



Resituating the Local in Cohesion and Territorial Development

# Trajectories of spatial justice and actions to achieve it across Europe

**Deliverable D8.3 – Report on alternative scenarios for case study regions**

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## List of abbreviations

AI	Artificial Intelligence
CAP	Common Agriculture Policy
CC&D	Contextual Conditions and Drivers
CP	Cohesion Policy
CS	Case Study
EU	European Union
GHG	Greenhouse Gases
GIS	Global Information Systems
GNI	Gross National Income
IPCC	Inter-governmental Panel on Climate Change
IoS	Internet of Services
IoT	Internet of Things
MM	Mechanism Map
MS	Member State
SME	Small and Medium Enterprises
SSSI	Site of Special Scientific Interest
TEN-T	Trans-European Transport Network
ToC	Theory of Change



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# 1 Executive summary

## 1.1 Background and methods

This report presents the results of RELOCAL **Work Package 8** 'Coherence and scenarios' in the form of a comparative analysis of mid-term (2030) spatial justice scenarios elaborated for the 33 RELOCAL case studies, and of lessons learned from this exercise. It builds on the theoretical background defined in D1.2 'Revised conceptual framework for the project' (Madanipour et al. 2020), the scenario methodology presented in D8.1 'Methodological framework for developing scenarios of case study regions' (Tobiasz-Lis et al. 2018), and the reconceptualisation of spatial justice in D8.2 'Towards an operational concept of spatial justice' (Copus et al. 2019).

The goal of the scenario exercise was to identify **plausible changes in terms of spatial justice** in the case study locations; the **potential to achieve or improve it** in a ten-year period; and to assess the mid-term **effectiveness of the actions** in this regard. The methodology of analysis includes elements of **Theory of Change (ToC)** and **morphological scenario** elaboration, which were integrated in a novel approach. Plausible scenarios were defined according to nine nexus of change with different degrees of relevance at the local level and each nexus could assume one of four different states with varying degrees of uncertainty. The expected states of the nexus, reported in a nexus-state array, were used to review case-specific baseline mechanism maps illustrating the intervention logic underlying the actions, its contextual conditions and baseline assumptions (Copus et al. 2019). The nexus-state arrays and the revised mechanism maps are discussed separately for each of the three **manifestations of spatial (in)justice** identified in D8.2, namely **(1) territorial disadvantage**, **(2) neighbourhood effects**, and **(3) disempowered places**. Since the analysis was finalised before the outbreak of the Coronavirus pandemic, its effects were not considered in the elaboration of the scenarios.

## 1.2 Findings

The **scenario** exercise showed that, amongst all the case studies, two nexus of change felt to be particularly important for the future of the localities in 2030 were **demographic changes**, and **changes in governance and configuration of power**, whilst those of lowest importance included **climate change mitigation and adaptation**, **neighbourhood diversity and segregation**, and **changes in the centrality of places** due to new mobilities and digitisation. In the *territorially disadvantaged* case studies, the future **agglomeration or dispersal of economic activities** was also assessed as important, but the picture was similar more generally; in the case studies affected by *neighbourhood effects*, local **diversity and segregation** and the future role of **equity** in policy design were regarded as most important; whilst in *disempowered places*, **governance and configuration of power** ranked as important. Some trends did stand out, particularly the high likelihood of **demographic depletion** in case studies affected by *territorial disadvantage*. Generally, the future of case study localities emerged as **difficult to predict**, highlighting the **importance of place-specificity** to future trends. Accordingly, 29 out of 33 case studies also identified a **local nexus**. The local nexus was added to allow case study localities to highlight the importance of unique place-based specificities for promoting spatial justice; and allow researchers to consider the ways in which localities can **play to their strengths** instead of being targeted for their weaknesses.

The revision of the **ToC mechanism maps** reflected the challenges and opportunities identified in the nexus state array. In particular, the **loss of human capital and of capable leaders due to demographic depletion** in (primarily rural) *territorially disadvantaged* places is expected to trigger a vicious cycle of decline that will reduce the capacity of the action to achieve its spatial justice goal in the locality within which it is situated. Downscaling of the goal is less frequent in the (urban) localities affected by *neighbourhood effects*, whose actions maintain the same goal or switch towards preservation of the results achieved, although the assumption of a minimum initial level of (human, built-up, institutional and financial) capital will undermine the effectiveness of these actions in the most deprived locations. Key long-term assumptions include a **continuity of (mostly EU) financial support**; **strong emotional links** of the people **with their territory**; and a persisting **political will** to address injustice(s). When these do not hold, a more realistic goal of pursuing **relative rather than absolute equality** of opportunities and out-

comes is envisaged. Bottom-up actions seem more successful than those which are top-down, but this is also due to their more limited scope and ambitions. Adaptation strategies include a stronger focus on **'soft', immaterial interventions** (less expensive, but implying more uncertain causal paths than 'hard' infrastructure) and the adoption of an **entrepreneurial approach** cantered on comparatively more competitive sectors. Recurring opportunities to redirect the action are the **valorisation of environmental assets** and **healthy and sustainable food** production; both are linked to the priorities of the next EU programming period. Emerging challenges include the persistence of **stigma**, often embedded in existing institutions and approaches; the reproduction of spatial injustice at a lower level (e.g. between neighbouring villages; within new, larger municipalities; within neighbourhoods); and the loss of identity through gentrification. Going beyond the *project* approach by integrating the action into a **long-term higher level programme** seems key to ensure its success.

### 1.3 Policy implications

Place-based initiatives are resistant to broad generalisation, their specificities being their *raison d'être*. Therefore, the 'lessons learned' are necessarily at a high level of abstraction. First, the scenarios revealed a clear, but not universal, **pessimism** about the capacity for local, bottom-up initiatives to effectively deliver spatial justice under a wider, neo-liberal socio-economic system actively perpetuating inequality of all kinds. This recurring 'lesson' holds that to mitigate spatial injustices, **policy objectives need to be decoupled from economic growth**, particularly in the context of population decline. The principal negative mechanism identified is agglomeration, which concentrates resources in urban centres, particularly large cities. Centralisation is antithetical to place based, bottom-up approaches, starving them of resources and agency. Equally, **macro-structural deficiencies**, like tax differentials between municipalities, are highly likely to hinder the effectiveness of local, bottom-up initiatives. A radical paradigm shift away from neo-liberalism does not represent the most likely scenario in any of the case studies, but without one, agglomeration effects will continue to drive outward youth migration and the **prevailing absence of redistributive national policies** will prohibit effective evening-up in areas where degrowth has been in effect.

Secondly, we identify a need for **co-ordinated governance approaches** both **vertically**, to connect local development strategies to those at the regional, national and EU level, **and horizontally** between institutions and other stakeholders. The presence of an intermediary agency or actor co-ordinating governance efforts will play an effective role in the longer-term. Without this, the power imbalances between hierarchies and the lack of joined-up strategy from silo to silo will likely result in local measures, however promising, fail to be **translated into policy**, seeing hard-won gains subject to erosion, being derailed because of political change, running out of funds, or failing to enrol successors. In some cases, there was optimism where integration has been judged effective and where a scenario of continuing spatial justice enhancement can be plausibly anticipated. However, the synopsis is that the existing interplay between structures is inadequate and ineffective.

Thirdly, there were also concerns around **paradoxical disadvantages** created where measures in one place relatively disadvantaged neighbouring villages or districts. Localities can not only outperform one another in terms of elevating those targeted by an action over those excluded but can also gain advantage through the **inequalities of competitive funding**.

Drawing on the above findings, we can add some nuances to the paradigms identified in Copus et al. (2020):

- Wellbeing can be improved by attention to the **built environment and open space**, but this requires **resources** which may not be locally available in the most disadvantaged places.
- Local development and wellbeing is contingent upon endogenous processes rooted in **community and social capital**, and is thus seriously threatened by **population decline**.
- **'Identity'** will become increasingly important both in the sense of attachment to a locality, which reinforces **commitment** and reduces depopulation, and in the sense that it highlights the **unique assets** of the locality as a starting point for 'place making', although the opportunity window in this regard is narrowing due to many localities adopting similar strategies.

- Human capital and the promotion of an **entrepreneurial environment** and innovation will become the main strategy to raise local economic performance, but this implies **competition** between places, and long-term spread effects for the rest of the locality are uncertain.
- **Administrative scale economies** and cooperation may give greater weight to the voices of smaller localities and their administrations if the new entity is *comparatively* strong at regional level, but there is a risk of reproducing spatial inequalities at a lower level.

Bottom-up approaches relying on endogenous processes rooted in community seemed, in practice, unsuited to an equitable spatial distribution of resources and opportunities, being more geared towards **raising-up some, rather than evening-out generally**. This negative prognosis must be set against a minority of more optimistic scenarios recognising the scale of the challenge but remaining open to the possibility of paradigmatic change.



## 2 Introduction

This report presents medium-horizon (2030) future scenarios in terms of spatial (in)justice and the actions addressing it in the 33 RELOCAL case study locations. It draws from the third objective of WP8 of the RELOCAL project, namely “*formulating alternative scenarios for spatial justice of specific types of European regions and typologies whose representatives were the subject of case studies research in WP6*”. This activity was implemented in the framework of RELOCAL task 8.3, which consists in an “*empirical work on formulating alternative scenarios for specific types of European regions being subjects of case studies, involving experts [...]. The task aims at (1) selecting opposing key drivers to generate a range of different but plausible scenarios; (2) developing scenario ‘stories’ and identifying impacts of alternative scenarios on regions as the final key stage of scenario building*”. The starting point of our scenario analysis were the ToC mechanism maps presented in RELOCAL deliverable D8.2 ‘Synthesis report: Towards an operational concept of spatial justice’ (Copus et al. 2019), which led to a subsequent deliverable focusing on “*likely future development of the case study contexts, the actions, and the aspects of spatial justice which are the focus of the case studies*”.

The **goal** of this deliverable is thus to **comparatively discuss the spatial justice scenarios**, and the **revised intervention logic of the actions** analysed in the 33 RELOCAL case studies **in 2030**, with a view to **drawing lessons for the design of future policy interventions**. The scenarios elaborated by the case study partners in collaboration with local stakeholders and experts are discussed along the three **manifestations of spatial (in)justice** identified in D8.2, and namely **(1) territorial disadvantage** (19 case studies), **(2) neighbourhood effects** (11 case studies), and **(3) disempowered places** (three case studies). A classification of the 33 RELOCAL case studies based on this typology is provided in Table 1. The unique codes included in this Table are used during the report to refer to single locations and related actions. Apart from the type of spatial (in)justice addressed and the country where the case study area is located, Table 1 also includes information on the welfare regime in force in the country, and the seven dichotomic dimensions of **policy approach** underpinning the actions (defined in Copus et al. 2019). Relevant differences along these dimensions are identified in the discussion of the scenarios and of the ToC mechanism maps.

Although each case study was assigned to a specific type of spatial (in)justice, elements characteristic of other types can also exist, e.g. a geographically disadvantaged area can experience *disempowerment* due to deindustrialisation (EL3, FR17), or *neighbourhood effects* (stigma) due to their ethnic composition (HU13) or to a peripheral location (FI12). The type assigned is based on the aspects of spatial injustice which seem to have the largest impact on the case study area.

Scenario methods are qualitative methods to identify the drivers of certain phenomena (in our case spatial injustice) based on expert opinion. In the following, rather than a range of different scenarios, a single, **most plausible scenario in 2030** is identified for each case study location. However, case study partners were asked to rate the *relevance* for their locality of a set of *drivers* of changes (so-called nexus), and the *likelihood* of each of four states of each nexus. The different (and sometimes similar) levels of likelihood of the states imply an **uncertainty** that is illustrated in *scenario stories* called ‘pen pictures’, providing a *range of different but plausible* evolutionary paths for spatial justice in each case study location. The implications of the scenarios for the functioning of the action are systematised in a revised ToC mechanism map.

Copus et al. (2019) identify five different **paradigms** underpinning the actions addressing spatial (in)justice, whose resilience in the medium-term horizon is assessed here: **(1)** that wellbeing can be improved by attention to the built environment and open space; **(2)** that local development and wellbeing are contingent upon endogenous processes rooted in community and social capital; **(3)** that ‘identity’ – i.e. attachment to the locality and uniqueness of its assets – is a starting point for ‘place making’; **(4)** that human capital, entrepreneurship, and innovation raise local economic performance, with beneficial spillovers for the rest of the locality; **(5)** that administrative scale economies and cooperation can give greater weight to the voices of smaller localities and their administrations.

The scenarios presented here were elaborated by RELOCAL case study partners before the outbreak of the Coronavirus (COVID-19) pandemics in Europe at the end of February 2020. Therefore, they do not take into account the potential effects of this crisis on the economy (including redistributive measures for recovering from the lockdown) and on the society (reduced mutual trust, or re-evaluation of the social di-

mension). We decided to ignore these new developments in the following discussion, which should thus be understood in the pre-pandemic context. However, we feel that many of the negative trends we identified in the plausible scenarios may be amplified by the pandemic.

The rest of the report is organised as follows. Section 3 illustrates the methodology followed to elaborate the scenarios and review the ToC mechanism maps. Section 4 discusses the spatial justice scenarios in 2030 as emerging from the nexus-state array and the 'pen pictures'. Section 5 presents the impacts of future dynamics on the intervention logic of the actions and thus on the mechanism maps illustrating them. Section 6 summarises the lessons learned on spatial justice and its evolution. Section 7 concludes by drawing policy implications.



Code	Name of the case study	EU MS	Spatial justice type	Welfare regime	Hard vs. soft	Procedural vs. distributional	Opportunities vs. outcomes	Community vs. individuals	Bottom-up vs. top-down	Broad vs. focused	External vs. internal
DE1	Smart Countryside Ostwestfalen-Lippe	DE	TD	ST	M	M	OP	C	M	F	E
DE2	Youth Centre Görlitz	DE	TD	ST	S	P	OP	C	BU	F	M
EL3	Post Mining Regional Strategy for W. Macedonia	EL	TD (DP)	FA	M	P	OP	C	TD	B	E
EL4	Alexander Innovation Zone	EL	TD	FA	M	M	OP	M	M	F	M
EL5	Overcoming Fragmentation in Territorial Governance	EL	DP	FA	S	P	OP	C	TD	B	M
EL6	Karditsa's Ecosystem of Collaboration	EL	TD	FA	S	P	OP	I	BU	F	M
ES7	Monistrol 2020 – Local Strategic Plan	ES	TD	FA	M	M	M	C	TD	B	M
ES8	Llei de Barris in Premià de Dalt	ES	NE	FA	M	D	M	C	M	B	E
ES9	Transformation Plan for La Mina Neighbourhood	ES	NE	FA	M	D	OP	C	TD	B	E
ES10	Assoc. of Municipalities – Eix de la Riera de Caldes	ES	DP	FA	M	M	OP	M	BU	F	E
FI11	Liekka Development Strategy 2030	FI	TD	SO	S	M	OP	C	BU	B	E
FI12	Civil Action Initiative in Kotka	FI	TD (NE)	SO	S	M	OP	C	BU	B	E
HU13	Give Kids a Chance	HU	TD (NE)	MX	S	M	OP	M	TD	F	E
HU14	Gyögy-Telep – Urban Regeneration	HU	NE	MX	M	D	M	M	TD	M	E
HU15	Production Organisation – Szentes Town	HU	TD	MX	S	P	OU	C	BU	F	E
HU16	Balaton LEADER	HU	TD	MX	S	P	OP	C	M	B	I
FR17	Euralens	FR	TD (DP)	ST	S	M	OP	C	M	B	E
FR18	EPA Alzette-Belval	FR	DP	ST	M	M	OU	C	TD	M	E
NL19	Northeast Groningen	NL	TD	ST	M	M	M	M	BU	F	I
NL20	National Programme Rotterdam South	NL	NE	ST	M	M	M	M	TD	B	E
PL21	Participatory Budget for Lodz	PL	NE	MX	M	M	OP	C	BU	B	E
PL22	Communal service – social cooperative	PL	NE	MX	S	P	OU	M	M	B	E
PL23	Goth Village	PL	TD	MX	M	D	OP	C	BU	F	E
PL24	Rural Public Spaces	PL	TD	MX	H	D	OU	C	M	B	E
RO25	Pata Cluj Project	RO	NE	MX	M	M	M	M	TD	B	E
RO26	Mara-Natur LEADER	RO	TD	MX	M	M	OP	C	M	B	E
RO27	Mălin-Codlea	RO	NE	MX	S	P	OU	I	TD	F	E
RO28	Regenerating Plumbuita	RO	NE	MX	H	D	OU	C	TD	B	E
SE29	Digital Västerrbotten	SE	TD	SO	M	P	OP	C	TD	F	I
SE30	Stockholm Commission	SE	NE	SO	S	M	OP	C	TD	B	E
UK31	Northumberland LAG	UK	TD	LI	M	D	M	M	M	B	E
UK32	Homelessness Project in Lewisham	UK	NE	LI	M	D	M	M	TD	F	I
UK33	Strengthening Communities – Isle of Lewis	UK	TD	LI	M	D	OP	C	M	F	E

Table 1. Case studies and their classification in terms of spatial (in)justice addressed, welfare regime, and dimensions of the action's policy approach.

*Note: Spatial justice types: territorial disadvantage (TD), neighbourhood effects (NE), disempowered places (DP). Welfare regimes: family-based (FA), mixed (MX), liberal (LI), society-based (SO), state-based (ST); Dimensions of policy approaches: hard (H) vs. soft (S), procedural (P) vs. distributional (D), opportunities (OP) vs. outcomes (OU), community (C) vs. individuals (I), bottom-up (BU) vs. top-down (TD), broad (B) vs. focused (F), external (E) vs. internal (I), mixed (M). For further details on the spatial justice type and the dimensions of policy approaches, see Copus et al. (2019).*

### 3 Scenario and re-mapping methodology

This Section provides an overview of the methodology followed to elaborate scenarios of spatial justice in 2030 in each case study locations and review the ToC mechanism maps accordingly. This exercise draws inspiration from **D8.1 'Methodological framework for developing scenarios of case study regions'** (Tobiasz-Lis et al. 2018) in terms of theoretical bases, aims, and strategies to address the complexity arising from the interaction of many administrative levels vertically and many private, civil society and public actors horizontally. The final instructions evolved from this guide in as much as they required case study partners to develop an **explorative, most plausible scenario (forecasting)**, instead of a normative-narrative one (back-casting) as initially envisaged. This approach allowed uncertainty to be embedded more effectively and to move the back-casting elements to the following stage, i.e. the revision of the mechanism map to assess whether and how the actions can (will) be adapted to future local conditions to effectively pursue spatial justice in 2030. Indeed, the identification of the actions' intervention logic using a ToC approach was not included in the initial plan.

