

Development of Cities in the Baltic Sea Region, Introduction to VASAB study

**VASAB Workshop “Smart urban governance in times of transition.
Resilience of small and medium cities in the Baltic Sea Region”**

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Liepāja, 6 Sep, 2018



Baltic Sea Region - Territorial Monitoring

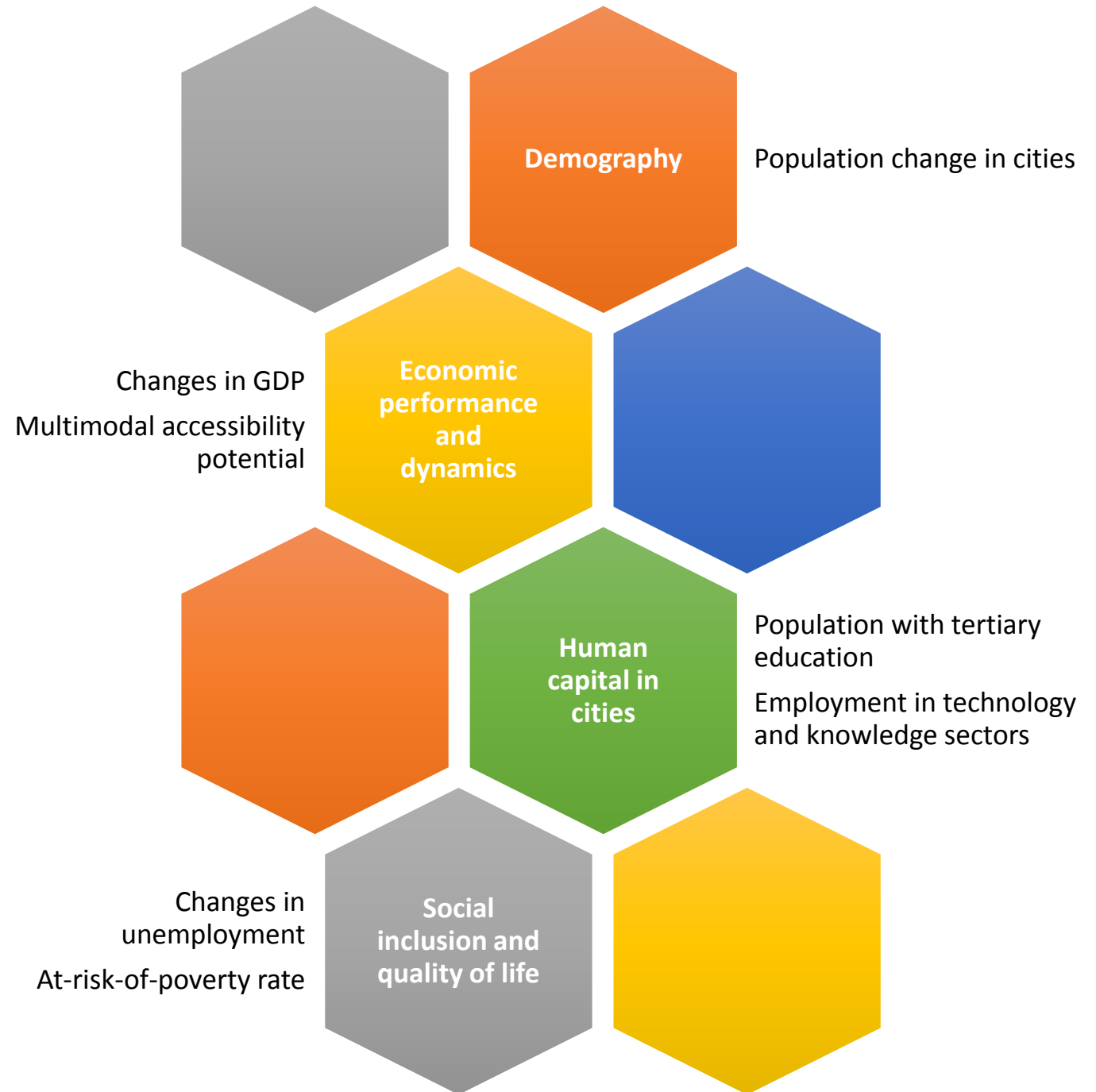
7 Indicators

- Based on BSR TeMo

127 largest cities

- Population over 100,000 including suburbs (urbanised areas).
- For countries with lower population densities (NO, SE, FI, EE, LV, LT) cities with a population > 50,000

