

Trend Scenario: Spatial structure and urban hierarchy in 2030

Urban typology:

- Global City
 - European Engine
 - Strong MEGA
 - Potential MEGA
 - Weak MEGA
 - Regional/Local City
- Attraction and polarisation potential of metropolitan area
- Area of concentration of flows and activities

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An image of Europe in 2030: A territorial trend scenario

A simplified image of the European territory, based on the continuation of current trends and policies illustrates the probable result of this “trend” scenario.

The following assumptions regarding autonomous trends and policy decisions were used to produce the trend scenario:

- Total EU population increases only through enlargement
- Increasing, but globally controlled external migration.
- Slowly increasing total activity rate.
- Slowly growing R&D expenditures, but technological gap with the US persists.
- Decreasing public expenditure.
- Steady increase of energy prices.
- Further liberalisation of international trade.
- Progressive reduction of CAP budget.
- Little coherence between policies devoted to innovation and competitiveness and those devoted to cohesion.
- Moderate overall climate change (+1° C) but increased frequency of extreme local events.
- Enlargement: Western Balkans (with Croatia acceding first) by 2020 and Turkey by 2030.

The territorial outcomes of this scenario can be summarised as follows:

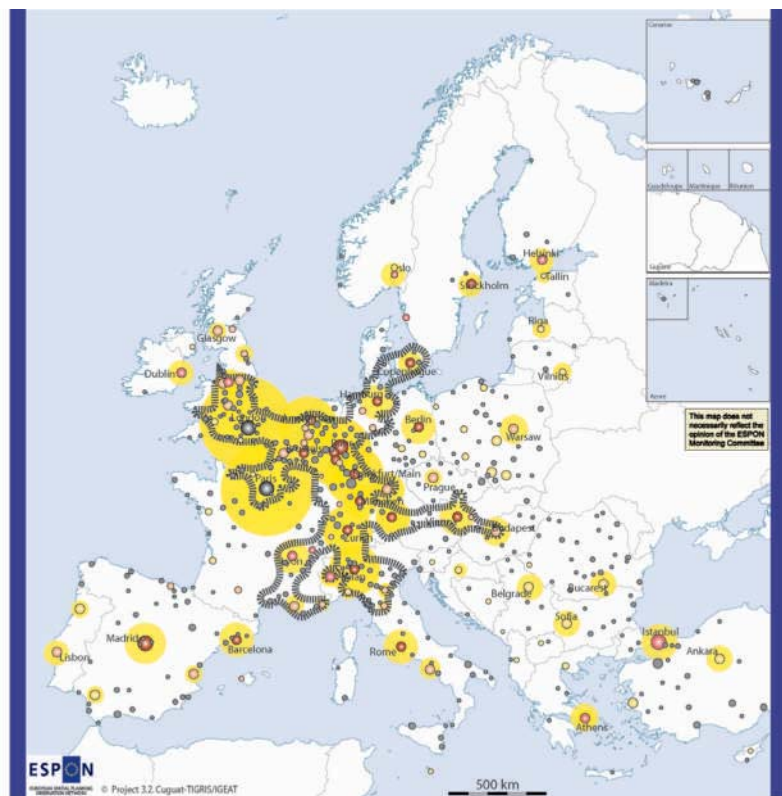
A remarkable concentration of activity has occurred in the metropolitan areas of the central economic area, the Pentagon, but also in less central regions (mainly capital cities and other European engines). As a result, the Pentagon has

extended outwards along main transport corridors in the direction of major metropolitan areas like Barcelona and Madrid, Rome, Glasgow, Copenhagen, Stockholm and Oslo, Berlin and Warsaw, Prague, Vienna and Budapest.

At the same time, various areas are at risk of economic decline. The marginalisation of some rural areas has continued unabated. In some areas, the number of available jobs has plummeted. In others, population ageing and even depopulation have reached critical levels. Globalisation has impacted many industrial regions with low or intermediate technologies. The most severely affected areas are located in central and eastern Europe.