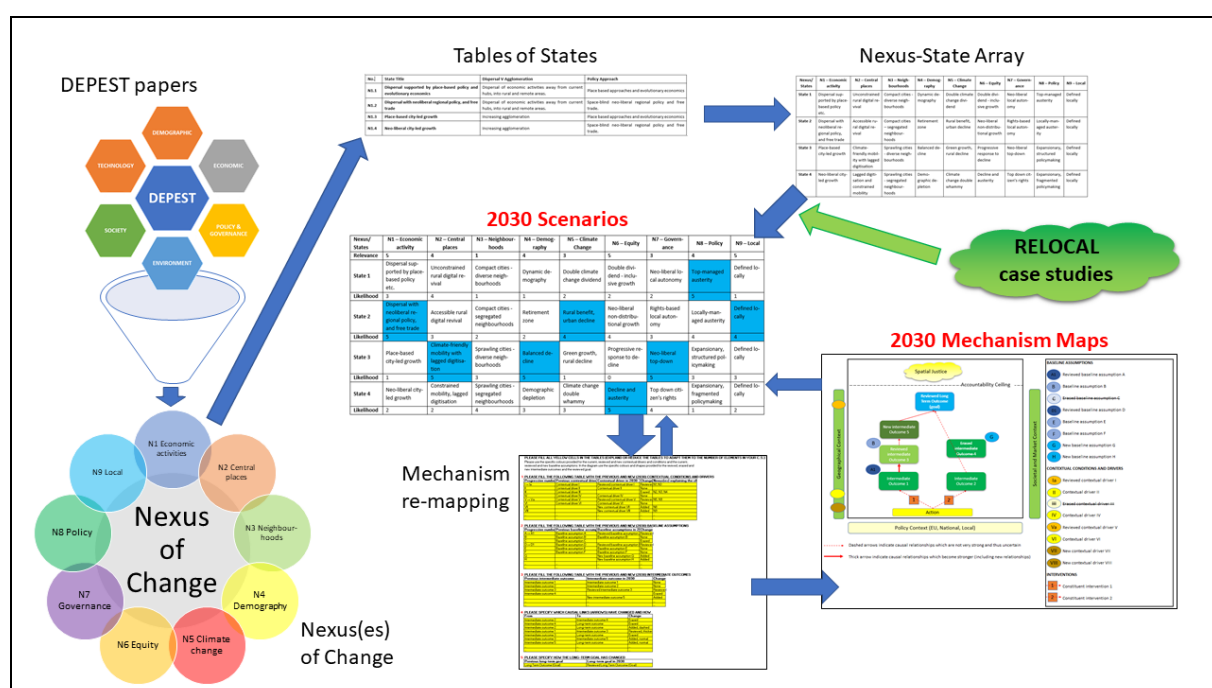


Figure 1. Overview of the process envisaged in the methodology.

The text of the instructions provided to the RELOCAL case study partners by the core WP8 partners is included in Appendix 1. The scenario elaboration was designed to be a collective exercise implemented by each partner institution for each case study location, in consultation with local stakeholders. The scenario targets the case study location, while the mechanism map focuses on the action addressing spatial injustice. Thus, the future dynamics identified during the scenario elaboration are expected to feed the re-mapping exercise; however, there can be feedback loops between the two stages, and between the sub-steps, turning the overall exercise into an iterative learning process. The final goal is to draw lessons about spatial justice and about the long-term impact of the actions addressing it in the RELOCAL case study locations. An overview of the process is provided in Figure 1.

#### 3.1 The DEPEST factors

Since the scenarios aim at assessing how spatial justice is affected by the changing socio-economic context, the first step was to identify relevant domains where such changes are expected to take place until 2030, and associated macro-trends. The structure chosen for systematising the macro-trends is called **DEPEST**, an acronym for the domains 'borrowed' from the field of strategic management. The **domains**

are **Demography, Economy, Policy and Governance, Environment, Society, Technology**. Other acronyms used for similar exercises include PEST, PESTEL, STEEPLE, DESTEP, etc. This approach was first designed by Aguillar (1967) as ETPS (Economic, Technical, Political, Social), and was later extended to include additional domains. It has been used in management sciences within SWOT (strengths, weaknesses, opportunities, and threats) and similar analytical methodologies. The rationale of ETPS and all its derivatives is to obtain a comprehensive coverage of relevant topics by explicitly structuring macro-trends. The RELOCAL WP8 team decided to include the **Law** domain within the **Policy** one, thus renamed '**Policy and Governance**'. For each DEPEST domain, a number of macro-trends and potential states in 2030 were described in six papers provided to each RELOCAL case study partner and included in Appendix 2. Although highly theoretical, the papers were intended to aid reflection on future changes in the spatial distribution of different activities, and interactions between peoples and territories.

### 3.2 The nexus of change

While they represent a rich source of ideas, the DEPEST papers cannot be used directly to formulate spatial justice scenarios. Firstly, their high level of abstraction is global rather than local. Therefore, identifying their impact at local level and the ways they affect the distribution of resources and opportunities between territories requires an additional layer of analytical reflection. Secondly, the large number of macro-trends and associated states identified generates a bewildering number of combinations and a corresponding myriad potential scenarios, requiring simplification. The DEPEST papers were thus used to identify eight 'scenario building blocks' yielding more explicit spatial implications that we named **nexus<sup>1</sup> of change**. The nexus are neither deterministic nor normative, and uncertainty about the evolution of the local context in each nexus' domain is expressed in terms of two dichotomous **vectors** (for most nexus, the first vector refers to underlying trends, the second one to the policy approaches in the same domain). For each nexus, the cross-tabulation of the vectors generates a **table of states**; the eight tables were provided to the RELOCAL case study partners and are reported in Appendix 3. To allow for some flexibility in capturing purely local changes that could affect the future of the case study location, the partners could include a ninth, place-specific nexus (**local nexus**). The states resulting from cross tabulation of the vectors for each nexus were then combined to form a **nexus-state array**, i.e. a RELOCAL version of the 'factor-state array' commonly used in morphological scenario approaches, called Sector-Factor array by Coyle and Young (1996), or Morphological box by Johansen (2018). Each potential combination of the states (one per each nexus) represents a different scenario. Coyle and Young (1996) recommend implementing 'factor anomaly relaxation' to eliminate the combination of states that are very unlikely or logically inconsistent. However, the RELOCAL WP8 team considered that, due to the very diverse set of case studies and the need to maximise the information collected, this process of exclusion could be carried out on a case by case basis by the local partners. The latter were thus provided with the nexus-state array represented in Table 7.

### 3.3 The scenarios proper

Scenarios can take a range of forms, with different degrees of sophistication: very quantitative or more qualitative; based upon projecting forward past trends, taking account of expert judgements of what future trends may be, or reflecting normative goals (Gavigan et al. 2001, Börjeson et al. 2006, Duckett et al. 2017). The RELOCAL **scenarios** represent, for each case study area, the combination of the most likely states of the nexus included in the nexus-state array. Thus, they are not normative but **explorative**, and are based on a **forecasting** exercise implemented by the case study teams with the contribution of the local stakeholders. Instead of elaborating a 'negative' and a 'positive' scenario in terms of spatial justice – that could provide interesting elements for reflection but be unlikely or difficult to compare – the case study partners were asked to generate the single, most plausible scenario for their case study area. This methodological decision was also guided by the need to keep the total number of scenarios within man-

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<sup>1</sup> The plural of nexus can be "nexus" or "nexuses"; in the following we adopt the former for simplicity.

ageable limits for analysis and synthesis, given that 33 scenarios is already a large undertaking. However, in order to capture the level of **uncertainty** and thus the probability of deviation from the most plausible outcome, partners were asked to assess the likelihood of each state of every nexus, except for those deemed of limited **relevance** for their case study area.

Combining quantitative and qualitative elements, for each case study area the scenario generation exercise consisted in these steps:

1. For each nexus, rate its relevance (from 1 = totally irrelevant to 5 = very relevant);
2. For each nexus deemed of medium-to-high relevance (from 3 to 5), rate the likelihood of each state (from 1 = totally unlikely to 5 = very likely);
3. If required, define a local nexus, and rate its relevance as well as the likelihood of its states;
4. Describe qualitatively, with reference to the case study location, the reasons for the nexus relevance score chosen, and the reasons for selecting specific states of the nexus;
5. Draw a '**pen picture**' (see Appendix 1: The scenario instructions) of the case study area in 2030 (based on the most likely state of each nexus of change, or on one of the most likely ones, in the cases where two or more Statuses were assessed as equally likely).

The steps from 1 to 3 are summarised in a **scenario** table similar to Table 8, which is simply a nexus-state array with the relevance and likelihood scores inputted. The scenario tables for all the 33 case studies together with the tables of states for the local nexus, when defined by the case study partners, are reported in Appendix 5.

### 3.4 Mechanism re-mapping

The final step of the exercise of scenario elaboration consists in reviewing the baseline ToC's (Connell & Kubisch 1998, Taplin & Clark 2012) mechanism map presented in D8.2 (Copus et al. 2019) by assessing how the changes in the contextual conditions and drivers triggered by the states of the nexus of changes in 2030 could impact on the underpinning logic of the actions, and therefore on its ability to deliver their long-term spatial justice goals. This, in turn, should feed some final reflections about the nature of spatial justice, and the policy interventions addressing it in different EU MSs.

For each case study action, the **mechanism re-mapping** consisted in the following steps:

1. Review the *contextual conditions and drivers*, by identifying those expected to hold in 2030, those which will not hold anymore ('erased'), those which will hold but in a slightly revised version ('reviewed'), and emerging contextual conditions or drivers ('added'), linking each change to one or more nexus of change identified as relevant in the nexus-state array;
2. Based on the changes implemented in step 1, review the *baseline assumptions* (inhibitors and promoters) by 'erasing' or 'reviewing' those affected, or 'adding' new ones;
3. Based on the updated baseline assumptions, reconsider the *intermediate outcomes* and the causal link between them by 'erasing' or 'reviewing' those affected, or 'adding' new ones, and identifying which causal links become more robust (thicker line) or uncertain (dashed line);
4. Finally, consider whether the *long-term spatial justice goal* will still be valid in its 2018 version or this should be reconsidered (scaled up, down, re-focused, or become unachievable);
5. Describe qualitatively and concisely the reasons behind these changes.

Figure 2, based on the template provided to case study partners, illustrates how the ToC mechanism map had to be reworked. Besides the qualitative description, the changes implemented were listed in *ad hoc* tables (see Appendix 4) which could later be used to carry out a more quantitative analysis of the changes. The 2030 mechanism maps for all the 33 case studies are reported in Appendix 5.

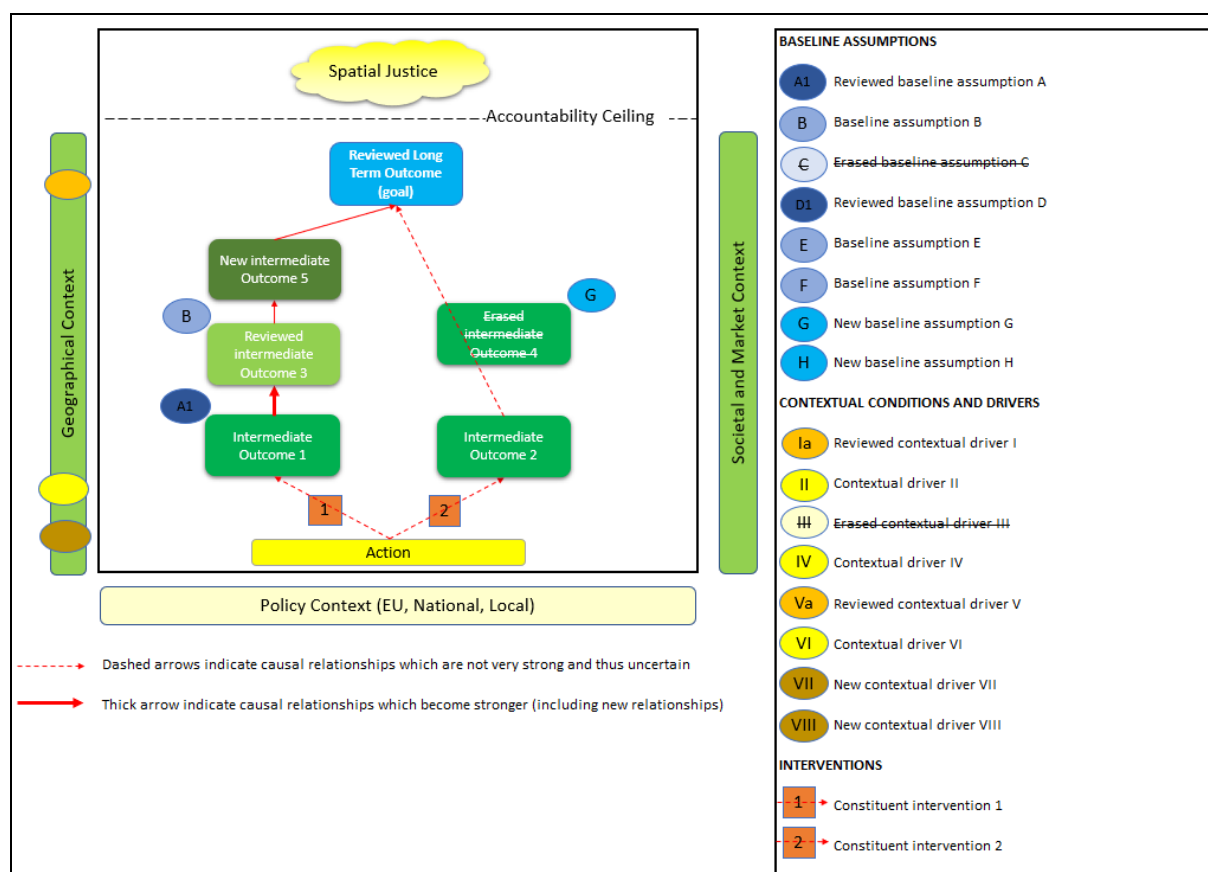


Figure 2. Working sheet for the mechanism re-mapping exercise indicating potential changes.

### 3.5 Method of analysis

The scenarios, as well as their joint assessment, incorporate elements of judgement. To appreciate the underlying rationale more fully, the case study partners were asked to make explicit the reasons of their choices in terms of relevance of the nexus, likelihood of the states, and changes in the mechanism map (contextual conditions and drivers, baseline assumptions, intermediate outcomes, causal links, and long-term goal). Each section of the scenario reports prepared by the case study partners was reviewed by a specific researcher (or group of researchers) to reduce the potential discrepancies due to different judgement parameters. Subjective judgements were further reinforced by supporting the qualitative review with a more quantitative analysis.

The analysis of the scenario reports is presented in the following three Sections. Section 4 focuses on the scenarios, including the relevance of the nexus, the likelihood of their states, and the choice of the local nexus. Section 5 deals with the 2030 mechanism map by summarising how the nexus of change are expected to impact on the contextual conditions and drivers and how these impacts are transferred to the baseline assumptions and, through causal links, up to the long-term goal. Section 6 identifies more general stylised facts from the lessons learned about spatial (in)justice and the actions addressing it. The whole analysis is structured in line with the three typologies of spatial (in)justice identified by Copus et al. (2019), namely **(1) territorial disadvantage**, **(2) neighbourhood effects**, and **(3) disempowered places**. Hence, the reports dealing with case studies belonging to the same category are discussed jointly.

In each of Sections 4 to 6, the **qualitative overview** is based on the comparative reading of the descriptions included in the reports (e.g. the 'pen picture'). The **quantitative analysis** relies respectively on the nexus-state arrays and on the tables summarising the changes in the ToC mechanism map. In particular, the distribution of the relevance scores and of the likelihood scores across the case studies and the correlation between the states of different nexus in the same case study were assessed and illustrated. The

changes in the elements of the mechanism maps reported in single case studies tables were tabulated jointly for all case studies belonging to the same category. This allowed researchers to identify differences in terms of direction of change and nexus driving this change, not only for different typologies of spatial justice but also for different welfare regimes (family, society, state, liberal or mixed) and action types: **(1)** soft vs hard; **(2)** procedural vs distributive; **(3)** opportunity vs outcome; **(4)** individual vs community; **(5)** bottom-up vs top-down; **(6)** broad vs focused; **(7)** internal vs external baseline. In line with the methodology used in D8.2 (Copus et al. 2019), the single elements of the ToC mechanism map were grouped into a smaller number of categories according to their nature (as assessed by the researchers), and their distribution illustrated by means of diagrams.

The final goal of the analysis is to extract relevant stylised facts that inform us about the long-term effectiveness of the actions in addressing spatial justice, and what drives or inhibits their success. Such



## 4 Results: Spatial justice scenarios for the case study areas

This Section focuses on the case study localities and presents plausible scenarios that will frame these places by 2030 (classified according to the spatial justice typologies of *territorial disadvantage*, *neighbourhood effects*, and *disempowered places*). The section is structured following the process of scenario building by project partners in all 33 case studies. To begin with, the results of the nexus-state array (see Section 3.2 for more explanation) are elaborated on. This provides an overview of the relevance of the nexus of change (economy, central places, locality, demography, climate change, equity, governance, and policy) and of the expected likelihood for each of four potential future states, which are expected to frame the future of spatial justice in the case study areas. The local nexus are then considered and described (these represent changes identified by case study partners as being of particular and high relevance to the locality and excluded from the other eight nexus). The last sub-section provides an overview of expected spatial justice in each locality in 2030, and considers how the changed context (detailed in the nexus-state array) is likely to change the way in which actions interact with the local context, and adaptation in the action which may be required.