Data for 2005-2015 where available



Cities in BSR

Global metropolises (4 – 6m)

Saint Petersburg, Berlin

European metropolises (1,9-2,8m)

Warsaw, Hamburg, Katowice,
Minsk, Stockholm and Copenhagen

Regional metropolises (0,7-1,3m)

Helsinki, Oslo, Krakow, Gdansk,
Bremen, Lodz, Gothenburg, Riga,
Poznan and Wroclaw

National and regional centres of development



Shanghai, China

municipality - 24 mil,
urban - 34 mil



Demography

Significant growth, active suburbanisation

- Bergen, Stavanger, Oslo, Stockholm, Malmö
- Cities in Poland, population around Riga, Vilnius, Tallinn and Tartu.

Moderate growth

- Warsaw, Berlin, Hamburg, Rostock, Kaliningrad

Decline

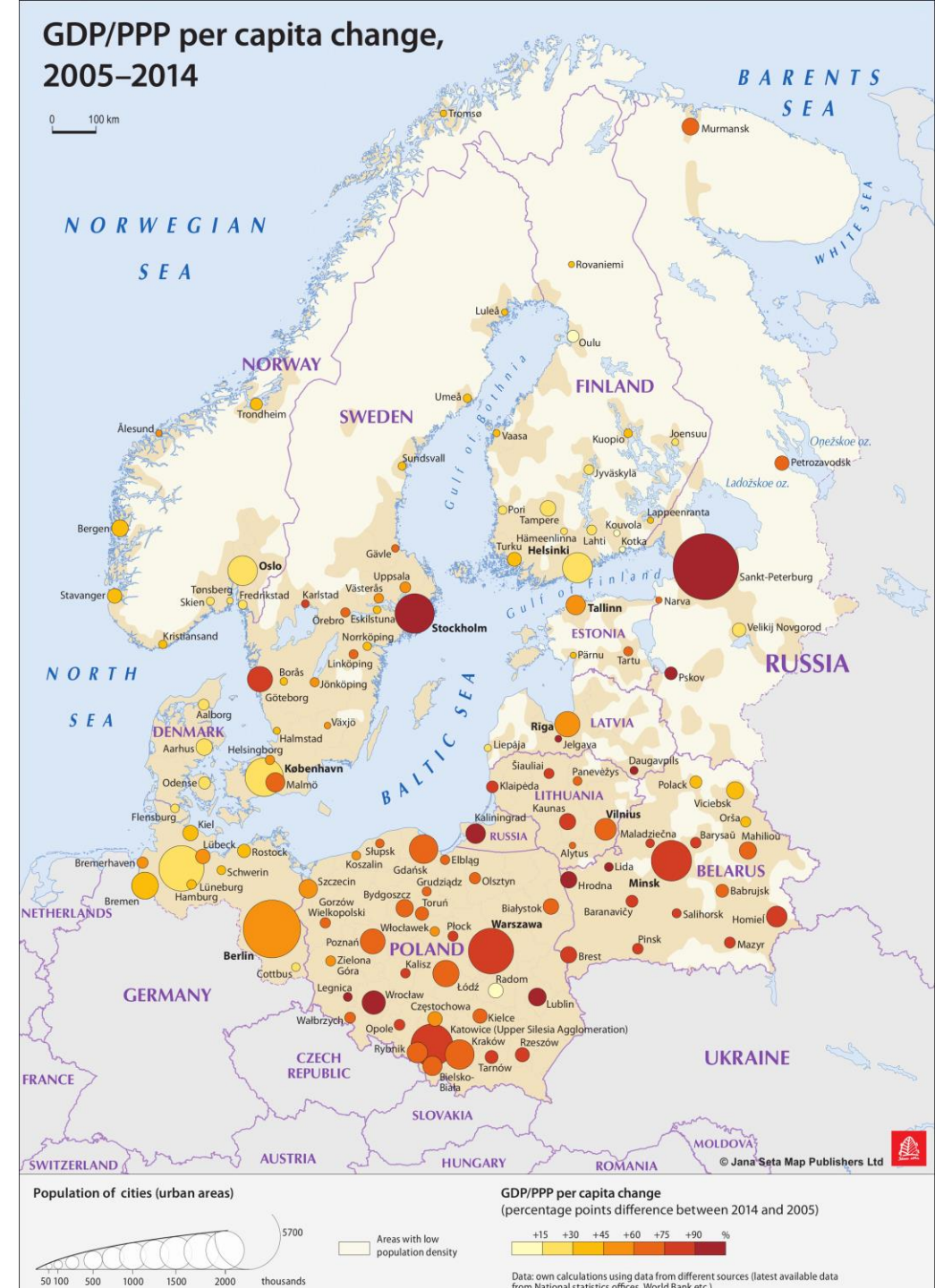
- Cities in Eastern Germany, Poland's former industrial centers, smaller cities in Lithuania, Latvia