External immigration has continued, with immigrants settling mainly in large metropolitan areas, including central and eastern European cities. The areas with a high potential for tourism and retirement have specific geographical attributes (coastal, lake and mountain regions), while ageing areas are mainly found in remote rural regions without specific attractiveness. Various regions especially in southern Europe are subject to the impacts of natural hazards, mostly due to climate change.

PROBABLE TERRITORIAL IMPACTS OF A COMPETITIVENESS-ORIENTED POLICY SCENARIO



Competitiveness-oriented Scenario: Spatial structure and urban hierarchy in 2030

Urban typology:

- Global City
 - European Engine
 - Strong MEGA
 - Potential MEGA
 - Weak MEGA
 - Regional/Local City
- Attraction and polarisation potential of metropolitan area
- ⋯ Area of concentration of flows and activities

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Competitiveness as main driver

In the competitiveness-oriented scenario, most of the autonomous developments (i.e. globalization, climate change) identified in the trend scenario were held constant. The difference lies in the policy response. In this scenario a 'policy mix' is created which is aimed at boosting Europe's competitiveness. This 'policy mix' comprises the following measures.

- Strong reduction of the total EU budget, and a retargeting of funding towards R&D, education, ICT and strategic external accessibility. CAP and ERDF budgets are reduced significantly.
- Focus of EU-policies on regions with strongest potentials.
- Further liberalisation and privatisation of public services.
- Priority given to enlargement.
- Immigration promoted to enlarge labour-force.
- Investments in infrastructure are performed according to market demand.
- Mitigation measures related to climate change are based on flexible schemes, adaptation measures implemented only when cost efficient.
- Environmental measures undertaken only if market-efficient.
- Wider application of the Open Method of Coordination.

The territorial outcomes of this scenario can be summarised as follows:

The attraction and polarisation potential of metropolitan areas is particularly strong and activities are concentrated in the traditional Pentagon. Only very few metropolitan areas beyond it are able to generate significant attraction and polarisation effects. The area of concentration of flows and activities is much more limited than it would be following current trends. It covers only parts of the traditional Pentagon, although it also extends out along a few major corridors, to reach Vienna and Copenhagen.

The risk of rural marginalisation is much more intense than with current trends. The areas at risk of industrial decline are more numerous and the intensity of risk is also higher.

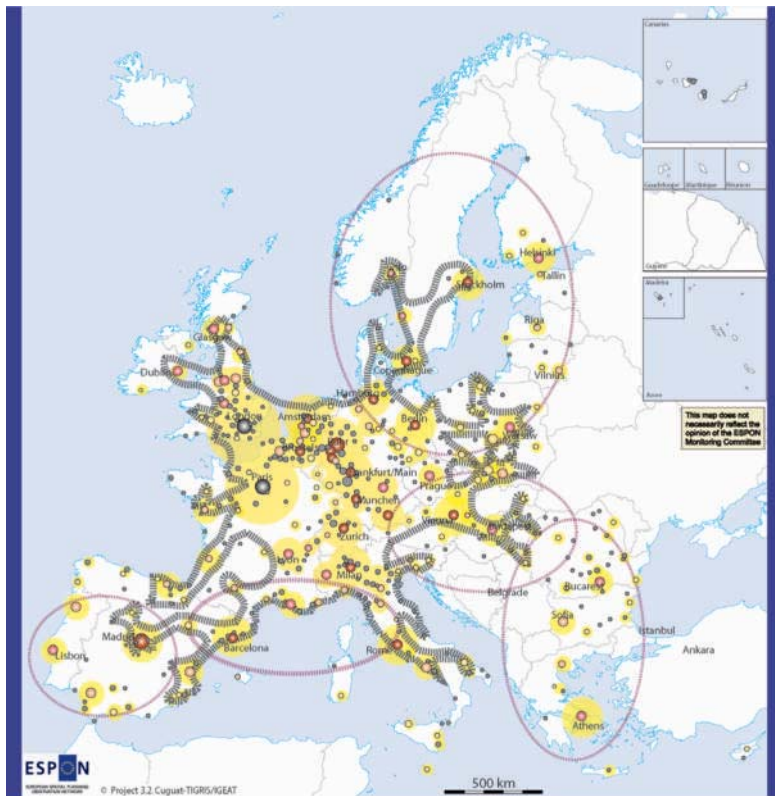
External immigration flows are particularly intense. The areas with high potential for tourism and retirement are similar to current trends, but the areas with severe population ageing, generally in remote rural regions, are more extended. Impacts of natural hazards (drought, fires, and floods) are more intense than expected by current trends.