### 4.1 Relevance of the nexus of change

#### 4.1.1 Relevance of the nexus of change in 2030: general overview

Concerning the nexus of change indicated in the scenario reports as influential for the case study areas, a bundle of nexus can be identified that seems relevant in the majority of the cases (Figure 3). These are:

1. Demography (**N4**) – with the key trends being shrinking, urbanisation, counter-urbanisation, and population ageing (average relevance for all case studies: 4.5, which was the highest score across all the nexus). In each spatial justice group there were cases in which demographic trends were scored as very relevant (5) for the future of the area: DE1, DE2, EL3, EL4, EL6, ES7, FI11, FI12, NL19, PL23, PL24, RO26, SE29, UK31 and UK33 (areas characterised as *territorial disadvantage*); PL21, PL22, RO27, RO28, SE30 and UK32 (areas characterised as *neighbourhood effects*); FR18 (an area characterised as a *disempowered place*).
2. Policy (**N8**) – with the key trends being the character of the EU economic policy in the next decade, and the local responses. The policy approach of national institutions was reflected in different opportunities for local actors (average relevance for all case studies: 4.4). Again, there were cases in which policy trends were scored as very relevant (5) for the future of the area in all spatial justice groups: EL3, EL5, EL6, ES7, HU13, HU16, FR17, PL23, PL24, RO26 and UK31 (*territorial disadvantage*); HU14, NL20, PL21, RO25, RO27 and UK32 (*neighbourhood effects*); FR18 (*disempowered places*).
3. Governance (**N7**) – with the key trends relating to configurations of power, the distribution of influence and decision-making power between different layers of multi-level systems of governance, as well as distributional aspects of spatial justice, and service provision in particular (average relevance for all case studies: 4.3). Governance was assessed as being very relevant (5) by experts in cases within all types of spatial (in)justice: EL4, FI11, FI12, HU13, HU16, FR17, PL23, PL24, RO26 and UK33 (*territorial disadvantage*); HU14, NL20, PL22, RO25, RO27 and UK32 (*neighbourhood effects*); EL5, ES10, FR18 (*disempowered places*).

The nexus of the lowest relevance in the general overview of all cases were:

1. Climate change (**N5**), with an average of 2.7, assessed as the least important from the perspective of areas affected by *neighbourhood effects* (1.9);
2. Neighbourhood diversity and segregation (**N3**) with an average of 2.8 but being a very spatial (in)justice-type dependant – this was the nexus with the largest range of responses, from irrelevant (1.7) for the areas affected by *territorial disadvantage* to very relevant (4.6) for the areas affected by *neighbourhood effects*;
3. Centrality of places (**N2**), assessed in general as neither relevant nor irrelevant, with an average score of 3, this was the least important for the areas affected by *neighbourhood effects* (2.1), and only a little above the average for other case studies, especially those concerning rural areas (as

one of the trends within this nexus was digitisation, and its impact on the provision of services of general interest).

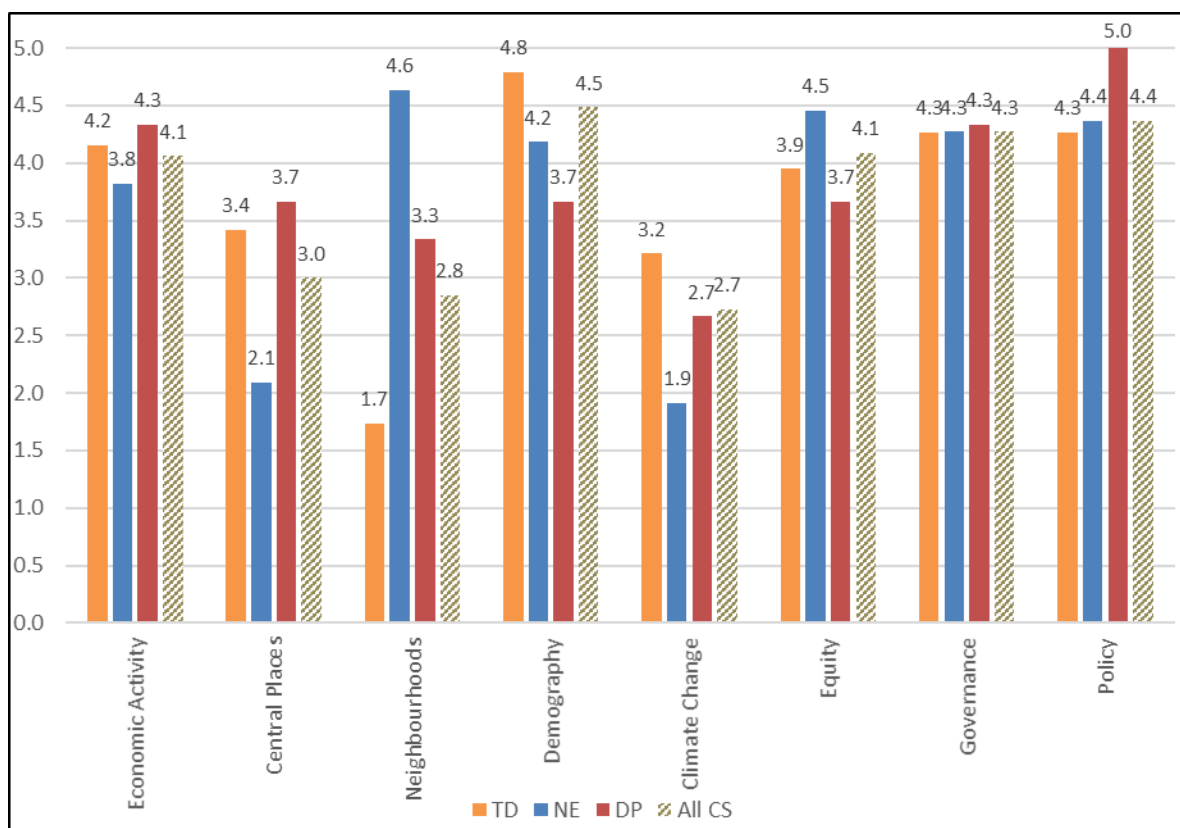


Figure 3. Average relevance of the nexus of change for the case study areas.

#### 4.1.2 Relevant nexus of change for areas affected by territorial disadvantage

As presented in Figure 3 and Table 2, the most important nexus for areas affected by *territorial disadvantage* is **demography (N4)**. There were only four cases (HU13, HU15, HU16, and FR17) in which experts assessed this nexus as relevant (scored 4); the rest were scored at 5, so the average relevance of demographic trends from the perspective of this group of cases is 4.8. With the average relevance of 4.3 were governance (N7) and policy (N8). Changes of economic activities (N1), e.g. reduced and centralised service provision (agglomeration and dispersal), have also been assessed as relevant in this type of cases (average relevance of 4.2).

#### 4.1.3 Relevant nexus of change for areas affected by neighbourhood effects

The most important nexus for areas affected by *neighbourhood effects* were neighbourhood diversity and segregation (N3) with an average relevance of 4.6, then equity (N6) with an average of 4.5, policy (N8) with an average of 4.3, governance (N7) which scored 4.3, and demography (N4) which scored 4.2. Explanation of these assessments lies in the nature of the cases within this group, where problems of spatial (in)justice usually occur on a neighbourhood scale of urban areas. They are followed by secondary effects, such as the **stigma or sense of limitation** associated with coming from a disadvantaged neighbourhood, leading to narrower education and training options, difficulty in finding employment, or problems raising social capital. Thus, the neighbourhoods (N3) nexus of change, which relates to the degree to which neighbourhoods in compact or sprawling cities are increasingly segregated or increasingly diverse, and equity (N6) focused on shifts towards inclusion or exclusion as effect of **service provision and policy responses** for macro-economic trends of growth or recession, were assessed here as relevant more often than in cases representing *territorial disadvantage* or *disempowered places* (Figure 3 and Table 2).



CS No.	Name (baseline Report)	CS code	SJ Type	Economic activity	Central places	Neighbourhoods	Demography	Climate change	Equity	Governance	Policy
1	Smart Countryside Ostwestfalen-Lippe	DE1	TD	4	5	1	5	4	3	4	4
2	Youth Centre Görlitz	DE2	TD	5	4	3	5	3	4	4	4
3	Post Mining Regional Strategy for W. Macedonia	EL3	TD	5	2	1	5	5	4	3	5
4	Alexander Innovation Zone	EL4	TD	5	2	2	5	4	4	5	3
5	Overcoming Fragmentation in Territorial Governance	EL5	DP	5	4	4	3	3	4	4	5
6	Karditsa's Ecosystem of Collaboration	EL6	TD	5	4	1	5	3	4	3	5
7	Monistrol 2020 – Local Strategic Plan	ES7	TD	4	4	1	5	2	4	3	5
8	Llei de Barris in Premià de Dalt	ES8	NE	2	4	5	4	1	4	3	3
9	Transformation Plan for La Mina Neighbourhood	ES9	NE	3	3	5	3	1	5	4	3
10	Assoc. of Municipalities – Eix de la Riera de Caldes	ES10	DP	5	4	1	3	1	2	4	5
11	Liekša Development Strategy 2030	FI11	TD	4	3	2	5	4	4	5	3
12	Civil Action Initiative in Kotka	FI12	TD	3	1	4	5	3	5	5	3
13	Give Kids a Chance	HU13	TD	3	4	2	4	2	5	5	5
14	Gyögy-Telep – Urban Regeneration	HU14	NE	3	2	4	4	2	5	5	5
15	Production Organisation – Szentes Town	HU15	TD	4	3	1	4	4	1	3	4
16	Balaton LEADER	HU16	TD	5	4	2	4	4	2	5	5
17	Euralens	FR17	TD	5	4	4	4	3	5	5	5
18	EPA Alzette-Belval	FR18	DP	3	3	5	5	4	5	5	5
19	Northeast Groningen	NL19	TD	4	3	2	5	4	4	3	2
20	National Programme Rotterdam South	NL20	NE	4	2	5	4	3	4	5	5
21	Participatory Budget for Lodz	PL21	NE	4	1	5	5	2	4	4	5
22	Communal service – social cooperative	PL22	NE	4	2	3	5	2	4	5	4
23	Goth Village	PL23	TD	3	4	1	5	3	4	5	5
24	Rural Public Spaces	PL24	TD	3	2	1	5	1	4	5	5
25	Pata Cluj Project	RO25	NE	5	3	5	4	2	4	5	5
26	Mara-Natur LEADER	RO26	TD	5	3	1	5	3	5	5	5
27	Mălin-Codlea	RO27	NE	5	2	5	5	1	5	5	5
28	Regenerating Plumbuita	RO28	NE	2	2	5	2	3	5	4	4
29	Digital Västerbotten	SE29	TD	3	4	1	5	2	4	4	4
30	Stockholm Commission	SE30	NE	5	1	5	5	2	5	2	4
31	Northumberland LAG	UK31	TD	4	4	2	5	4	5	4	5
32	Homelessness Project in Lewisham	UK32	NE	5	1	4	5	2	4	5	5
33	Strengthening Communities – Isle of Lewis	UK33	TD	5	5	1	5	3	4	5	4

Table 2. The relevance of the nexus of change for the case study areas.

#### 4.1.4 Relevant nexus of change for disempowered places

Experts dealing with the three cases as examples of *disempowered places* (EL5, ES10, FR18) agreed that policy (**N8**) was the most relevant nexus (with a score of 5) for the future of these areas, followed by governance (**N7**) which scored 4 in EL5 and ES10, and 5 in FR18. Economic activity (**N1**) had the same average relevance for this type of locality; however, it was scored 5 in EL5 and ES10, but in FR18 experts assessed it as neither relevant nor irrelevant (scored 3). Interestingly, demography (**N4**) which was the most relevant in the general overview for all case studies, was scored as neither relevant nor irrelevant in EL5 and ES10, and as very relevant only in FR18, where it was not a typical problem of ageing and shrinking population but a population made of **composite communities** (i.e. newly established young families commuting to Luxembourg, and older generations formerly involved in industry). All scenarios underlined the importance of **EU integration** and of the evolution of EU policies for the locality, as the degree and extent of economic, social, and fiscal EU integration shapes the locality's destiny to a large extent. Consequently, the effective level of local autonomy and the way public policies are framed at higher levels is of major importance there.

## 4.2 Certainty and direction of the nexus of change

### 4.2.1 Direction of change and uncertainty: general overview

After indicating the importance of each nexus within the next ten years within each case study area, experts were asked to consider four states (comprising a pair of dichotomous vectors of socio-economic and spatial trends), and to indicate how likely each of these four states were. An overview of the states that were selected as most likely for each nexus is presented below. The certainty and direction of change is also discussed below, first for all case studies together in order to frame a further discussion related to cases within each category of spatial (in)justice. Table 3 shows the distribution of the likelihood score assigned to the states of each nexus in all case studies; Figure 4 graphically illustrates this with reference to the types of spatial justice; and Figure 5 presents the case studies with reference to the welfare regime, as categorised by the wider RELOCAL project.

The bubble charts presented in Figures 4 and 5 were constructed based on the number of assignments by experts for each state within all the eight nexus of change in all case study localities. In order to avoid distortions in calculating average values for the likelihood of each state, the nexus which have been indicated as irrelevant in few case studies have not been included in the analysis (central places – **N2** for PL21, RO25 and RO27; neighbourhoods – **N3** for HU15, HU16 and RO26; climate change – **N5** for PL21, RO25 and RO27; equity – **N6** for HU15 and HU16). The position of each bubble represents assigned likelihood on the scale from very unlikely (1) to very likely (5). It is important to note that these graphs are a way to effectively illustrate the data, and readers should not infer statistical significance of representativeness, given the qualitative nature of the study.

The general picture presented by the charts below is that the future of these case study localities is not easy to predict, highlighting the importance of place-specificity to future trends. Bubbles that concentrate in the middle of the graphs represent states within each nexus that are neither likely nor unlikely. Exceptional to this however are three nexus: **(1)** demography (**N4**) with demographic depletion assessed as very likely in areas affected by *territorial disadvantage*, and dynamic demography assessed as likely in areas affected by *neighbourhood effects*; **(2)** equity (**N6**), where areas affected by *territorial disadvantage* and *disempowered places* see the future as either a whammy-dividend state of 'progressive inclusion policy' or a double whammy scenario of 'non-distributional policy and austerity'; **(3)** policy (**N8**) where experts in cases of *disempowered places* agreed that the double dividend state of 'top-managed austerity' will be the most likely outcome by 2030. Experts in cases representing the *territorial disadvantage* and *neighbourhood effects* types of spatial (in)justice were uncertain about future states of this nexus – assessed as relevant in further development, yet the double dividend and dividend-whammy states were indicated more frequently than the other two combinations of future trends.

These findings, when compared to the second bubble chart presenting the same step in scenario building with reference to the **welfare regimes**, show that in areas within mixed welfare regimes (Polish, Romanian, and Hungarian cases), directions of future changes are the hardest to predict. In a half of the nexus – economic activity (**N1**), equity (**N6**), governance (**N7**) and policy (**N8**) – three states were similarly assessed as neither likely nor unlikely to characterise these areas in 2030. On the contrary, in cases representing a family-based model (Spanish and Greek cases), experts were more certain about the future shape of equity (**N6**), characterised by the whammy-dividend state of progressive response to decline with some attention also to the negative double-whammy state of decline and austerity; policy (**N8**) of top-managed austerity with some attention to expansionary, structured policymaking. Double-whammy future states of economic activity (**N1**) 'neo-liberal city-led growth' and demography (**N4**) 'demographic depletion' were assessed as likely in society based models (Finnish and Swedish cases). Spatial changes in economic activities associated with climate change mitigation and adaptation (**N5**) were seen as uncertain – either double dividend state of 'benefits for farming & green growth' or whammy-dividend state of 'rural decline & green growth'. In these locations, experts were most certain about the policy nexus (**N8**), assigning high likelihood to the dividend-whammy state of locally-managed austerity due to a contractionary fiscal policy, project-led development, and strong role of local institutions and NGOs. In state-based welfare regimes (German, Dutch and French cases) different states within each nexus were assessed as highly likely for the future, but there was usually one main indication in the majority of cases with specific exceptions: place-based city-led growth in **N1** (whammy-dividend between increasing ag-

glomeration and place-based approaches with evolutionary economics); accessible rural digital revival in **N2** (dividend-whammy between digital dispersion in rural areas and limited daily mobility due to decarbonisation); 'compact cities – diverse neighbourhoods' in **N3** (double dividend of city centre gentrification due to decarbonised mobility and effective city planning for diverse neighbourhoods) with the exception of a less optimistic scenario for the French cases (FR17 – 'compact cities – segregated neighbourhoods'; FR18 – 'sprawling cities – diverse neighbourhoods'; 'progressive response to decline' in **N6** with exceptions to FR17 and NL20; 'rights-based local autonomy' in **N7** (a dividend-whammy between increasing local and regional autonomy and citizen's rights based approach for development) with exceptions to DE2 and FR18 assessing double dividend state of 'neo-liberal local autonomy' as most likely in case study areas by 2030. Nexus where experts were more uncertain about the future changes were policy (**N8**) – between locally-managed austerity, expansionary, structured policymaking, and top-managed austerity; climate change (**N5**) – between double climate change dividend, and green growth with rural decline; demography (**N4**) – between dynamic demography, and other states; and neighbourhoods (**N3**) – between compact cities – diverse neighbourhoods, and other states. Future scenarios for the cases representing the liberal welfare regime (all in the UK) seem most certain. Experts were almost unanimous in their choices of particular states. Perhaps unsurprisingly, experts often chose the state in which some element of liberalism existed, for example for economic activity (**N1**) 'neo-liberal city-led growth', for equity (**N6**) 'neo-liberal non-distributional growth', for governance (**N7**) 'neo-liberal top-down'. Demography (**N4**), central places (**N2**), neighbourhoods (**N3**) and climate change (**N5**) appeared to be more affected by the locality than by the welfare regime.

#### 4.2.2 Direction of change and uncertainly for areas affected by territorial disadvantage

In cases representing the *territorial disadvantage* type of spatial (in)justice the least certain trends' directions were assessed by experts within policy (**N8**), governance (**N7**) – both of high relevance to shape trajectories towards spatial justice within next ten years. Optimistic or moderate scenarios deriving from double dividend state 1 or dividend-whammy and whammy-dividend (states 2 and 3) were chosen equally often. Uncertain direction of change refers also to climate change (**N5**), neighbourhoods (**N3**) and central places (**N2**), however these nexus were assessed as less or least relevant in these cases. For demography (**N4**), economic activity (**N1**) and equity (**N6**) assessed as important or very important from the perspective of this category of cases, the direction of change indicated by experts, seems clearer. Pessimistic vision of demographic depletion within demography (**N4**), is most likely to describe areas affected by *territorial disadvantage* in 2030 with the following exceptions: the more optimistic Euralens Project (FR17), Polish rural areas (PL23, PL24), and single cases in Germany (DE2), Greece (EL4) and Spain (ES7). Negative, double whammy state of neo-liberal city-led growth within economic activity (**N1**), was also seen as most likely in the majority of cases with a few more positive scenarios in UK31, UK33, FR17, NL19 and DE1 (whammy-dividend state 3 of place-based city-led growth), ES7 and PL23, PL24 (dividend-whammy state 2 of dispersal with neo-liberal regional policy, and free trade) and DE2, EL3 (double dividend state 1 of dispersal supported by place-based policy and evolutionary economics. In 13 out of 19 cases in this category, in the nexus referring to shifts towards inclusion or exclusion (**N6**) whammy-dividend state 3 of progressive inclusion policy response to the possible economic slow growth or recession was assigned as most likely by 2030. Three cases were less positive choosing double whammy state 4 of decline and austerity (HU13, HU16 and SE29) and two cases (RO29 and UK31) saw dividend-whammy state 2 characterised by neo-liberal non-distributional future growth, as more likely.

