post-socialistic conditions implies that a severe social crisis leads to the collapse of a whole political system. In the former Soviet Union this collapse started in 1985 when Mikhail Gorbachev became the new general secretary. He initialized a process of renovation and modernization effecting the Soviet Union’s political and economic system, which led to democratization and a development towards market economy.

EFFECTS
When the government stopped to control the economy, ruling economic coherences collapsed as well. Lots of enterprises had to struggle as they couldn’t compete on an international scale, especially if they couldn’t offer raw material capable in the global market. Economy started to shrink as only a few companies could keep up with the post-socialistic boundary conditions. The result was a social gap between a few winners and just many, many losers. This polarization can be also found on a geographic scale: Nowadays Moscow is one of Europe’s leading and most expensive metropolises whereas in the poor areas of central Russia up to 80% live below the poverty line.

The collapse of the Soviet Union also meant that financial subsidy disappeared. Up to 1985 settlements in unpleasant locations as in Siberia could survive because the subsidy had been strong (allocation of funds, financing of high wages...). When the support disappeared, more and more people moved away. Nowadays government is only supporting the evacuation of such settlements.

The discontinuation of governmental financing also effectuated public service. Former state-owned facilities like kindergartens, hospitals et cetera shut down or as part of privatization fees were required. Decreasing living standard finally resulted in a sinking life expectations. From 1990 to 2001 life expectation sank from 69.2 to 65.3 years, because of poverty, malnutrition, poor health care, alcoholism or high suicide rates.

HIDDEN SHRINKAGE

Shrinkage of certain cities is limited by certain facts. Due to housing shortage, restricted immigration to Moscow or pension payment only for people which stay in their former job location makes moving difficult and keeps the older generation from daring a new start at a new location. Nevertheless, most cities are shrinking, because mostly young and educated people leave their hometown behind to start somewhere else. But despite the “brain- and youth-drain” there is...
hardly any vacancy rate. The housing space per capita in Russia is half of the European standard. So whenever there’s room available, it will be occupied from residents within a few days. Furthermore, the young aren’t moving away officially. They usually keep their main residence which they only underlet. This is why there aren’t well documented statistics which makes it even more difficult to deal with the phenomenon.

2.1.1 Ivanovo_from a socialistic to a democratic organization

Ivanovo:
1990: 479 700 inhabitants
2003: 447 100 inhabitants
population decline: 6.8%

In the Ivanovo area life expectation for women is 71 years; for men it is 55.5; with an average of 62.7 years this is the lowest rate in Central Russia. It is dropped by 4 years since 1990.
In 2002 82% of Ivanovo’s population was living below the poverty line. In 2003 the poverty level was 2 065 roubles (59 €).
In 1998 the industrial output of the Ivanovo area was only one fifth of the industrial output in 1980.
On average, there is just one birth under three deaths in the Ivanovo area.

At the beginning of the 19th century Ivanovo was a town with over 30 textile factories and a well educated, militant working class, which played a vital role in the Soviet’s takeover as they had a strong strike movement. It was Lenin, who once described the town, together with Moscow and St Petersburg, as “the third proletarian capital”. In 1905 there was a general strike of textile workers. This is when the first labour councils were founded in Ivanovo. After the October Revolution in 1917 these councils took over and Ivanovo – “Russia’s Manchester” - became the capital of a new administration union. It was a short, glowing period with a building boom and lots of hope. But with Lenin’s takeover the city’s downfall slowly began as economy was concentrating on heavy manufacturing. Ivanovo did get a few new factories, but it was the textile sector, that remained strongest. It wasn’t long that the city became trivial, but controlled economy with sales guarantee and fixed prices prevented a collapse. Nobody would have talked about a crisis although Ivanovo’s economic output was decreasing since the 1930th. In the 1930ts they attracted many, mostly female workers from all around the country to boost the economy, which caused a major housing problem. As most of the building material was used for factories, they developed worker’s residential homes, where people had to share rooms. It was not until the 1960s that they could offer proper communal flats with a technical progress. But even now housing space is limited and many families are waiting for council flats. But although the city was growing, Ivanovo struggled to improve their economic output and was highly depending on controlled economy.
When the Soviet Union finally collapsed in 1991, Ivanovo lost nearly all of their production sources and sales markets. They couldn’t compete with strong international textile countries like Turkey or East Asia. And as the import of cotton got well expensive, the crisis was finally there. But although Ivanovo was known for its workers movement, this time there was no strike. So Moscow didn’t have to intervene and Ivanovo was hoping to compensate the migration with immigration from so-called “one-factory-towns” in the surrounding, cities, that lost their only production centre and couldn’t be saved. As many factories had to shut down the unemployment rate increased and even those, who could hold on to a job got minimum wages. The living standard dropped dramatically and people had to go back to the only thing, the country could still offer: land. They founded “dachas” and started to grow their own vegetables to manage to survive. In 2001, when the worst part was over, there were still 66 000 inhabitants depended on those “dachas”.
Ivanovo is shrinking since 1990, but if you compere it to other cities, it doesn’t seem to be that dramatic. But there are certain facts, that can’t be put in statistics:
- Due to extreme living conditions or ethnic riots a lot of immigrants got to Ivanovo after the collapse. 20% of all housing areas are in bad conditions, 10 % are unsafe. People want to increase their housing space and take over available lats. So there’s hardly any vacancy.
- Hidden migration: Young people are officially still resident’s, but actually they live somewhere else to look for a new start
- Seasonal suburbanization: Due to limited living space, people move to their “dachas” during summer
The Ivanovo of today is a poor city that has buildings and monuments that remind you of the Soviet era. There hasn’t been a lot of change, although there are only a few factories, that haven’t shut down. Some of them are now shopping malls. What you can’t see is the fact that life expectation decreased in the past decades due to horrible living conditions. In 2002 governor Vladimir Ilich Tichonov was talking about different suggestions to get Ivanovo back on track. It became clear that they wanted to keep concentrating on the textile sector, but also wanted to focus on science, education and the service sector. It seems to be blinkered and senseless to still want to stick to the textile industry, especially if you look at other similar examples like Manchester. But the light industry seems to have recovered. So this could be a chance of re-positioning? And they have a low wage level, which are good investment conditions. But they don’t have a lot of affordable business premisses and there are no plans of changing that.