Economic Performance and Dynamics

Eastern economies: still less economically developed, but faster growth

Western economies: Moderate economic growth, high income levels



Accessibility

Still East-West divide Exception – Poland

A challenge for the Baltic States Less integrated in terms of high speed motorway and railway connections.

Unrealised potential of Saint Petersburg and Belarus: long and unpredictable border crossing

Improvements continue across the Southern-Northern dimension

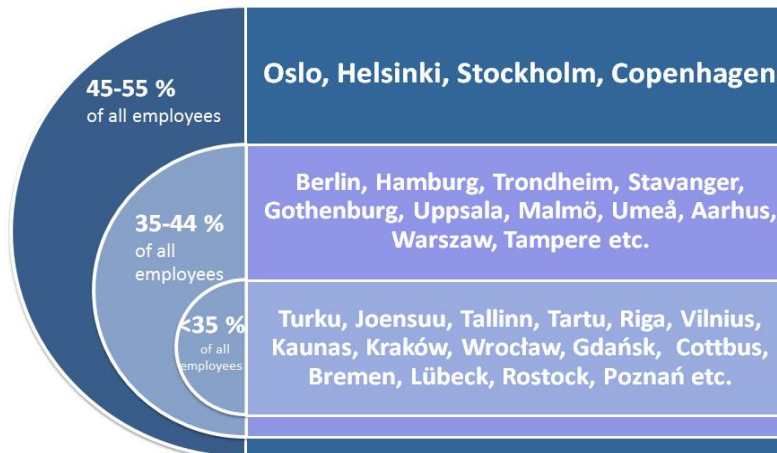


Human Capital

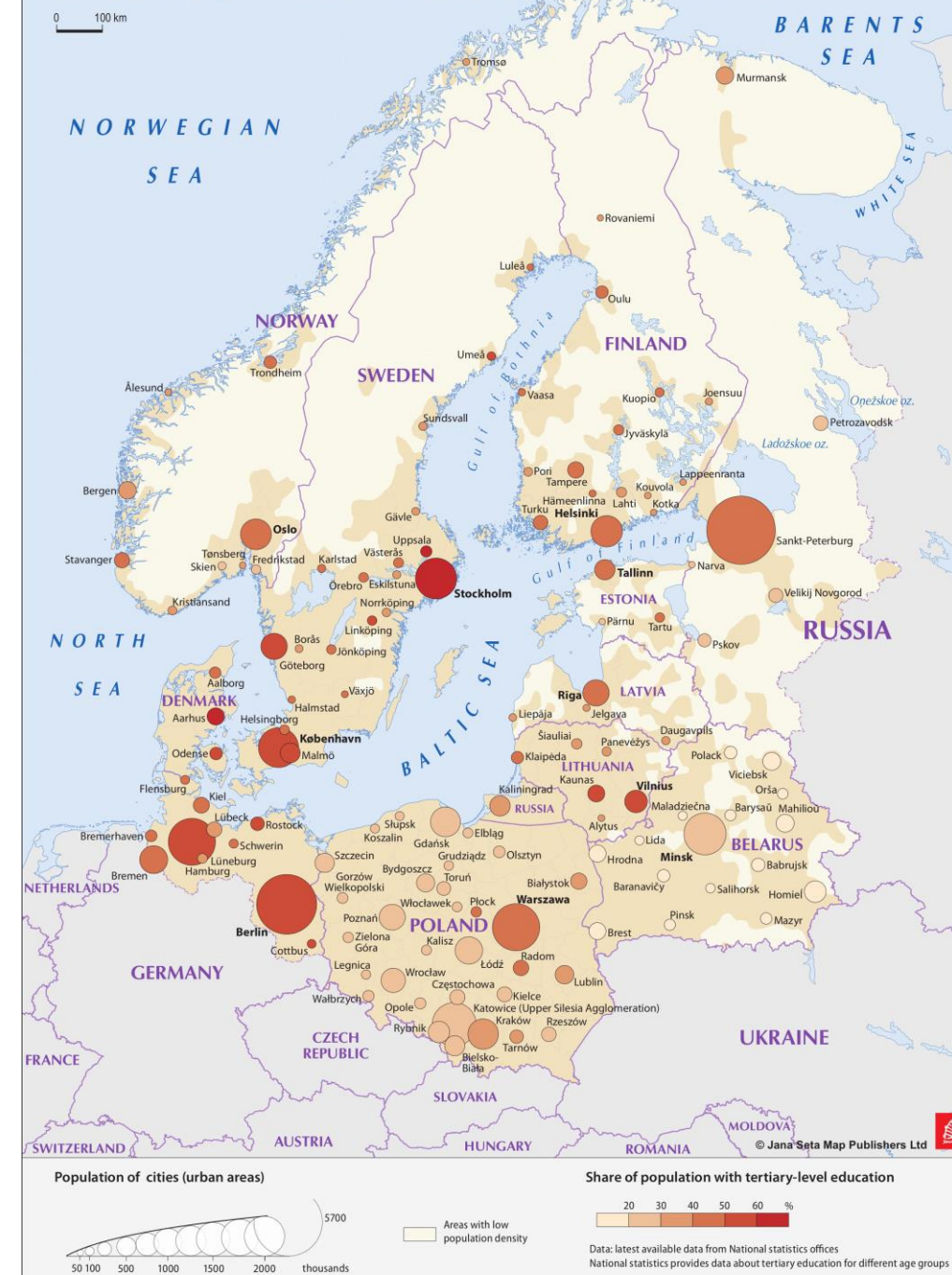
Population with tertiary education



Employment in technology and knowledge sectors

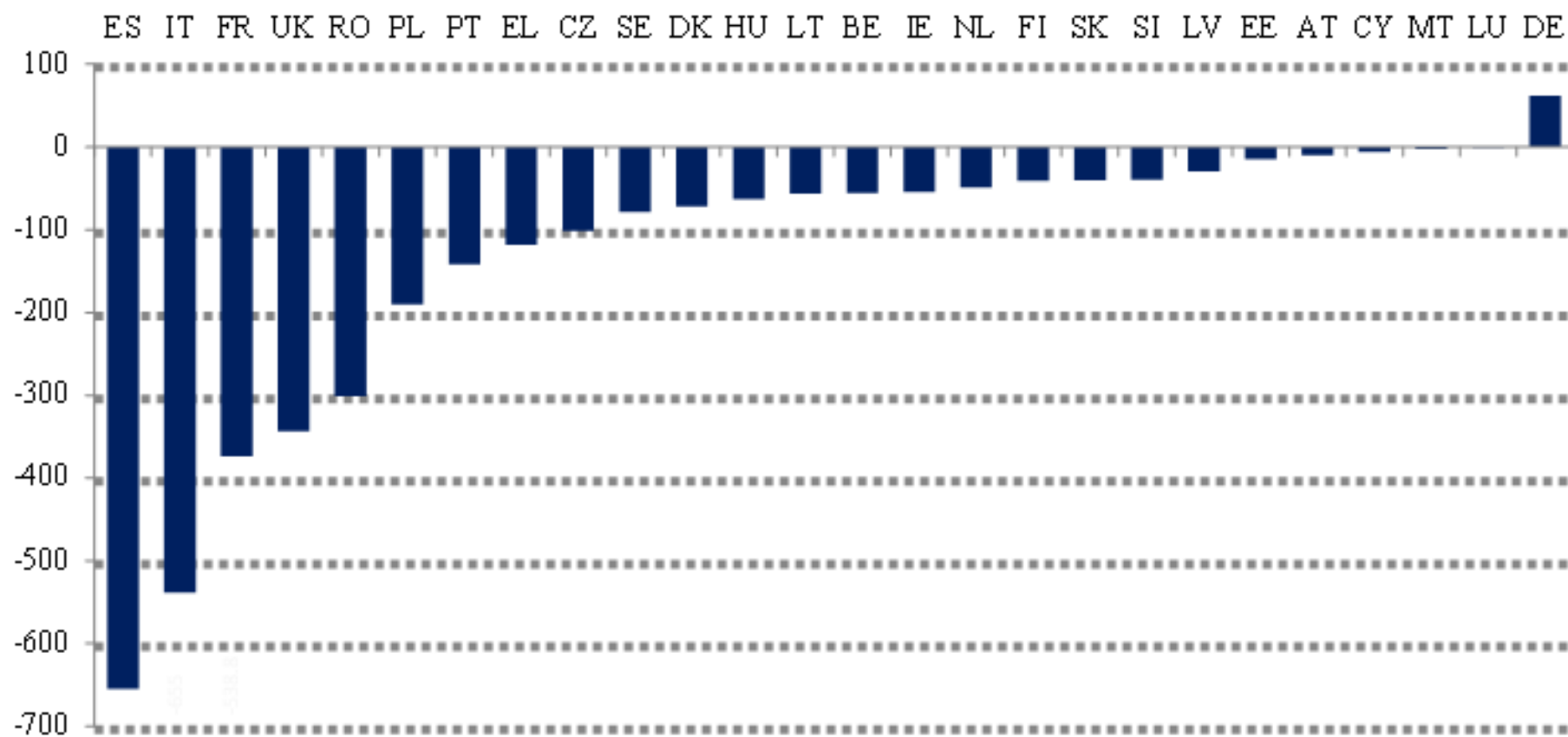


Share of population with tertiary-level education



Manufacturing jobs on decline

Net job creation in manufacturing in the Member States (2007-12; in thousands)



Note: Data for Bulgaria and Croatia not available.

Source: Eurostat

Poverty

Mixed results

Complex phenomenon

Need for integrated approach



Nine Gateways

- High economic performance
- Capitals with strategic positions in the service and finance economy
- Territorial polarization effects