#### 4.2.3 Direction of change and uncertainly for areas affected by neighbourhood effects

The nexus of central places (**N2**) and climate change (**N5**) were assessed as not relevant for areas affected by *neighbourhood effects*, so the low likelihood of particular states within them, presenting directions of future changes will not be analysed here. Three out of five nexus of high relevance for this category of case studies: neighbourhoods (**N3**), demography (**N4**) and policy (**N8**) are expected to change for the better or at least not to get much worse. Dynamic demography (double dividend state 1) resulting from in-migration and a balanced age structure is seen as likely in eight out of 11 cases. Compact cities with segregated neighbourhoods (dividend-whammy state 2) resulting from urban gentrification and laissez-faire development is likely to shape seven cases with ES8 and NL20 drawing more positive scenario of compact cities - diverse neighbourhoods (double dividend state 1) and RO25 and RO27 drawing more negative scenario of Sprawling cities and segregated neighbourhoods (double whammy state 4). In policy

dimension (**N8**) ten out of 11 cases saw optimistic and moderate states as being more plausible in these areas within the next ten years. Less optimistically assessed were directions of change for economic activity patterns (**N1**) – experts in five cases saw neo-liberal city-led growth (double whammy state 4) resulting from increasing agglomeration of economic activities leaving behind remote places and space-blind regional development policy. Experts in the remaining six cases saw either state 2 (economic dispersal with neo-liberal regional policy) or state 3 (economic agglomeration and place-based, evolutionary economics) as more likely by 2030. In shifts towards inclusion of exclusion (**N6**) changes towards dividend-whammy (state 2) and whammy-dividend (state 3) were assessed as most likely with the exceptions of HU14 and RO28 assessing pessimistically double whammy state 4 as most likely and NL20 with the optimistic scenario of the double dividend state 1.

CS No.	Name (baseline Report)	CS code	SJ Type	Economic activity				Central places				Neighbourhoods				Demography				Climate change				Equity				Governance				Policy				
				State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	State 1	State 2	State 3	State 4	
1	Smart Countryside Ostwestfalen-Lippe	DE1	TD	4	1	5	3	1	4	2	4	2	2	3	3	1	2	4	5	2	2	4	3	2	1	5	3	4	5	2	2	3	5	1	2	
2	Youth Centre Görlitz	DE2	TD	4	2	3	2	3	5	2	2	5	4	2	3	1	3	5	4	3	2	4	2	2	2	4	4	4	4	3	2	4	5	2	2	
3	Post Mining Regional Strategy for W. Macedonia	EL3	TD	5	4	1	2	1	2	2	4	1	2	2	3	1	3	2	5	5	2	3	4	2	3	4	3	4	3	3	3	1	5	4		
4	Alexander Innovation Zone	EL4	TD	2	4	3	5	1	2	2	4	1	2	2	3	1	3	4	3	5	2	4	3	2	3	4	3	4	3	3	4	3	2	3		
5	Overcoming Fragmentation in Territorial Governance	EL5	DP	2	2	4	5	2	2	2	4	1	1	1	4	2	2	3	2	2	3	2	2	1	1	4	4	1	1	4	2	5	4	1	1	
6	Karditsa's Ecosystem of Collaboration	EL6	TD	2	2	4	5	2	2	5	2	1	1	1	1	2	2	2	5	2	3	2	2	1	1	4	2	1	1	1	3	5	4	1	1	
7	Monistrol 2020 – Local Strategic Plan	ES7	TD	3	4	2	1	2	4	3	1	3	1	2	1	1	3	5	4	2	3	2	1	3	2	4	3	1	2	3	4	5	2	4	3	
8	Llei de Barris in Premià de Dalt	ES8	NE	2	3	2	1	1	2	3	1	5	4	2	1	4	1	3	2	2	1	1	1	3	2	4	3	3	2	3	2	3	2	2	1	
9	Transformation Plan for La Mina Neighbourhood	ES9	NE	1	3	1	2	1	1	2	1	4	5	1	2	3	1	2	2	1	1	1	1	4	3	5	3	3	1	3	2	2	1	1	2	
10	Assoc. of Municipalities – Eix de la Riera de Caldes	ES10	DP	3	5	2	4	2	3	2	1	4	2	3	2	3	1	2	2	1	1	1	1	1	1	3	2	3	2	3	2	5	4	5	4	
11	Lieksa Development Strategy 2030	FI11	TD	1	2	3	5	1	1	2	5	1	1	1	1	1	1	5	4	1	5	2	1	1	4	3	5	3	1	1	5	5	1	2		
12	Civil Action Initiative in Kotka	FI12	TD	1	2	3	5	1	1	1	1	4	3	1	1	1	1	5	4	1	2	1	1	1	1	4	3	5	3	1	1	3	5	2	1	
13	Give Kids a Chance	HU13	TD	3	2	2	4	2	2	1	4	1	1	1	2	1	3	2	4	1	2	1	2	1	2	1	4	2	2	4	3	4	3	2	2	
14	Gyögy-Telep – Urban Regeneration	HU14	NE	2	2	2	4	1	2	3	5	2	4	2	1	3	5	2	3	4	4	1	2	2	2	4	2	1	4	2	4	3	2	3		
15	Production Organisation – Szentes Town	HU15	TD	3	3	4	3	1	4	3	3	N/A	N/A	N/A	N/A	1	1	4	3	1	2	3	4	N/A	N/A	N/A	N/A	2	3	2	4	3	2	3	4	
16	Balaton LEADER	HU16	TD	2	3	2	4	1	3	2	4	N/A	N/A	N/A	N/A	1	3	3	4	3	3	4	3	N/A	N/A	N/A	N/A	2	2	4	2	5	1	2	2	
17	Euralens	FR17	TD	2	2	4	2	2	1	5	4	2	5	2	4	4	2	3	3	4	3	2	1	1	2	3	5	4	4	2	1	4	5	3	2	
18	EPA Alzette-Belval	FR18	DP	2	2	4	2	2	2	2	2	3	3	5	4	5	5	2	2	3	2	5	2	4	2	5	2	5	4	2	2	5	4	2	2	
19	Northeast Groningen	NL19	TD	1	1	5	2	2	5	2	2	4	2	1	1	2	2	3	5	5	1	4	2	2	1	5	1	2	5	1	3	1	1	5	4	
20	National Programme Rotterdam South	NL20	NE	3	3	3	4	3	4	2	2	5	4	3	3	4	2	3	2	4	3	3	2	4	3	2	2	2	4	3	3	2	2	4	3	
21	Participatory Budget for Lodz	PL21	NE	2	4	5	2	N/A	N/A	N/A	N/A	2	4	1	2	1	4	2	3	N/A	N/A	N/A	N/A	3	4	2	3	5	2	4	3	4	5	3	4	
22	Communal service – social cooperative	PL22	NE	2	4	5	1	1	3	1	1	3	4	1	1	1	1	4	3	1	1	1	1	1	1	2	5	3	2	5	1	4	2	4	1	5
23	Goth Village	PL23	TD	4	5	2	2	3	5	1	2	1	1	1	1	1	4	5	3	1	3	4	5	1	2	5	3	2	5	1	4	2	4	1	5	
24	Rural Public Spaces	PL24	TD	3	5	1	2	3	5	1	2	1	1	1	1	1	4	5	3	1	1	1	1	1	2	5	3	2	5	1	4	2	4	1	5	
25	Pata Cluj Project	RO25	NE	3	4	3	5	N/A	N/A	N/A	N/A	1	3	2	5	5	2	3	1	N/A	N/A	N/A	N/A	2	5	3	3	5	2	4	3	4	5	3	4	
26	Mara-Natur LEADER	RO26	TD	1	2	3	5	1	2	3	4	N/A	N/A	N/A	N/A	1	3	3	5	2	2	4	3	2	5	3	4	4	2	4	1	4	4	1	2	
27	Mălin-Codlea	RO27	NE	2	5	2	3	N/A	N/A	N/A	N/A	2	5	1	1	5	1	2	1	N/A	N/A	N/A	N/A	1	5	3	3	4	1	5	3	5	3	1	1	
28	Regenerating Plumbuita	RO28	NE	1	3	2	5	1	2	1	2	2	2	2	5	3	3	3	1	1	1	3	1	1	2	1	4	4	2	3	1	2	4	2	2	
29	Digital Västerbotten	SE29	TD	2	1	5	4	1	2	2	4	2	1	2	1	2	2	1	5	3	1	5	2	1	2	3	4	2	4	1	4	2	5	4	3	
30	Stockholm Commission	SE30	NE	2	2	5	4	3	2	3	2	2	4	1	2	5	1	1	1	3	1	3	3	3	4	2	3	2	2	3	2	2	4	2	3	
31	Northumberland LAG	UK31	TD	1	3	3	4	1	3	2	4	3	4	3	3	1	4	1	5	1	1	5	4	1	5	3	4	3	2	4	1	3	5	2	3	
32	Homelessness Project in Lewisham	UK32	NE	1	2	3	4	1	2	3	4	3	4	2	2	4	1	3	2	1	1	5	3	3	5	3	2	5	1	4	2	2	2	3	4	
33	Strengthening Communities – Isle of Lewis	UK33	TD	2	4	4	3	4	4	2	3	2	3	1	4	2	4	4	5	5	4	2	3	2	3	4	4	3	2	3	4	3	4	4	3	

Table 3. Likelihood of the nexus of change for the case study areas.

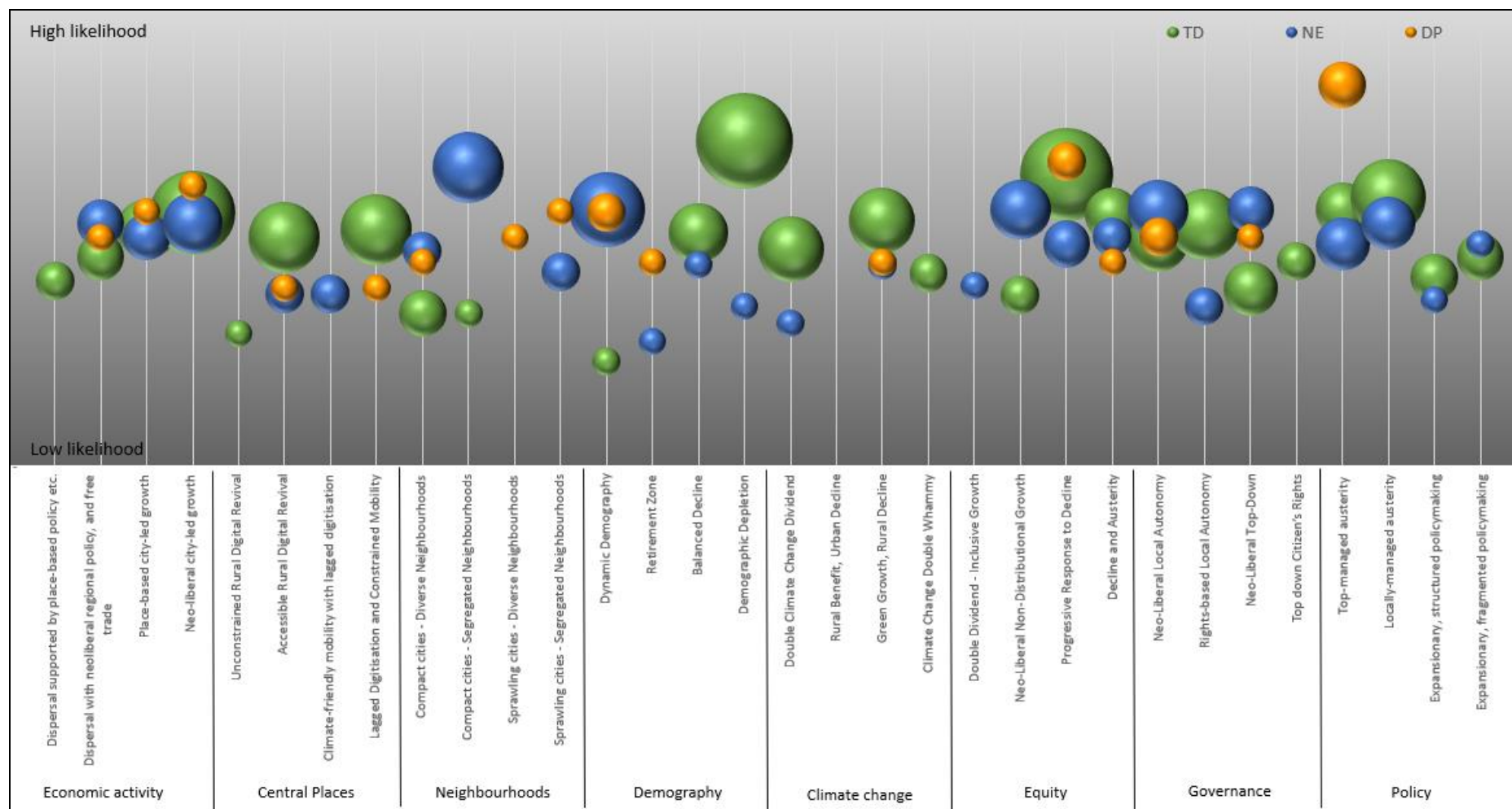


Figure 4. Likelihood of each state of each nexus of change for three types of spatial (in)justice.



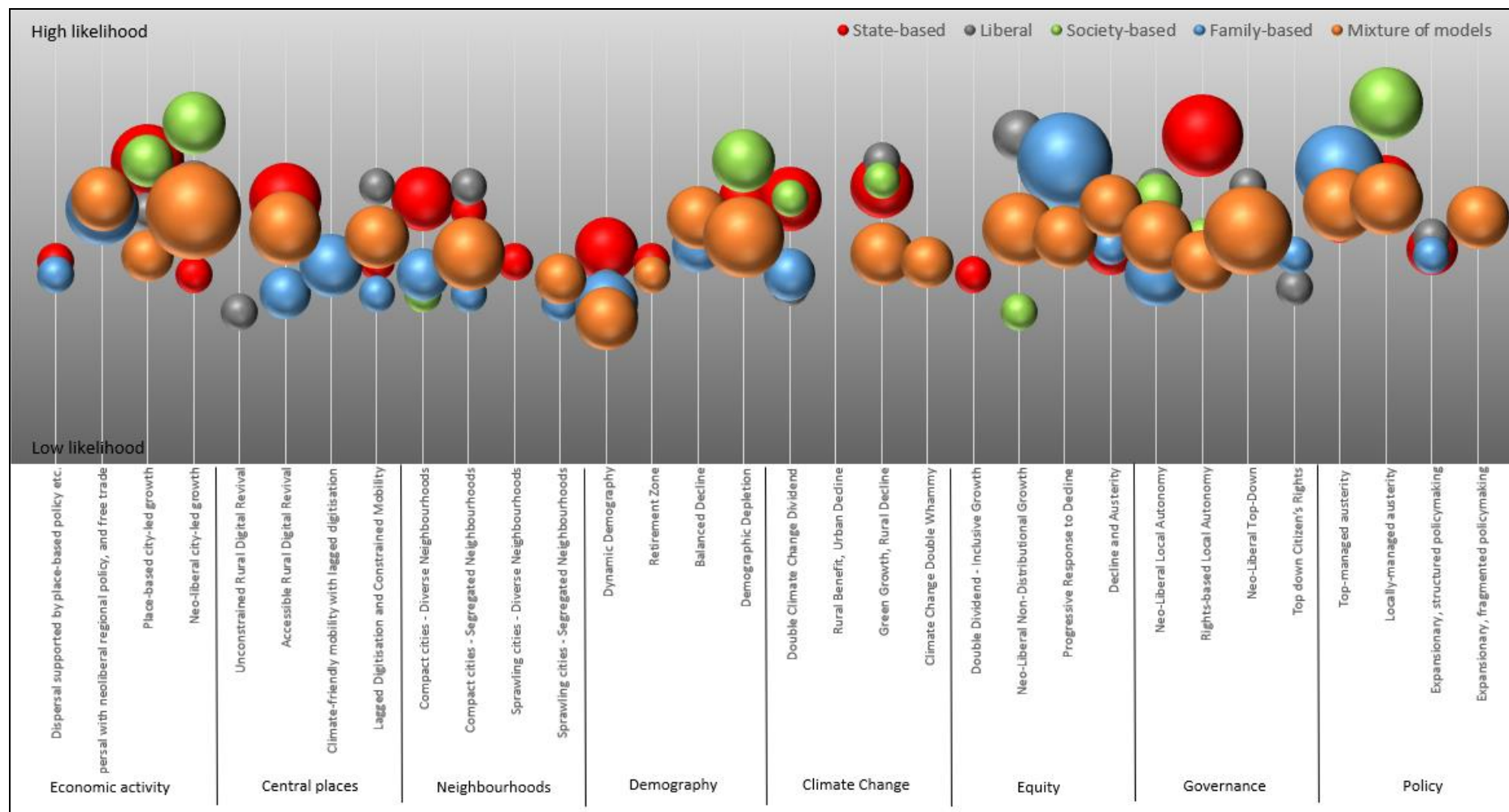


Figure 5. Likelihood of each state of each nexus of change for types of welfare regime.