2.4 East Germany and the fall of the Berlin Wall

The reunion of East and West Germany led to a huge population decline in the east. Due to old factories and mistakes in the new economic policy a sudden deindustrialization caused high unemployment figures and the migration of one million people, although there had been already 350 000 empty flats before the fall of the Berlin Wall.

If you have a closer look at Germany you can see a sharp deviation between West- and East Germany. In the western part there are growing populations, whereas cities in the eastern part tend to shrink rapidly. Concerning rapidly declining population, only 1% of all settlements in the west are affected. In marked contrast to the east, where every second local community is shrinking. But the phenomenon of shrinking (in a small percentage) is a common appearance and can be found in West Germany as well. The reasons for that geographical separation are on-going economic crisis after the fall
of the DDR. The fusion policy did not take account of any economic consequences that may arise. The reintroduction of free market economy in East Germany led to the collapse of their industrial foundation, privatization of former state-owned domains and a liberalization of trade. Seed funding couldn’t compensate the missing competitive edge and the deindustrialisation of the former DDR began.

EFFECTS
Due to the missing competitive edge it didn’t take long before the first factories had to close. As it wasn’t possible to compensate the loss of jobs, many people moved to the Western part of Germany, which – with a continuously growing economy - offered lots of opportunities. Unlike before 1945 and especially with the EU getting powerful Eastern Europe had moved to the edge of the big european growth centers. This location isn’t the most attractive one for international companies, which would be a good thing as the local companies could create a bigger network and gain international respect. But since the start of the deindustrialization the factories size has narrowed as well. 90% of small or medium-sized companies offer less jobs and lead to missing capacity and expertize, as the first department to be closed usually is the research and development-department. This leads to missing innovation capacity in turn and again to missing attraction.

This doesn’t mean that the whole economy is still declining, there are certain branches that managed to grow in recent years. (automobile-, chemical-, food-industry et cetera) But only with strong financial support!

2.4 Leipzig – growing pains after the fall of the Berlin Wall

Leipzig:
1989: 530 010 inhabitants
2003: 496 532 inhabitants
population decline: 6,3%
The chemical industry offered 74 596 jobs in 1991, in 1999 it could only offer 11 717.
Eastern Germany lost 1.5 Mio people between 1989 and 2000 due to a declining birthrate and migration.
In the Halle /Leipzig area the birthrate dropped from 11 to 5 nativities per 1 000 inhabitants within 5 years from 1989.