Low vulnerability North

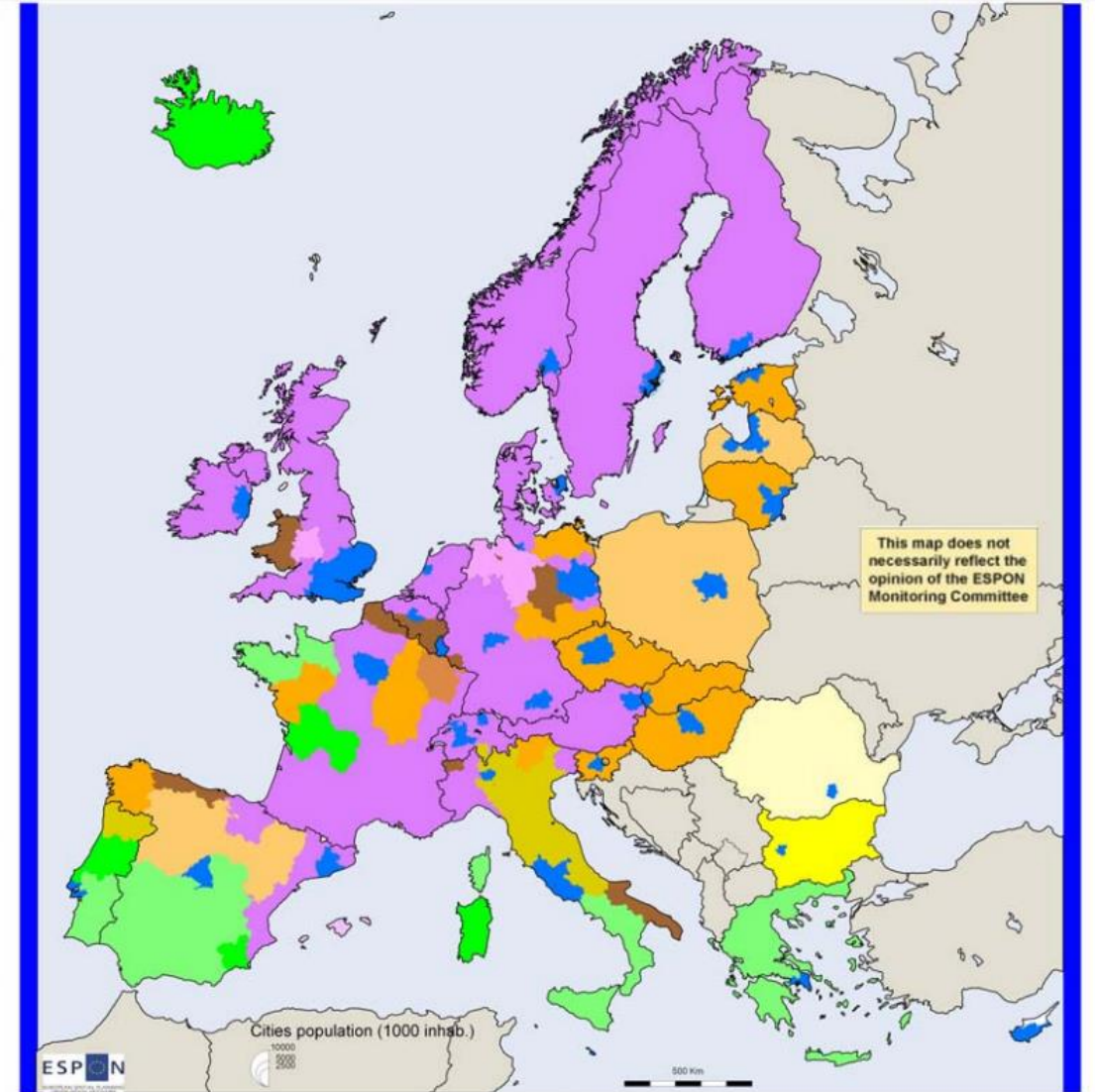
- Top positions in global value chains because of technological know-how
- Presence of large companies/SMEs depending on large companies

In-between East

- Converging to EU average
- Still lower labour costs + close market proximity = advantage
- Presence of non-national corporate firms
- Increasing competition from low cost economies

High vulnerability areas

- Specialized in labour intensive sectors
- Locked in on subcontracting, limited access to resources, knowledge and freedom to make decisions



Source: ESPON Tiger project
([Territorial Impacts of Globalization for Europe and its Regions](#))

Policy Considerations ...

Economic development

- How to benefit from increasing openness?
- How to reinforce territorial embeddedness of capital?

Connectivity

- Does connectivity benefit all cities?
- How to provide efficient and affordable public transport systems?

Human capital

- How to deal with population decline – invest in child care, enhance job opportunities for people with reduced mobility, life long learning, teleworking, integration of migrants

Poverty

- How to create an integrated anti-poverty approach?

Governance

- How to set up tailored policies for all types of areas ?
- How to manage extending urban functional areas?
- ...

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