#### 4.2.4 Direction of change and uncertainty for disempowered places

There were only three cases representing *disempowered places*, however within one nexus – policy (N8) experts assessed it as the most relevant and then agreed that the optimistic - double dividend state 1 of top-managed austerity with continued financial stability thanks to fiscal policies at national level and renewed role of public institutions in elaborating holistic visions for territories through broad policies is most likely to describe these areas in 2030. Direction of change in other nexus varied: from moderate states 2 and 3 to negative state 4 assessed as most likely in economic activity (N1) and central places (N2) and equity (N6); from double dividend (state 1) to double whammy (state 4) in neighbourhoods (N3); from more optimistic state 1 to moderate state 2 or state 3 in governance (N7) and demography (N4). Green Growth and Rural decline (whammy-dividend state 3) due to negative effects of climate change on farming and forestry was assessed as most likely in FR18, as in other two cases this nexus was assessed as not relevant for the future development

### 4.3 Local dynamics

#### 4.3.1 Location-specific nexus of change: general overview

A local nexus was identified and described in 23 case study scenario reports, specifying states resulting from cross tabulation of a pair of dichotomous local vectors. The local nexus was assessed as very relevant (scored 5) in 15 reports, and as relevant (scored 4) in eight. As presented in Figure 6, in a majority of cases (14) the partners saw state 1 (a double dividend of positive direction of both local vectors of change), to be the most likely in shaping the future of the case study area (scored 4 – likely or 5 – very likely). Also, 14 scenario reports mentioned either state 2 (dividend-whammy) or state 3 (whammy-dividend) – both being combinations of one positive and one negative trend, as likely or very likely by 2030. In some cases, (DE1, DE2, UK32, RO26) states 1 and 2 or 3 are presented as alternative scenarios. There was no scenario to see state 4 (a double whammy) due to a combination of two negative vectors of change – as the most likely future. However, in seven cases (ES7, ES10, HU16, FR17, NL19, RO28, UK31) it was assessed as neither likely nor unlikely (scored 3) and in two (UK33 and ES9) as likely to happen by 2030 (scored 4) as a second alternative to the most likely scenario of states 2 or 3 (both being a combination of positive and negative trends and scored 5). In many cases, no matter what type of spatial justice they represented, attention was paid to ‘identity’ as one of two vectors combining local nexus of change. Importance of ‘identity’ has been already underlined in D8.2 as one of five paradigms driven by different aspects of spatial (in)justice (Copus et al. 2019).

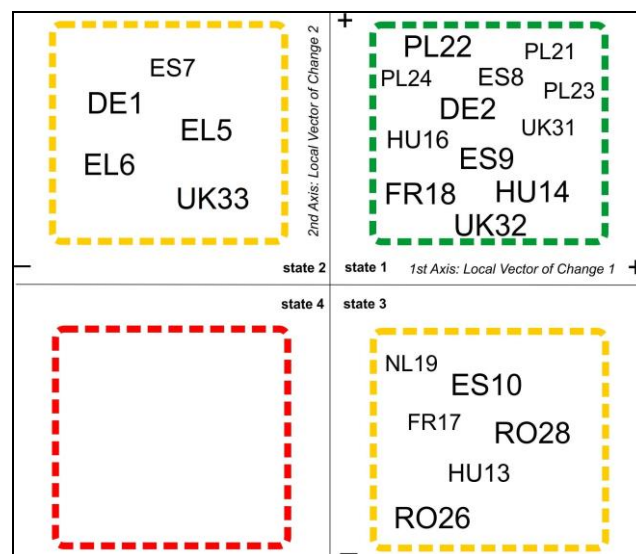


Figure 6. States of the local nexus scored as likely or very likely to shape the future of the location.  
Note: The size of the font corresponds to particular assignments as ‘likely’ – smaller and ‘very likely’ – bigger.



#### 4.3.2. Local nexus of change for areas affected by territorial disadvantage

In the local nexus and the combination of local vectors of change indicated as relevant or very relevant (scored 4 or 5) in the scope of the *territorial disadvantage* group, special attention is paid to human capital, social capital and social trust (DE1, DE2, ES7, FR17, NL19, PL23, PL24) to raise economic performance, assuming beneficial spread effects for the rest of the locality. In some cases, these categories overlap. Scenario reports underlined that expected growth of civic engagement will become a crucial factor for strengthening local identity reflected both in the sense of territorial attachment and in the sense that it highlights unique local assets as a starting point for 'place making' (DE1, EL6, ES7, NL19, PL23, PL24), all leading towards future success of the actions (Figure 7).

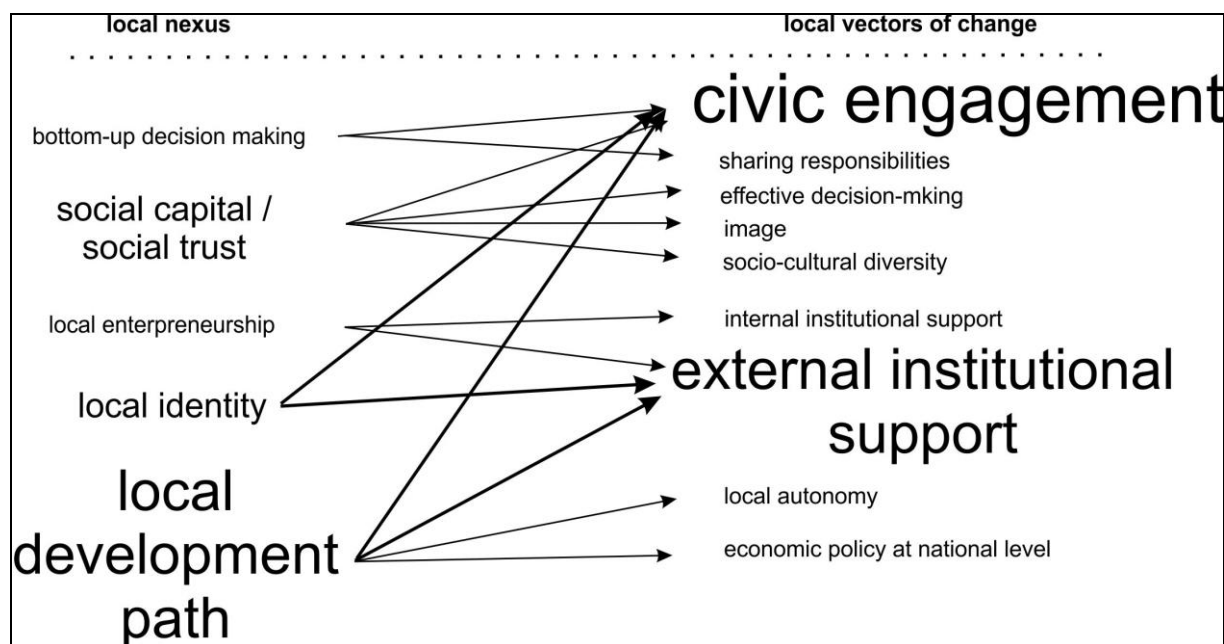


Figure 7. Local nexus and local vectors of change for the *territorial disadvantage* group.  
Note: The size of the font corresponds to the frequency of the particular statement being used to describe local nexus.

Combinations of two positive directions of local vectors of change (state 1 of local nexus) or one positive and one negative vector (state 2 and 3) were indicated as likely or very likely to frame local conditions for the action within next ten years (Figure 8). Only one scenario saw the combination of two negative directions of local vectors of change as likely to happen (UK 33). The weakening local identity in a hard Brexit context (resulting in a no-deal Brexit or any deal establishing weak political and economic relationships with the EU) implies a progressive loss of Gaelic language and identity. This case is an example of less general and more locally-driven conditions for development, however still considering identity and external policies as important for spatially just localities.

The overall positive or at least moderate combination of a set of local trends relevant for the future of the localities within the *territorial disadvantage* group might be considered as continued or fulfilled baseline assumptions of both endogenous conditions and external support included in mechanism maps as shaping intermediate outcomes of particular interventions. The local nexus also present a clear link with contextual conditions and drivers describing local development opportunities (HU16), underlying economic conditions (whether they are stable or not, the subject of growth or decline), neighbouring areas (in terms of comparative advantages or disadvantages, especially for cases framed in border regions, metropolitan areas), rural urban fringe (DE2, ES7, FR17, UK31) and continuity of external support.

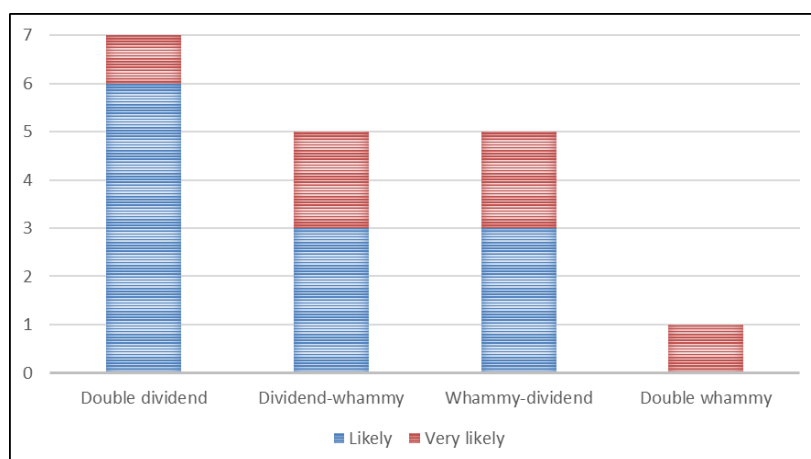


Figure 8. States of the local nexus most likely to shape the future of *territorial disadvantage* places.

#### 4.3.3. Local nexus of change for areas affected by neighbourhood effects

In this group of case studies when designing the local nexus using local vectors of change, special attention was paid to identity, participation, and the context of future opportunities for the territory in terms of civic engagement and support of local, regional and national authorities as well as EU in terms of funding, policies, formal procedures, management, etc. (ES8, ES9, PL21, PL22, R028). The Hungarian *Gyógy-Telep* case study (HU14) and the British Homelessness Project in Lewisham (UK32) are examples of less general and more locally-driven conditions for development. The local nexus in the first one (HU14) was constructed by combining the cross-border cooperation with Croatia, which will differ depending on whether Croatia joins the Schengen zone, with effects of the next economic crisis in Hungary, as the milestones in the history of *Gyógy-Telep* are connected tightly to the ups and downs of economic cycles. The local nexus of the second case (UK32) is focused on connectivity in a more local context than Hungarian-Croatian cross border cooperation. In Lewisham, transport infrastructure (extension of the underground line) cross tabulated with local climate change policies result in a local nexus focused on connectedness with the Greater London area (Figure 9).

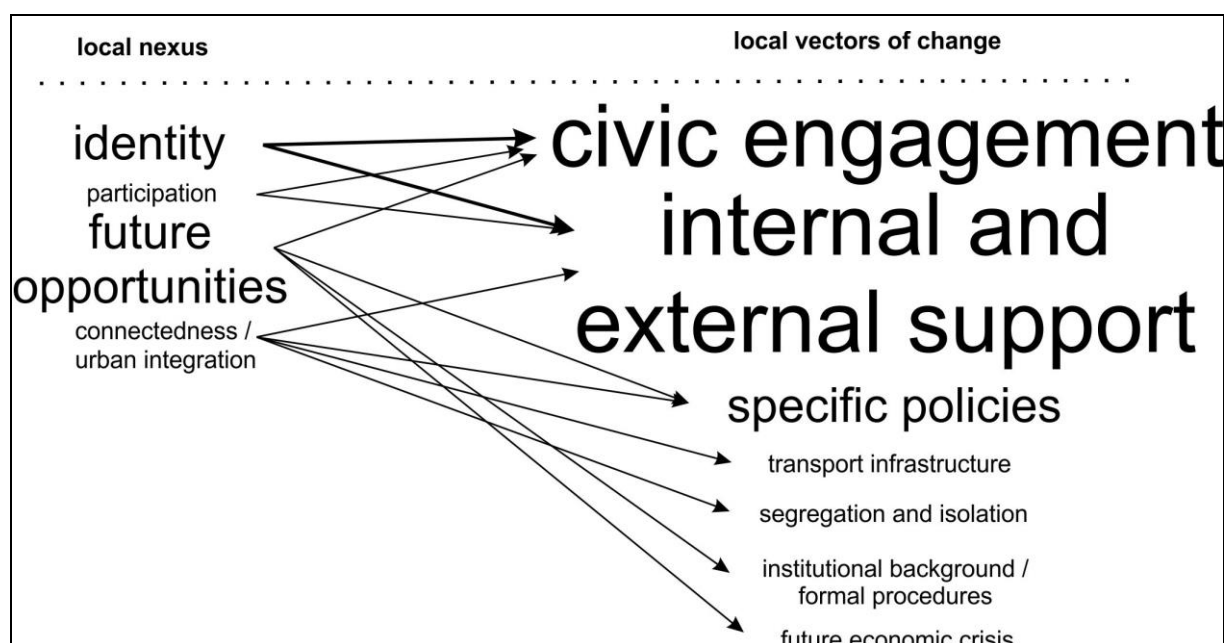


Figure 9. Local nexus and local vectors of change for the *neighbourhood effects* group.

Note: The size of the font indicates the frequency of a particular statement being used to describe the local nexus.

The local nexus for case studies within the *neighbourhood effects* type of spatial justice very clearly refer to two baseline assumptions: (1) effective institutional solutions, administration capabilities, issues of management, autonomy or dependency of territorial units and cooperation between different authorities discussed in baseline ToCs and mechanism maps of PL21, PL22, RO28 and UK32; and (2) human capital (in terms of willingness to learn) and social capital (in terms of civic engagement and collaboration) underlined in ES8, ES9, PL21, PL22 and RO28.

An optimistic, double dividend scenario framed by local nexus combining two positive directions of local vectors of change (state 1) or a 'whammy-dividend/dividend-whammy' situation of one positive and one negative vector (state 2 and 3) were rated as likely or very likely to describe local conditions for the territory within next ten years (Figure 10). Only one scenario saw the combination of two negative directions of local vectors of change as likely to happen (ES9), but in this case state 3 was assessed as the most likely to shape the future.

#### 4.3.4. Local nexus of change for disempowered places

In the three cases affected by *place disempowerment* addressed through administrative or institutional reform and cooperation across larger territories (EL5, ES10, FR18), the local nexus, assessed as relevant or very relevant to shape the future of these areas, were focused on the issue of identity, defined at different scales and as a response to different challenges, combining social and economic patterns with institutional interventions.

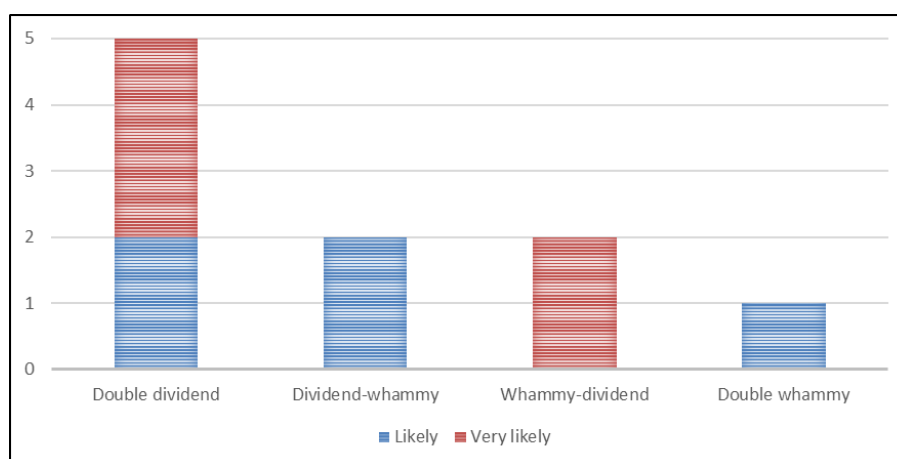


Figure 10. States of the local nexus most likely to shape the future of *neighbourhood effects* places.

In the French case of *EPA Alzette-Belval* (FR18), it is a French-Luxembourg 'border thickness' (i.e. its degree of openness) to frame the future in a local perspective. As underlined in the report, Luxembourg, as a founding members of the EU with a very strong European identity and openness, is likely to remain stable in terms of both economic growth and social convergence, leading to an optimistic scenario of 'open dynamic border'.

The Spanish case study focused on the *Association of local municipalities in Eix de la Riera de Caldes* basin established to gain stronger relevance in the intermunicipal metropolitan governance networks (ES10). The local nexus consisted in recovering regional and local identity (the feeling of belonging to the Caldes basin) that have been lost a long time ago. It is seen as a combination of involvement of local institutions within cooperating municipalities and external support by regional authorities, and an optimistic scenario of strong local identity within socially homogenised Eix de la Riera de Caldes is considered very likely in 2030 given the action is due to continue.

The Greek case study on *Overcoming fragmentation in Territorial Governance* (EL5) has many similarities with the Spanish example; however, contrary to the bottom-up initiative of Spanish municipalities of the Caldes basin, this one is a top-down, centrally-driven administrative reform. With additional process of de-industrialisation of the region and serious changes in its functional structure, issues of local identity

became important. The local nexus, designed around the question of local identity, combines patterns of economic development focused on new economic developments leading to diversification of economic activity, and local cohesion due to social unification. In this case, state 2, defined as local feeble identity based on social discord but strong economic development, is seen to be very likely in 2030. This assessment indicates a much greater difficulty in shaping the new territorial identity in a psychological and social context than in economic terms.

#### 4.4 Scenarios of spatial justice in the case study areas in 2030

##### 4.4.1 Scenarios of spatial justice in 2030: general overview

Project partners were also able to offer a more qualitative perspective in their scenario reports; after assessing the relevance of each nexus and the likelihood of alternative states in the future, they wrote *scenario stories* called ‘pen pictures’ describing evolutionary paths towards spatial justice in every case study area in 2030. A ‘palette’ of scenario elements, from which partners were invited to select as a framework for their case study scenario narrative were then filtered through very different regionally and locally driven processes and conditions presenting more or less certain futures for each locality according to one, clear, most plausible scenario (or more than one alternative scenario when directions of change for particular processes or conditions were more difficult to predict). What should also be underlined is that, when describing possible future states, interrelations between particular nexus have been reflected to explain alternative pathways towards possible future(s). These portraits of individual case study area localities in 2030 provide a very clear understanding of a place-based and well-coordinated approach in local development towards spatially just localities.

Both spatial and non-spatial factors were found to be important in conditioning the development of the case study localities. Specifically, **place-based human capital** – such as at least the demographic balance and the capability of civil society to organise itself – is present in the great majority of all studied cases.

Coordinated approaches between different administrative levels are widely underlined as governance issues and **divisions of power often suffer from unclear responsibilities**. There is a need for appropriate mechanisms for dialogue and coordination to connect local development strategies with strategies across governance scales. Regarding effective governance, in order to unlock development opportunities in areas affected by problems of spatial injustice, there is strong potential in a single agency or an intermediary actor (local or regional leader) that ensures creating momentum from coordinated efforts from below, and vice versa, bundling and channelling relevant resources into the area, following a long-term vision for the same area.

Innovative interactions are needed for dealing with the non-spatial aspects of spatial injustice. Rather than viewing localities affected by either *territorial disadvantage*, *neighbourhood effects* or *disempowered places* in a deficit-oriented perspective only, the specific potentials of these areas need consideration, too. They may be considered as laboratories for experimental and innovative cross-sectoral policy interventions. actions promoting capacity-building and testing the potentials of digital infrastructures and services might be specifically relevant.