The Halle /Leipzig area experienced a vital industrialization progress within the 19th century, but it was within the 1920s and 1930s that both cities gained on importance. After the 1st World War the big brown coal-deposit generated a growing economic region with two centers: Halle and Leipzig. To strengthen their position and the whole area a new airport (Leipzig-Halle-Airport) was build followed by two other projects: a highway connecting Halle with Dresden and the “Saale-Elstar-Kanal”. The steady increase of industry and immigration was stopped by the world economic crisis in 1929, but numbers started to rise again under National Socialists leadership. The area gained on war-strategic importance and the chemical industry was enlarged. Another sector was wiped-out: Leipzig was known for a lot of jewish businessmen. In 1930 there had been 11 000 jewish workers, their share in tax receipts was nearly 40%. In 1938 the Nazi regime smashed 12 of 13 synagogues, disowned jewish businesses and finally expelled or deported them. With the key role in the Nazi regime Leipzig and the whole area became a target of aerial attacks and wide parts were destroyed. Nevertheless soon after the end of the 2nd World war Leipzig started with far-reaching clearing-works, but it wasn’t for long. In 1949 Germany was split in two parts and the whole area became part of the DDR under Socialist leadership. The new plans were not to revitalize, but to build something new. The new leadership focused on new housing projects which were build in the suburbs leaving the demolished inner city behind. And although new industrialized buildings arose offering new living space, the up-coming housing crises couldn’t be averted as it actually was just a replacement for seedy flats in old buildings. When the vacancy rates became obvious – in some parts of Leipzig vacancy rates reached up to 20% - the government finally started to revitalize old buildings in the center in the late 70s. But it was already to late and the situation couldn’t be solved before the fall of the Berlin Wall. You could actually say that the city’s slow downfall started with the end of the 2nd World War and it wasn’t actually caused by economic reasons, but by a mixture of the economic policy of the National Socialist regime, the 2nd World War and the separation in 1949. In the DDR the Leipzig area became a center of attention again: this time it was the resources that were valuable in a country poor in natural resources. With the “sovietization” companies had to go through major changes. Instead of supporting the growing petrochemistry, the brown coal industry was enlarged, which killed productivity but needed more manpower and probably led to the quick deindustrialization after 1989. Instead of getting known for modernization the Leipzig area got known as a symbol of natural devastation. Due to extensive brown coal winning and missing environmental investments the air pollution was tremendous. The data of sulfur dioxide, dust and heavy metals exceeded the approved data for days, rivers were dieing.
It wasn’t surprising that due to horrible working and living conditions and major environmental problems many people moved to the west in 1989. It’s been 16 000 people leaving Leipzig behind in 1989/90. Combined with a drastically shrinking birthrate, the long-term population decline was clear by that point. From an economic point of few the key phenomenon was deindustrialization, but the extend was underestimated at the beginning. Between 1990 an 1993 the area was hit by many close-downs and mass dismissals. During that period the area lost up to 90% of its former industrial jobs, Leipzig by itself lost 90 000 jobs. The unemployment figures rose up to 20%, but the government managed to cushion the blow a little bit by offering retraining or further education. Anyway it wasn’t a good surrounding to promote immigration.

REVITALIZATION
Soon after the reunion lots of investors tried to integrate the east by building huge shopping malls - “shop windows of the west”. It wasn’t always a good thing as their attempts of revaluation – big shopping malls in housing areas - destroyed working structures which had been successful for years. As an example you could list the construction of a huge shopping mall “Alleecenter” in Leipzig Grünau. Today it’s a free standing building as the housing constructions next to it have been torn down. But there are further revaluation attempts: The airport Leipzig/Halle has been reconstructed and reopened and there is a housing program to revitalize the neglected housing constructions in the city center that caused a beginning suburbanization as the not only quality of living was better in the outskirts but also it was much cheaper. Since 1998 the migration- and birthrate are rising again, but the low birthrate of recent years has caused a closure of child-care facilities and primary schools already. And there might be a second phase when the low-birth generation is reaching high school age.
Nevertheless Leipzig could get back on track as the city already managed to attract big companies like porsche and
BMW and they are known for a well-running infrastructure. Leipzig might always be a city with "green dots" but as economy is rising for the first time in years, there might be a brighter future.

3. CONCLUSIONS

It is estimated that the world’s population will stop growing by 2070 – 2010. Up to then cities in developing countries are expected to continue to grow, whereas some cities of the western world will have to deal with shrinkage, a phenomenon that has caused some major problems in cities all over the world. So it seems to be important to consider this phenomenon in city planning to design cities that can easily adapt to these kind of changes. Because – as we learned from history – it’s not only demographic change that triggers shrinkage, it could a wide range of economic, political, natural or structural reasons.

So it might be necessary to compile a catalogue of things, that could be affected by a sudden population loss:
- a birthrate decline would affect the education sector causing the closure of child-care facilities, schools or parts of higher education
- with an older generation there’s a need of more hospitals and caring facilities. You will also need more nursing personnel
- an older generation with a shrinking younger generation could cause a change of consumer behavior as they have different interests and needs
- how would it be possible to guarantee a pension system?
- a declining population makes it difficult to keep up the infrastructure; empty buses won’t go that often
- mono industry might be too risky

As I said before, the tricky thing is to consider all those possibilities in city planning to be able to maybe counteract by having a sustainable planning!
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