Contrast to the trend scenario

In the competitiveness-oriented scenario, the change in policy mix has produced the following effects with respect to the trend scenario:

- Lower median age in general.
- Higher economic growth, but more concentrated in territorial terms.
- Greater socio-economic polarisation, spatial segregation and conflict in the population.
- Regions with metropolitan areas clearly favoured by demographic and economic growth.
- Significant suburbanisation.
- Disadvantaged rural areas more seriously affected.
- Higher emissions levels.

PROBABLE TERRITORIAL IMPACTS OF THE COHESION-ORIENTED POLICY SCENARIO



Cohesion-oriented Scenario: Spatial structure and urban hierarchy in 2030

Urban typology:

- Global City
 - European Engine
 - Strong MEGA
 - Potential MEGA
 - Weak MEGA
 - Regional/Local City
- Attraction and polarisation potential of metropolitan area
- Area of concentration of flows and activities
- Emerging peripheral integrated zone

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Cohesion as main driver

In the competitiveness-oriented scenario, most of the autonomous developments (i.e. globalization, climate change) identified in the trend scenario were held constant. The difference lies in the policy response. In the cohesion-oriented scenario, a 'policy mix' is created which is aimed at improving cohesion in Europe. This 'policy mix' comprises the following measures.

- Maintaining the volume of the EU budget, reinforcement of the Structural Funds.
- Concentration of European policies on the weakest regions.
- More public intervention and more decentralised and coherent governance.
- No new EU enlargements: priority given to deepening EU cooperation.
- Restrictive policy on external immigration.
- Peripheral regions given priority for infrastructure investments.
- Promotion of decentralised energy production, particularly renewables.
- Strict climate change mitigation measures, wide range of adaptation measures.
- Strict environmental measures.
- Active multi-level territorial governance in areas supported by the Structural Funds.

The territorial outcomes of this scenario can be summarised as follows:

The image of the European main territorial structure reveals a more diffused pattern as far as the attraction and polarisation potentials of metropolitan areas are concerned. Urban settlements are characterized by greater polycentricity, stretching over larger swathes of the European territory than in the trend scenario.

In contrast to the trend scenario, several well-performing integrated zones have emerged outside the Pentagon, also in

more peripheral areas. The Pentagon has grown and includes a larger number of cities outside this area.

The number of areas at risk of marginalization and of declining activities is comparable to the trend scenario, but their size is reduced and intensity lower. The areas with high potential for tourism and retirement as well as those with severe population ageing remain similar.

The impacts of natural hazards (drought, fires, and floods) are much lower than expected with respect to the current trends.

Contrast to the trend scenario

In the cohesion-oriented scenario, the change in policy mix has produced the following effects with respect to the trend scenario:

- More regionally balanced population structure.
- Lower total economic growth, but better distributed geographically.
- Lower global competitiveness of European metropolitan areas.
- More favourable evolution of non-metropolitan regions, including mid-sized towns.
- More widespread progress in accessibility.
- Less pronounced socio-economic polarisation and segregation in cities.
- Better integration of disadvantaged population groups into the labour market.
- Lower emissions levels in general.
- Rural areas generally more prosperous through economic diversification.
- Climate change has less damaging effects.
- More protection of natural and cultural heritage.