##### 4.4.2 Scenarios of spatial justice for areas affected by territorial disadvantage

Actions presented in this group are implemented within localities, often municipalities (either urban or rural), as a response to spatial injustice associated with difficulties in finding employment, or achieving the same level of income or wellbeing, or receiving the same level of services, as elsewhere. The reasons for this may be purely geographical (remote areas, lack of resources), historical or social (lack of social capital). Pen pictures for these case studies in 2030 usually present alternative scenarios, at least in some fields assessed as relevant or very relevant in shaping their future. Within these stories, we can learn a lot about interrelations between processes and patterns, their causes and effects shaping more or less certain futures of the localities under investigation.

A few scenario reports provided a range of different but plausible evolutionary paths for spatial justice. Interesting examples are German, British, and French case studies (DE1, DE2, UK31, UK33, FR17). In *Smart Countryside Ostwestfalen-Lippe* (DE1) alternative scenarios of economic activity (N1), central places (N2) and demographic patterns (N4) have been presented, all having scored as relevant or very relevant by 2030. In one respect, experts expect this predominantly rural area to become strong in an economic context due to **technological innovations, green products, and highly specialised agricultural production**. Nonetheless, the villages are not able to compete with larger urban hubs in 2030, as **economic growth still concentrates in urban agglomerations**. **Digitalisation** facilitates the provision of services and home office arrangements in rural areas, yet it is not fast and strong enough to attract a significant number of new businesses to the rural villages. Similarly, decarbonised mobility does not promote widespread counter-urbanisation to rural and remote areas as it is developed mainly in larger towns and their closest neighbourhood. This implies **negative demographic patterns** due to natural change and selective outmigration, especially among the young population. Some young families decide to stay in or return to the rural villages, however, they cannot make up for the population loss. Thus, two alternative scenarios are possible: (1) more optimistic place-based city-led growth followed by lagged digitisation and constrained mobility and demographic depletion; (2) less optimistic dispersal growth supported by place-based policy with digital rural revival leading to balanced demographic decline. This particular case study may be compared to the Swedish *Digital Västernorrland* (SE29); however, experts do not discuss alternatives but present one, most plausible scenario of **digitalisation** as a solution that could help municipalities to keep welfare and services in sparsely populated areas affected by demographic depletion. However, in order to be a viable alternative, a lagged digitalisation and constrained mobility will **need to gain speed**. The **shift in equity towards decline and austerity** is expected to continue due to depopulation and ageing and without big redistributive efforts from the government. High **autonomy** of municipalities can, however, in some way also leads to greater inequality since the redistribution between rich and poor localities is quite low. Thus, the policy context is mainly based on locally-managed austerity.

In the case of *Youth Centre in Görlitz* (DE2), despite the cut in further jobs by the main industrial employers, new opportunities for investment is expected due to close **cooperation with neighbouring municipalities**, including trans-border cooperation with the Polish twin city of Zgorzelec. Strategies that continue to focus on 'future technologies' and decarbonised mobility, lead towards optimism for Görlitz, as a border town with dispersed economic activity development supported by place-based policy as well as accessible digital rural revival. The most likely scenario of balanced decline results from **negative natural change**, yet compensated by **newcomers** who are still moving into the locality. Along these plausible scenarios, experts draw alternatives as a consequence of possible shifts on the inclusion-exclusion axis (N6) – between a progressive response to decline or decline and austerity; governance structures (N7) – between neo-liberal local autonomy and rights-based local autonomy; both interrelated with the scale of neighbourhood diversity (N3). *"While the trend goes towards compact cities – diverse neighbourhoods, it is unclear how far the municipality in 2030 will be capable of effectively planning for these neighbourhoods (...) many tasks are probably being delegated to civil society actors to compensate for decreasing capacities of the municipal government"* (Kamuf & Weck 2020, p.6).

Experts presenting the 'pen picture' of the UK case *Strengthening Communities – Isle of Lewis* (UK33) underlined that whatever happens in terms of economic activities, distribution (N1), will have a big effect on this peripherally located area in terms of **demography** (N4) and potentially governance (N7). Although demographic depletion due to both a declining population and an unbalanced age structure was selected to describe the Isle of Lewis most likely to emerge in 2030, scenarios of balanced decline or retirement zone might be reasonable alternatives. It is possible that more people will move to Lewis but a similar age structure will remain. Equally, it is possible that the population will continue to **decline** overall but achieve a **more balanced age structure** than is currently the case. Whatever happens, increased digitisation and decarbonised mobility patterns might lead to a **virtually connected but physically remote community**. The policy nexus (N8) has been argued as extremely important to all UK case study areas, due to higher political instability than in recent generations. Experts presented two alternative scenarios of 'expansory, structured policymaking' and 'locally-managed austerity', yet the final choice was the first scenario due to *"the promise of the newly elected government to partially end austerity, the progressive policy approach of the Scottish government, and the increasing centralisation of local development management, as shown by HIE (Highlands and Islands Enterprise)"* (Piras et al. 2020, p.7).



Indeed, in the *Northumberland LAG* (UK31) case study, the policy nexus (N8) was also identified as most important, however illuminating a different context of both EU structural funds and farming subsidies with different requirements attached to them, putting **rural industries** in a position of profound **uncertainty and vulnerability**. Thus, an anticipated continuation of a policy for rural areas of 'locally-managed austerity' is likely to mean that any NULAG successor project can **at best hope to mitigate a situation of economic and services decline** in the Uplands by 2030, rather than hoping for any improvements in the current situation. Depending on the scale of further investments in digitisation and the cost of connection, alternative scenarios of 'lagged digitalisation and constrained mobility' and 'accessible rural digitization' were discussed by experts in this case. Based on the anticipated policy focus on city-led growth noted in N1, combined with the post-Brexit loss of the EU funding streams, experts concluded that 'neo-liberal, non-distributional growth focused on cities' seem a very likely outcome by 2030 in terms of the equity nexus (N6). However, in relation to a post-Brexit contraction in the economy, alternative scenario might be the outcome of general 'decline and austerity', resulting from an interaction of recession or slow growth with a policy choice of austerity. **Demographic depletion** – a scenario often presented for rural or remote areas – is likely to result from four of the other states selected through the nexus-state array approach: (1) 'neo-liberal city-led growth' (N1), pushing young people away from the rural area; (2) 'lagged digitalisation and constrained mobility' (N2), making rural residence, particularly in remote rural places, increasingly isolating and costly; (3) 'green growth and rural decline' (N5), with climate change leading to land uses which employ fewer people; (4) 'locally managed austerity' (N8) with reduced local government services and agricultural subsidies having the same effect on reducing rural employment.

Although being a predominantly urban conurbation of approximately 650,000 inhabitants, the Pas-de-Calais mining basin (FR17) is affected by **socio-economic peripheralisation**. 'Place-based city-led growth' (N1) was selected as the element of future scenario more as aspiration than a real tendency. Experts doubt whether this territory faces any kind of economic growth as measured by actual neo-liberal indicators. But, if place-based, Euralens can imagine its own path towards a transition economy that targets more **social and environmental indicators** as the basis of its local development. Such a path might be **unlikely but seems still possible** even though, when interpreting shifts towards inclusion or exclusion (N6), experts admit that the French state is less and less eager to help territories with the biggest difficulties (non-distributional policy justified by a political austerity) leading to their further economic recession. Even if a neo-liberal/new public management approach is assessed as very likely to stay dominant at the French and at the EU levels, Euralens might push the territory towards a more citizen's rights based approach as the only possible move left. By involving more local associations and inhabitants in the making of local development strategies, both scenarios of 'locally-managed austerity' and 'project-led development', with limited coordination and with a strong role for local institutions and the third sector, are possible to describe it by 2030.

Scenarios for areas affected by *territorial disadvantage* where experts were more certain about future patterns and processes, presenting one most likely directions of change, are the Finnish, Dutch, Spanish, Greek, Polish and Hungarian cases (FI11, FI12, NL19, EL3, EL4, EL6, ES7, PL 23, PL24, HU13, HU15, HU16).

#### 4.4.3 Scenarios of spatial justice for areas affected by neighbourhood effects

Problems of spatial (in)justice in case studies representing the *neighbourhood effects* group usually occur on a neighbourhood scale in urban areas. They are followed by secondary effects, such as the stigma or sense of limitation, associated with coming from a disadvantaged neighbourhood, leading to narrower educational and training options, difficulties finding employment, or barriers to raising social capital. A collection of five scenarios, for cases focused on housing interventions (HU14, RO25, NL20, SE30, UK32) will be discussed here in order to present common threads as well as place-based differences shaping spatial justice in these localities by 2030. Interestingly, in contrast to scenarios prepared for areas affected by *territorial disadvantage*, in this group less alternatives were presented.

The most likely scenario for these five cases in terms of economic activity patterns expected to develop in wider regional and national scales affecting investigated localities, is the '**neo-liberal city-led growth**'. Irrespective of the locality where the action is implemented (Pécs in Hungary, Cluj-Napoca in Romania, Rotterdam in Netherlands, Stockholm in Sweden, Lewisham in UK), they are expected to remain important economic hubs in the region and in the country, or even on a European-wide scale, gaining **bene-**

**fits from agglomeration of economic activity.** Only in the case of Stockholm, where the state is inclined to disperse functions over the country in a trend deemed likely to continue, especially as there are no signs that Stockholm is economically seriously harmed by these measures, , placed-based approaches will dominate over space-blind, neo-liberal approaches for parts of the economy.

Comparatively, implications of New Mobilities and digitisation for central places and Services of General Interest (N2) were assessed as less relevant from the perspective of urban areas, than were the case for predominantly rural, usually remote localities affected by *territorial disadvantage*. However, these neighbourhoods that are subject to interventions analysed under the RELOCAL project will most probably remain on the negative side of the digital divide within their respective societies by 2030.

The third nexus (neighbourhood diversity and segregation), directly related to the theme of spatial justice, was underlined as of key importance for areas affected by *neighbourhood effects*. The most likely scenario for further growth in most of the cities investigated, where actions focused on desegregation, is of becoming **more compact yet with segregated neighbourhoods** concluding that the efforts to achieve the aim were only partially successful (HU14, SE30, UK32). Only the city of Cluj is expected to continue sprawling as well as having segregated neighbourhoods such as Pata Rât, since the economic and policy trends that led to its formation are not projected to stop (RO25). In the case of Rotterdam South, experts expect that by stimulating **social mobility** (through education and labour market policies), **upgrading the housing stock** and changing the tenure mix, the city might become more diverse and less segregated (NL20).

As for demographic patterns, scenarios envisage **dynamic demographics** due to in-migration to cities as hubs of economic growth, no matter what their scale of influence is. However, at a local scale, segregated areas with poor households will have a slightly different future demographic path and in turn this might deepen problems of spatial (in)justice. There will be more children and less elderly people, however, their health will be significantly worse. These demographic trends will most probably put an increasing pressure on local service providers, most importantly on schools, on social services and on healthcare.

Expected shifts towards greater inclusion or exclusion might differ among places, but most often, experts linked the policy focused on economies of agglomeration, noted in N1, and related provision policies, and **neo-liberal, non-distributional growth** (RO25, SE30, UK32). What may be expected is economic growth but further social (and spatial) polarisation both at local and wider scales. The liberal reforms and the subsequent polarisation and segregation have, moreover, meant that there is **unequal access to services of general interest** (health care, schools, and housing). Alternative scenarios were presented for Rotterdam South (NL20), where the success of interventions undertaken aimed to combat exclusion by means of educational, employment and social policies basically depends on two factors: macro-economic trends, and policy making. As a consequence of economic growth and a continuation of the national program Rotterdam South, a **double dividend inclusive growth** is expected so that the social exclusion in Rotterdam South will diminish but not completely disappear. On the contrary, the most pessimistic scenario of **decline and austerity** is expected in the Hungarian city of Pécs (HU14) due to central government moving towards a more exclusionary future and economic slowdown or recession rather than growth – given the expected global restructuring, and Hungary's dependence on Western European capital.

Unsurprisingly, future scenarios for specific cases differ most in the context of governance structures and policy implications (N7, N8) varying across European countries. From the most likely scenario of the 'neo-liberal top-down governance' in Hungary due to radical centralisation, mainly in the fields of education, development policy, social policy, and most importantly, within the local governmental system; through alternatives of a 'neo-liberal local autonomy' and also possible 'neo-liberal top-down' in the case of Lewisham and Cluj-Napoca as both types of governance resonate with the 'neo-liberal non-distributional growth' model (N6); to 'rights-based local autonomy' in Rotterdam South (NL20), since the policies are mainly designed, specified and implemented at the local level – by a local network organisation and in relation to the distributional aspects – and they are rights-based rather than neo-liberal (N6).

Following the above governance context in terms of policy, the Hungarian case is expected to be shaped by 'top-managed austerity' as a consequence of next economic crisis and a radical cut in available funds, especially due to changes in EU Cohesion Policy for 2021-2027. Similarly, in the Romanian case, this scenario is also plausible, yet an alternative of 'locally managed austerity' is also considered. Both scenarios

might mean that interventions undertaken result in failure. ‘Locally managed austerity’ is also seen as the most plausible scenario in the case of Stockholm; however, the narrative underlines that the city supporting subsidiarity principle of EU policy wants to “stand on its own feet” (Borén 2020, p.6). It is expected that the self-governing municipalities will continue to be self-governing although from 2019 regions were given new jurisdictions within the field of economic development. To what extent they will use that for fighting segregation is an open question; however, the only actor who can act with some force would be the state, but national policies are very liberal, and the chances of them changing radically, given the political landscape of Sweden, is slim at best. ‘Expansionary, fragmented policy-making’ is the most likely approach for housing in the Greater London area, a major growth pole for the UK with, as has been described, a relatively strong regional level of government, alongside increasingly devolved powers for individual local authorities through the 2011 Localism Act, which enable Borough Councils to act as entrepreneurs and developers (a form of ‘neo-liberal local autonomy’, see nexus 7). Also, Rotterdam South (NL20) area is expected to benefit from expansionary policy making and funding but in a national perspective. This is due to the fact that the Dutch economy is growing, and both the national and the municipal government have strongly committed themselves to improving the Rotterdam South areas.

#### 4.4.4 Scenarios of spatial justice for disempowered places

Problems of spatial injustice in the case studies affected by *disempowered places* derive from shortcomings in governance, administrative or institutional structures. Living or working in an area which for some reason suffers from such an institutional deficit, or lack of influence, can be prejudicial to the life chances of individuals, or to the growth prospects of businesses. In these cases, policy response is centred upon administrative or institutional reform.

Plausible scenarios for the three cases within *disempowered places* type of actions towards spatial justice explore potential changes to these issues that are important from their perspective to shape coherent and spatially just futures. The pen pictures of French *EPA Alzette-Belval* (FR18), Greek *Overcoming fragmentation in Territorial Governance* (EL5), and Spanish *Eix de la Riera de Caldes* (ES10) in 2030 present **optimistic frames for continuation of actions undertaken**, an **on-going process** that is still far from achieving the final goal. The big question arises as to whether it is possible at all to plan and bring to life a spatially just locality?



## 5 Results: Scenarios of actions addressing spatial justice

This Section illustrates how the ToC mechanism maps describing the logic behind the actions are expected to change as a result of the scenarios developed in Section 4. The actions addressing different typologies of spatial (in)justice are analysed separately. For each group of actions, an overview of their characteristics and of the main lessons learned from the ‘re-mapping’ exercise is provided, followed by a description of the changes in the single elements of the maps – contextual conditions and drivers, baseline assumptions, Intermediate Outcomes, causal links, and long-term goals.

To visualise the link between the scenarios presented in Section 4 and the changes in the actions described in the mechanism maps, Table 4 summarises how the actions in each group are expected to be impacted by each nexus of change through their contextual conditions and drivers. The actions put in place in areas with *territorial disadvantage* are mostly affected by the **redistribution of economic activities** (agglomeration vs. dispersal, **N1**), and by specific local dynamics (**N9**), even if the changes in EU, national and local policy (**N8**) will affect a larger number of contextual conditions and drivers in each location. The places suffering from *neighbourhood effects* are mostly affected by **policy changes** (**N8**), while *disempowered places* show a dynamic similar to the first group. neighbourhood diversity/segregation (**N3**) and, to a lesser extent, inclusion/exclusion (**N6**) have a limited importance for the future of actions in places characterised by *territorial disadvantage*, while new mobilities/digitalisation (**N2**) and climate change and adaptation (**N5**) matter less for the actions implemented in *disempowered places* and in locations subject to *neighbourhood effects*.

SJ typology	Indicator	N1	N2	N3	N4	N5	N6	N7	N8	N9
<i>Territorial disadvantage</i>	CC&D affected <sup>1</sup>	1.32	0.84	0.21	0.63	1.05	0.42	1.11	1.68	1.32
	CS affected (%)	63%	58%	11%	53%	58%	32%	58%	74%	63%
<i>Neighbourhood effects</i>	CC&D affected <sup>1</sup>	0.55	0.45	0.91	0.91	0.45	0.55	0.82	0.82	1.36
	CS affected (%)	45%	18%	55%	55%	27%	45%	55%	64%	55%
<i>Disempowered places</i>	CC&D affected <sup>1</sup>	1.67	0.67	0.67	0.67	0.33	0.67	1.33	1.00	1.67
	CS affected (%)	100%	33%	67%	67%	33%	67%	67%	67%	100%

Note: <sup>1</sup> Average number of contextual conditions and drivers affected by that nexus, by case study.

Table 4. Impact on case study locations of the nexus of changes, by typology of spatial justice.

The changes in the contextual conditions and drivers ultimately result in increased or reduced capacity of the actions to deliver their **long-term spatial justice goals**. Table 5 shows that the actions impacting on disadvantaged places will have to review their long-term goal in around three quarters of the cases, suggesting a limited effectiveness. Instead around two thirds of the actions addressing the other two types of spatial (in)justice will maintain the same goal, either because it will still be relevant (i.e., it will not be achieved before 2030), or because the actions can be efficaciously adapted to deliver the goal in the framework of the new conditions.

Spatial justice typology	Changed	Unchanged
<i>Territorial disadvantage</i>	14	5
<i>Neighbourhood effects</i>	4	7
<i>Disempowered places</i>	1	2

Table 5. Long-term goal in 2030.

### 5.1 Territorial disadvantage

There are **19 actions** intervening in case study areas characterised by *territorial disadvantage*, i.e. **58%** of the total. They span a large range of territories, of which 11 are **rural**, five urban (mostly middle-sized towns), and three comprise an entire district, although they focus mostly of rural areas within it. Relevant sub-groups include **post-mining areas** (EL3, FR17, RO26), **sparsely populated areas** (FI11, SE29, UK33), **border regions** (DE2, HU13, PL23), an **island** (UK33), and an **inner peripheral area** (EL6). All welfare regimes are represented, with a quite equilibrated distribution between them. Most actions (10) consist of a **mix of soft and hard interventions**, eight are purely soft, and one hard; a plurality (eight)

include bottom-up and top-down elements, seven are bottom-up, and four top-down; a plurality of actions (nine) address both procedural and distributional injustice, six procedural, and four distributional injustice; finally, there is a balance between focused interventions (10), and broad ones (nine). Instead, there is a large prevalence of actions aimed at achieving justice with respect to an 'external' rather than 'internal' baseline (12), equality of opportunities rather than outcomes (14), and focusing on the community at large rather than on single individuals (14).

The scenario exercise showed that in the framework of a development model based on territorial competition and the search for excellence through urban agglomerations, most of the actions are unable to achieve their goal, which thus needs to be reviewed. In some cases (e.g. DE1, UK33), a **more realistic goal of preserving acceptable living standards** is formulated; in other cases (e.g. RO26), there is a switch from endogenous rural development to the attempt to take advantage of the agglomeration economies of a local town. City-based actions (e.g. DE2, FI12) are expected to be more successful thanks to the local availability of more **human capital**; however, this will be achieved at the expense of the surrounding rural territories (DE2). A similar dynamic emerges in rural locations too, with the villages involved in the action becoming relatively better-off (PL23, PL24); this **reproduces spatial injustice at lower (regional) level**, indicating the need to extend the scale of the action. In some cases (DE2, HU13) the presence of a nearby border represents a not-fully exploited opportunity, for which stronger EU involvement is needed. The progressive **reduction of external resources represents a challenge** for LEADER actions that have been successful in the past (HU16, UK31). This caused – and will continue to cause – a switch towards an **increasingly entrepreneurial approach** (RO26), a focus on SMEs (UK31), and the weakening of the non-financial (social) aspects of the action (HU16). To overcome the challenges of remoteness, digital solutions can be applied, but this could result in injustice towards some social groups if the digital divide is not addressed – which is likely to become a key aspect of actions adopting such solutions (SE29). Due to reduction of the resources available locally, including human capital, and thus the difficulty for some territories in catching up economically through the actions, the **sense of identity** (and place attractiveness) is expected to play a **growing role in strengthening the community and ensuring its resilience** (PL23, PL24, UK33), or even its development (ES7). Equally, **soft interventions** will become more central due to their lower costs and their symbolic potential (DE2, EL6, FI12, FR17, PL23, PL24), implying a stronger role of the third sector (DE1, EL6, FI12), or of cultural aspects (DE2, FR17). Finally, the **stabilisation** of the action through inclusion in a large, long-term program (and the provision of additional resources), thus overcoming their initial 'project' nature, seems a promising strategy to achieve the goal (NL19).

### 5.1.1 Contextual conditions and drivers

The conditions of the places characterised by *territorial disadvantage* will be affected mainly by changes in the EU, national and local policy (N8), followed by the redistribution of economic activities (N1), and specific local conditions (N9). Changes in governance (N7), climate change (N6), and new mobilities & digitalisation (N2) are also quite important. In turn, segregation at local level (N3) plays a marginal role. Starting from higher policy levels, **EU support** emerges as a key contextual condition but is conceptualised differently depending on the area: as dependence (so that its continuity is required) in Eastern Europe (HU15, PL24, RO26); as a loss (because of Brexit) in the United Kingdom (UK31, UK33); as an opportunity thanks to the increasing focus on the green economy (EL6, FI11, FI12); or to cross-border spill-overs (HU13) in other contexts. In turn, the viability of many actions will be negatively affected by **neo-liberal models promoting state withdrawal** (DE1, FR17, RO26, SE29, UK31). This is common to all welfare systems, excepting family-based ones, although minimal levels of state support will persist in Sweden (SE29), and the third sector will compensate in Germany (DE1). Instead, the state is expected to still play a key role through highly-structured, top-down programs in Greece (EL6). Interestingly, the economic crisis is considered as *overcome* in Spain (ES7), but not in Greece (EL4).

At a local level, there is widespread recognition that **increasing environmental concerns** by the society (and thus consumers) could represent an **opportunity** for rural areas specialised in the production of healthy local food, or providing different ecosystem services, mainly recreation (DE1, EL4, EL6, FI11, FI12, HU15, HU16, PL23, PL24, RO26, UK33). In one case (RO26), the comparative advantages of an unpolluted nature are expected to reduce, thus the action will need to re-focus. In four other cases (DE1, HU15, HU16, UK33) climate change is recognised as a potential threat, but its impact is expected to remain moderate until 2030. Despite the enthusiasm for the **opportunities deriving from environmental assets**, a risk of

market saturation is recognised in the Lewis report (UK33), thus remote locations are less likely to benefit from them.

An increasingly **unfavourable demography** is recognised for **most rural-based locations** (DE1, EL6, FI11, RO26, SE29, UK33), although outmigration is expected to slow down in Romania (RO26). In turn, two Polish case study areas (PL23, PL24) are expected to experience a slightly positive demography, and two Greek and Spanish cases (EL5, ES7) a rejuvenation thanks to urbanisation and counter-urbanisation, respectively. Digitalisation, new mobilities, and the future distribution of economic activities are generating relevant contextual conditions at local level, but their impact on the ability of the actions to deliver spatial justice varies: in some instances, the **redistribution of economic activity** is expected to benefit rural areas, e.g. through smart working (ES7, PL24), but in most cases agglomeration economies represent a constraint for the actions (FI11, FR17, SE29, UK31, UK33). The absence of a **broadband connectivity** (DE1), or the **digital divide** (SE29), is likely to become a more serious handicap for some territories. In turn, urban areas will benefit from decarbonised mobilities and agglomeration effects (DE2, EL4) as well as from globalisation allowing them to assume the role of regional hubs (EL4). In such a framework, the persistence of a neo-liberal, place-neutral policy approach represents an obstacle for disadvantaged places (FR17).

Some case study areas will be affected by changes in multi-level governance or the approval of new legislation: limited **local autonomy** is expected to reduce the effectiveness of the Balaton LEADER action (HU16), but **decentralisation without adequate resources** may also be a challenge (FR17, UK31). A well-designed local autonomy (PL23), a strong local leadership and capacity of cooperation (EL6, H15), as well as the presence of a progressive political group (DE2) represent favourable conditions for the pursuit of spatial justice. Finally, changes in the local economic structure are foreseen, with urban areas experiencing diversification and an increase in skilled jobs (DE2), and rural areas seeing a reduction in agriculture (PL23). Such changes are driven by **growing market pressure**, which will lead to changes in the focus of some actions (HU15, UK31).

### 5.1.2 Baseline assumptions

Most baseline assumptions are expected to hold, and six actions (ES7, FI12, NL19, PL23, PL24, SE29) are experiencing no changes or very limited changes. A large number of changing assumptions can be grouped into three macro-groups: **continuity of financial support from the EU** (CAP, Cohesion Policy) **or from national institutions** (DE2, EL6, HU15, HU16); a **not too unfavourable demography**, thanks to counter-urbanisation or slowing down of emigration (DE1, DE2, EL4, EL7, RO26); an **interest in staying in the territory** despite related disadvantages (DE1), e.g. because of a sense of uniqueness and of belonging (UK33). In some cases, these assumptions are assumed not to hold, and are thus framed negatively as 'inhibitors': limited financial resources (FR17, UK33), which reduces the outreach to weaker rural actors (UK31); difficulty in overcoming the demographic decline (FI11), including because of the slowing down of immigration (PL23); increasing interest for outward commuting to the cities (RO26). Other relevant assumptions are that stakeholders are **willing to innovate and modernise** (EL3, HU15); in one case (EL4) limited innovativeness is assumed to be overcome through customer orientation. The **importance of institutions and leaders** is recognised in a series of assumptions which can be characterised either as 'promoters' (enhanced efficiency, EL3; dispersed leadership and ownership preventing the consolidation of strong private interests, EL6; flexible and supportive multi-level governance, FI12; lobbying capacity of leaders, HU15), or as 'inhibitors' (political conflicts resulting from the pressure to downsize public services, FI11; change from cooperation to technical coordination, FR17). As already recognised, digital technologies are key to reducing disadvantage, thus their absence is an 'inhibitor' (DE1), a strong tradition or improvements in this sense, a 'promoter' (EL4, SE29).

An interesting case is represented by the Mara-Natur LEADER action (RO26), where it is assumed that the **opportunity window** which followed Romania's accession to the EU will close, bringing less funding for small-scale projects, and a more realistic assessment of the tourist sector (on which many rural locations tend to rely). Further, a set of case-specific assumptions put in doubt the **causal path between skill development, employment, and wellbeing**. For example, in the *Give Kids a Chance* action (HU13) it is assumed that capability expansion does not result in reduced unemployment due to institutional **discrimination** of Roma people. Similarly, in the *Euralens* action (FR17), social **stigma**, and the perception of being

a 'losing' territory will persist, so that some intermediate outcomes need to be reassessed. Finally, to ensure a minimal level of redistribution, it is assumed that urban areas keep growing, and that the jobs created in rural area are paid enough to counterbalance rising mobility costs (UK31).

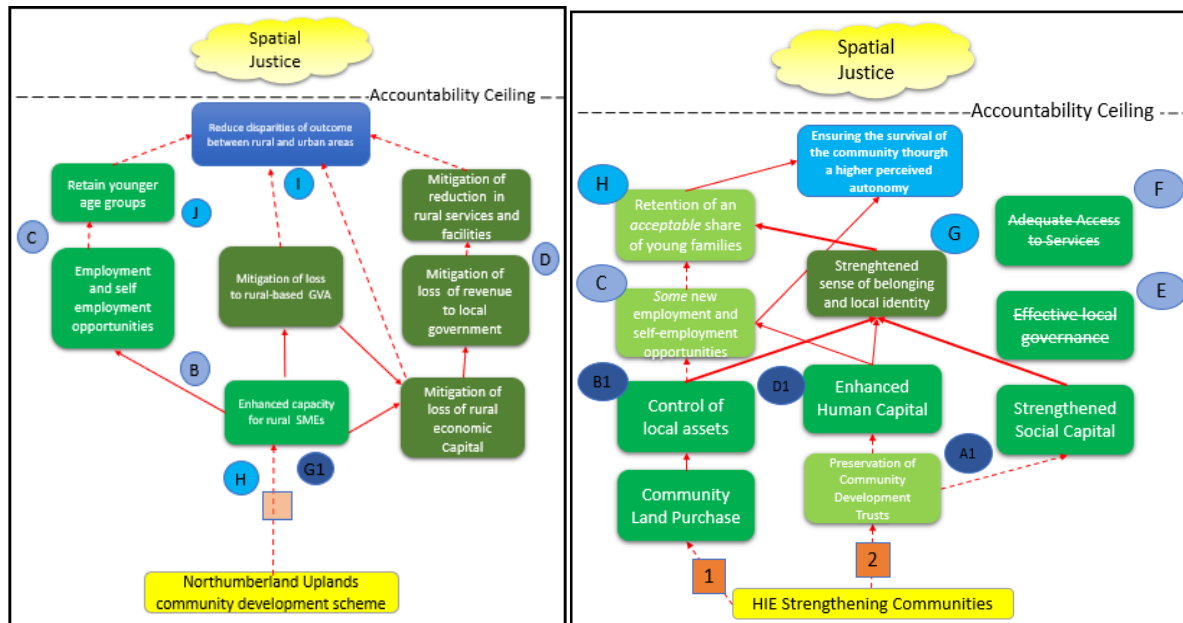


Figure 11. Revisions in the mechanism maps for UK31 (left) and UK33 (right).

Notes: Dark green boxes – added outcomes, light green – reviewed outcomes, struck through – erased outcomes; dashed arrows – uncertain paths, bold arrows – reinforced paths.

### 5.1.3 Intermediate outcomes and causal links

The scenario exercise for the places characterised by *territorial disadvantage* resulted in **relevant changes in the intervention paths for a majority of actions**, while eight actions will see no changes (ES7, FI12, NL19), or very small changes (EL4, EL6, HU13, HU16, SE29). In some cases there will be a **stronger focus on consolidating** the action and its outcomes (from *establishing* the running of an organisation to *operating* it, HU15) or **upscaling** the action in thematic (synergy with other local activities, required by the municipality to obtain funds, in DE2) or in geographical terms (taking advantage of the links with the large international region of the Balkans, EL4; so that the entire region can benefit from positive spillovers through territorial cooperation, PL23 and PL24). In other cases, mostly in **rural areas** (DE1, FI11), there will be a **downscaling of some intermediate outcomes** (*facilitation* of local life rather than equivalence of wellbeing, DE1; *alleviating* demographic decline, DE2; *rightsizing* of services to the demographic reality, FI11; *slower* demographic depletion, RO26; *mitigation* rather than reversal of jobs and services loss, UK31; retention of an *adequate* share of the population, UK33); and the **causal paths** will become **more uncertain** (DE2, HU13, UK31). The feedback loops between the intermediate outcomes are expected to expand (HU16), as will the role of 'soft' aspects of the interventions, e.g. strengthening of the sense of identity and belonging (thanks to the uniquely high level of community controlled land, UK33); building of an attractive external image through activity of promotion (EL3, EL4, EL6, ES7); and elaboration of a coherent vision for the action through a better integration of individual and collective strategies (HU15). The downsizing of some outcomes, a **stronger role of immaterial aspects**, and an increasing uncertainty in the causal paths are clearly visible in changes to the mechanism maps for the Northumberland Uplands LEADER (UK31) and Lewis (UK33), reported in Figure 11.

The above dynamics of downscaling, and of switching focus towards 'soft' interventions will probably be fostered by the **limited competitiveness of the territory** (e.g. because of increasing transport costs compared to cities, UK31), and a need to rely on **non-financial comparative advantages** to ensure the sustainability of the community, achieving an equivalence of *perceived, relative* rather than *actual, absolute* wellbeing. It is noteworthy that future economic macro-trends will result in a **stronger focus on financial sustainability and efficiency**, and thus more centrality of SMEs and business development (for



example through special tax incentives, EL3; and with an increased centrality of agglomeration economies and metropolitan governance, RO26); the alignment of local businesses with funding opportunities (primarily the EU Cohesion Policy, FI11); an increasingly entrepreneurial approach (HU16, RO26) or simply, if long-term financial viability is not achievable, a downscaling of the action (UK33). In turn, to overcome the challenges generated by state withdrawal, some actions will rely on the third sector (DE1), or on solidarity starts-ups (see the successful story of the Cooperative Bank, EL6). On the one hand, **more efficient municipal institutions** (FI11) and new forms of local governance (DE2) will become key while, on the other, centralisation at the national level will be an obstacle to effective place-based interventions, and cause the abandonment of specific intermediate outcomes (HU15). In some cases, the reduction of available resources is expected to cause political conflicts (FI11), or a switch towards limited inclusion of civil society; reliance on technical (instead of human) capacity reinforcement; and a co-optation based development strategy (FR17). The changes in the mechanism maps for Lieksa (FI11) and the Mara-Natur LEADER (RO26), reported in Figure 12, illustrate two very different strategies of adaptation to future dynamics: downscaling of services and focus on local resources, and reliance on urban spill-overs, respectively; nevertheless, both strategies will be centred on businesses.

The increased focus of EU policy and society on **environmental issues** will drive the changes in the causal paths of some of the actions, which will be re-shaped around the clean energy sector (EL3) or, in the case of the Producer Organisation in Szentes (HU15), will experience a complete reconsideration of the intervention logic, now centred on consumers' concerns for **healthy and sustainable food**. Other promising strategies for areas experiencing *territorial disadvantage* are focusing on one or more specific sectors where the area has a **comparative advantage** (FI11), and the training of local stakeholders to improve human capital (EL6, FI11). Improving digital infrastructure will also play a role for the wellbeing of rural people (DE1). In general, 'hard' infrastructural measures are expected to have a stronger impact on residents' and visitors' life quality, but they are less common, with Rural Public Space (PL24) being the only 'hard' action considered.

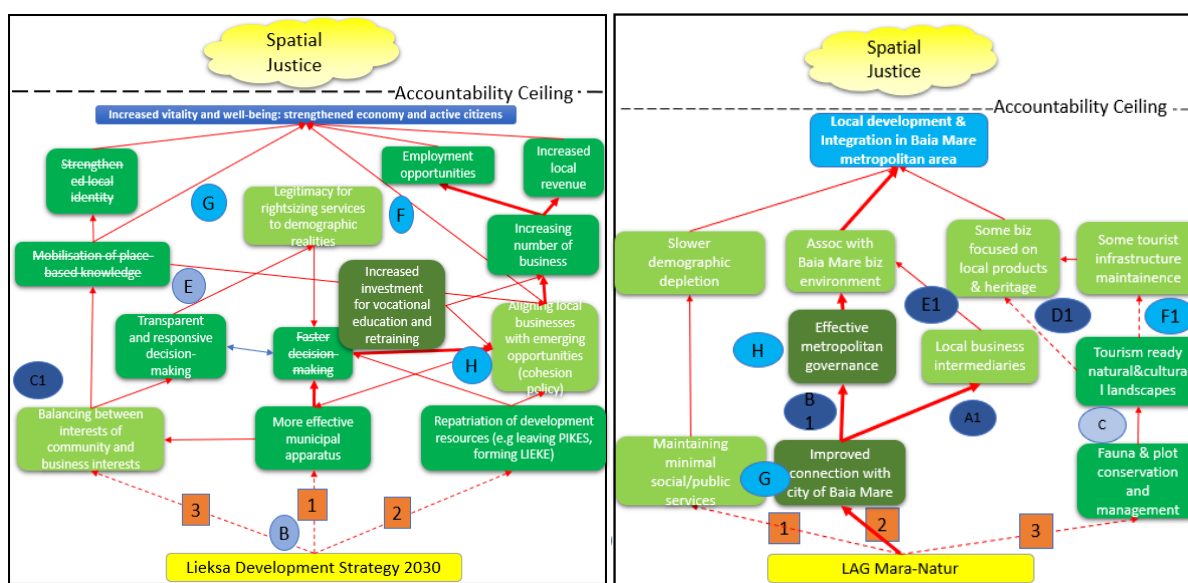


Figure 12. Revisions in the mechanism maps for FI11 (left) and RO26 (right).  
Notes: See Figure 11.

The patterns of change do not seem to depend on the policy approach, with the most successful and resilient actions equally spread across approaches and welfare regimes. The only exceptions are probably represented by **bottom-up actions** (DE2, EL6, FI11, FI12, HU15, NL19, PL23), most of which will either continue unchanged, or **manage to adapt** to the changed circumstances; instead, top-down actions (EL3, ES7, HU13, SE29) will show less flexibility. Rural actions in the liberal (UK31, UK33) and society-based (FI11, SE29) welfare systems seem unable to provide spatial justice, but local features probably matter more than the system itself.

#### 5.1.4 Long-term goal

As a result of the changes in the contextual conditions and baseline assumptions, most of the actions intervening in places characterised by *territorial disadvantage* (14 out of 19) will need to **reconsider their long-term goals**. The five case studies which will keep their goals are town-based (DE2 and FI12); have seen the inclusion of the action into a larger, long-term program (NL19); are a particularly successful case (HU16); or focus on particularly vulnerable social categories like Roma and poor children (HU13). Furthermore, their goals were not formulated in terms of equivalence of wellbeing but, rather, in terms of improvement with respect to the current situation. In a minority of the actions whose goal is expected to change, this happens because **the action itself consolidates**, so that a territorial broadening (PL23, PL24, SE29), or less active external intervention (EL4) are expected. Instead, in most instances, the long-term goal will change because it is deemed **unrealistic** given the changes in global and local conditions. In particular, the actions put in place in **rural areas** will not be able to achieve equivalence of wellbeing, and should focus on mitigating the worsening of living standards by **adapting to population decline** (DE1, FI11, UK33), or support equality of outcome rather than of opportunities (UK31). Meanwhile, **spatial injustice** will be **reproduced at a lower scale** – between the areas (villages) involved in the action and the neighbouring ones (DE1, PL23, PL24, SE29) – pointing to the need of broadening the territorial scope of the action at the regional level. In one case (RO26), such dynamics will be counteracted by switching from promoting a durable endogenous development to taking advantage of the agglomeration economies of local towns. Similarly, a switch from de-peripheralisation and de-marginalisation to satellisation will characterise a post-mining region in France (FR17). Finally, some actions will put **environmental aspects at the core**, namely transitioning towards a carbon neutral economy (EL3), or producing of safe, local food (HU15). The need to identify one or more sectors on which to focus efforts and resources is highlighted in the Lieksa case study (FI11).

## 5.2 Neighbourhood effects

The **11** actions addressing *neighbourhood effects* involve areas more homogenous than those characterised by *territorial disadvantage*: usually **urban** (except RO27), **deprived neighbourhoods**, **isolated** from the rest of the city (e.g. ES9, RO28), and sometimes characterised by the presence of **ethnic minorities** (Roma people in RO25, RO27 and RO28). In two cases (PL21 and SE30), the whole city is involved. These actions span all welfare systems, but six out of 11 are in Eastern Europe, characterised by a mixed welfare type. Most actions focus on the **distribution** of good and services rather than on procedural aspects of spatial justice, or adopt a mixed approach; in turn, there is an equilibrium between actions focusing on opportunities and on outcomes. Most actions combine soft and hard interventions, focusing on the community at large rather than on single individuals. All try to achieve justice *vis-à-vis* an ‘external’ baseline, adopting a broad focus, and a top-down approach (except PL21).

The scenario exercise highlighted that the actions **conceived as long-term from the beginning** are more likely to stabilise and to achieve their goal (NL20). In the (mostly) urban locations studied, **housing is a key aspect of spatial justice**, and market-based solutions are highly unlikely. In turn, the actions aimed at renewing the neighbourhood or other areas in the city bear the risk of promoting **gentrification**, pressure on already deprived areas, social **segregation** within the same neighbourhood (see for instance ES8), or even non-inclusive growth. Social differentiation and social dynamics need to be taken into account, as vulnerable categories can be worse off even in relatively well-off areas (see for instance UK32). For this reason, hard interventions on the housing market alone are unlikely to solve spatial injustice. A **holistic approach** is required: sectoral policies focusing for example on ethnic minorities (RO25, RO27) tend to be unsuccessful, as segregation is reproduced elsewhere. The ‘secondary’ neighbourhood effect of **stigma** is difficult to address and **tends to persist or even to be embedded in policy interventions**, e.g. due to the approach of higher-level institutions, like in the Hungarian case studies, here (HU14) and in the previous group (HU13). For this reason, the political colour of the local administration matters, and changes in **political majorities** can cause discontinuity in the action (see, for instance, SE30). Local management is not always a solution, as strong leaders can act arbitrarily when applying the law (like mayors in RO27). Finally, the existence of **local assets to valorise** (like the lake in RO28) is key to opportunity generation and can make a real difference.

### 5.2.1 Contextual conditions and drivers

The situation of the places characterised by *neighbourhood effects* will be affected primarily by **changes in EU, national and local policy (N8)**, followed by purely local dynamics (N9), evolution of diversity and segregation (N3), demographic trends (N4), and changes in governance (N8). In turn, climate change (N5) and changes in mobilities and digitalisation (N2) will affect a small number of contextual conditions and drivers. The main difference compared to the places characterised by *territorial disadvantage* is that **local population** will be **either increasing (UK32) or stable (PL22)**, also due to immigration driven by lower housing costs and by flexible working schemes (ES8). However, this may result in **increasing pressure** at local level, rather than improved human capital (for example in ES9). If newcomers are not well-integrated, this could even cause a reduction in societal interest for the neighbourhood and internal segregation (ES9). The **neo-liberal, non-distributional growth** model is also expected to persist, causing cities to remain (or become increasingly) **segregated (PL21, R025, R027, SE30)**. In some cases, improvement in the neighbourhood will be achieved at the expense of the current population, relocated elsewhere (R025). Even where the economic crisis is *overcome*, like in Spain (ES8, ES9), thus favouring an improvement in local conditions, **place-related stigma** is unlikely to disappear completely, thus perpetrating spatial injustice. Other contextual conditions which will impact on the capacity of the action to deliver its goal include **clean air policies that increase transport costs** (with a relatively larger impact on vulnerable categories, UK32); a stricter migration policy, aimed at 'integrating' migrants as opposed to laissez-faire multiculturalism (SE30); the level of acceptance by local stakeholders (NL20). Local political conditions also matter, with progressive municipal leaders seen as facilitators (SE30), even in opposition to national ones (HU14); for this reason, stability in local political majorities (NL20) and limited scope for arbitrariness by mayors (R027) are also cited. In two cases, recent or incoming legislation (on local authorities, ES8; on informal settlements, R027) will change the framework in which the action operates but also increase uncertainty. Finally, a positive note comes from the only bottom-up action (PL21), which will continue in conditions of increasing social participation, and from one action which has ended (R028) – if prolonged, the increasing environmental focus of EU policy could represent an opportunity to valorise local assets (in this case a lake), and the third sector is expected to play a growing role.

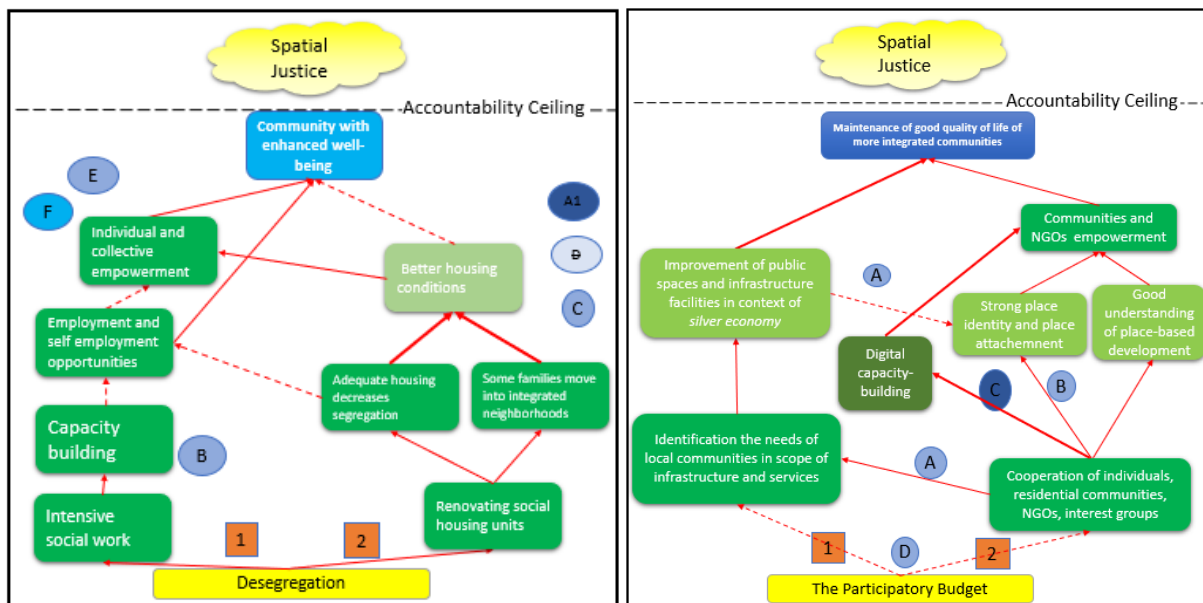


Figure 13. Revisions in the mechanism maps for HU14 (left) and PL21 (right).  
Note: See Figure 11.

### 5.2.2 Baseline assumptions

Despite the changes in the contextual conditions and drivers, most baseline assumptions are expected to hold. A strong assumption which will continue to underpin the causal paths of these actions is the causal **link between better education, better job opportunities and social integration of individuals** from disadvantaged neighbourhoods (NL20) – this is contradicted by the **persistence of stigma** in some case



study areas. In general, **minimum levels of human capital** (digital capabilities for online participation, PL21; strategic thinking of leaders, PL22), **built capital** (local availability of social housing, UK32), **institutional capital** (learning and collaboration, ES8; capacity to take advantage of EU funds, RO28), and even **individual financial capital** (to purchase new homes in the market, RO27) are assumed, *de facto* excluding the most deprived areas and individuals from spatial justice. In turn, some action designs acknowledge the presence of unfavourable contextual conditions (e.g., exclusionary social regulations at national level, HU14), and thus assume future **limits in terms of resources**, and/or economic dependence from outside (ES8, RO25, RO27). This is solved by means of subsidies (not market-based interventions), where a progressive leadership exists (HU14). Related to the latter consideration, the **continuity of a political mandate** is also key, as shown by the interruption of the experience of the Stockholm Commission (SE30). Finally, a case-specific ‘inhibitor’ is the decreasing community engagement, related to the recognition of social transformation rather than policy interventions as the driving force of change (ES9), while case-specific ‘promoters’ are the existence of **opportunities to valorise local assets** (RO28), and a strengthened position of the local economy (thanks to the accession of bordering Croatia to the EU, HU14).

### 5.2.3 Intermediate outcomes and causal links

The causal pathways generated by the actions addressing *neighbourhood effects* seem to be quite **resilient**. In two cases (ES9 and NL20) no changes are expected by 2030, although the risks generated by the changed contextual conditions, namely of internal segregation and gentrification, are recognised in the qualitative description. These are included in the causal paths of ES8, where the outcome of attracting new, wealthier residents can result in **weaker local identity**, which needs to be addressed. In general, **new ‘softer’ outcomes** emerge, or existing ones become more salient, including a consolidated **local identity**, place attachment and digital capacity building (PL21), place attractiveness (PL22), social inclusion (RO28), registration of residents for accessing social benefits (RO25), social empowerment (HU14), and access to services (UK32). Nevertheless, the causal paths where they are included, as well as their integration with ‘hard’ interventions, will become more uncertain (e.g., in HU14, UK32). Further, the paths resulting from ‘hard’ interventions will become stronger, usually by assumption, because the delivery of infrastructure results univocally from resource allocation (e.g., the improvement of public spaces, ES8; the renovation of social housing units, HU14), but also, more rarely, due to limited financial resources. A polarisation between increasingly **uncertain paths linking ‘soft’ outcomes** and **reinforced paths linking ‘hard’ outcomes** (although isolated from the goal) can be observed in the new Gyôgy-Telep map (HU14, left panel in Figure 13).

Two interesting changes take place in the causal paths generated by the actions implemented in Poland: first, in *Lodz* (PL21), which is expected to become a ‘retirement zone’, an increased focus on the *silver economy* will become key (see right panel in Figure 13); second, in Brzeziny (PL22) the social cooperative is expected to become a monopolist in the local job market, and to turn into a commercial company focusing on services rather than on social care – a relevant change for this unique successful Polish experience of a social cooperative.

Another notable case is the modular housing system in Lewisham (UK32), which was moderately successful in terms of reducing the negative local spill-over of brownfields and providing temporary accommodation to homeless families, and whose revised map is reported in the left panel of Figure 14. First, intervention two (‘enterprise hub’, on the right) might disappear when the system is moved to another location, therefore the path becomes uncertain. Second, the additional intermediate outcome that ‘homeless families can be permanently rehoused locally’ (once the modular system is dismantled) emerges before the long-term goal, pointing to a **need to plan long-term** in order to build a sustainable spatial justice.

In the Plumbuita case (RO28), whose map is reported in the right panel of Figure 14, the causal paths change completely, from a ‘hard’ intervention of street rehabilitation, and a ‘soft’ one focused on security and surveillance, to two ‘soft’ interventions aimed at the valorisation of environmental assets (1, on the left) and at the inclusion of vulnerable social categories (2, on the right). However, in this case the authors have been imagining a better design of an unsuccessful action which has already ended. In another case (SE30) the revision of the causal paths was impossible because a change in the political majority in the

municipal council caused the ‘extinction’ of the action; nevertheless, they remain theoretically valid in case of a future political reversal.

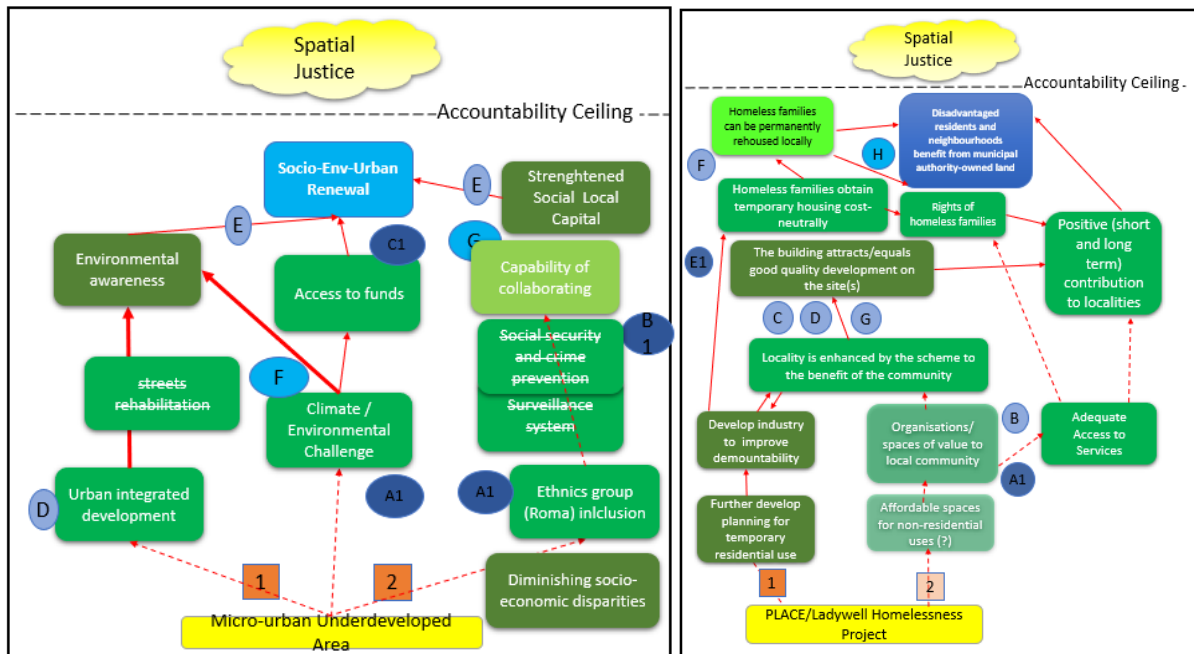


Figure 14. Revisions in the mechanism maps for R028 (left) and UK32 (right).  
Note: See Figure 11.

#### 5.2.4 Long-term goal

In contrast to the previous typology of spatial justice, the actions focusing on areas characterised by *neighbourhood effects* will see a **reformulation of their goal** in just a **minority** of cases (4 out of 11), and even in these locations, minor changes are expected – with the exception of the Stockholm action (SE30), for which no new long-term goal could be formulated because a change in the political majority in the municipal council caused an interruption in the action. In the other cases, **addressing housing poverty is replaced by more generally enhanced wellbeing** (HU14); the focus switches towards **preserving the results achieved** (PL21); or the action is expected to broaden by including softer measures (R028). In those cases where the long-term goal stays the same, this is because efforts in that direction are still needed, local conditions are favourable enough to keep pursuing it, and there are good prospects of achieving it.

### 5.3 Disempowered places

Three case studies dealt with *disempowered places*: the impact of the Greek **local administration reform** in the urban municipality of Volos (EL5), a semi-formal union of rural municipalities in the metropolitan region of Barcelona (ES10), and a state-led agency to relaunch the deindustrialising area of Alzette-Beval (FR18). These actions are classified as soft-to-mixed; aim at addressing **procedural** rather than distributional injustice through mostly broad interventions targeting the whole community; and are motivated by a disadvantage with respect to an ‘external’ baseline. The main difference is that two actions (EL5 and FR18) are top-down, one (ES10) bottom-up. The former two are also dealing with **deindustrialised areas** far from large metropolis, while the latter involves some municipalities close to a wealthy city. The former achieved limited success (spatial injustice is expected to persist); the latter seems a more successful story. However, it is not possible to disentangle whether this due to the action or to pre-existing conditions. The key messages are that: (1) while the merging of local administrations can help small localities reach a critical mass, **inequality** tends to **reproduce at a lower level**; (2) purely local actions cannot overcome the perverse effects of legislative gaps across **state borders**, for which EU-level action is needed; (3) **starting conditions** in terms of wealth or **accessibility** matter. It seems that **bottom-up** actions (i.e., when *disempowered places* join efforts on their own initiative) are more successful than centrally (and

financially) driven ones; however, the ability to act successfully bottom-up seems correlated with the **initial local (including human) capital**.

### 5.3.1 Contextual conditions and drivers

The nexus impacting most on *disempowered places* are the **distribution of economic activities (N1)** and the local nexus (**N9**), followed by changes in governance and configuration of power (**N7**). Both Southern European case studies are expected to witness an improving economy, even if the end of the economic crisis is more apparent in Spain; Alzette-Belval will still be affected by EU integration and growth in bordering Luxembourg. Reduced **centralisation** and increasing economic diversification will benefit Volos, while the favourable **geographical position** and the **counter-urbanisation** of young people thanks to smart working (i.e. spill-overs of Barcelona's agglomeration economies) will benefit the Spanish case study area. Nevertheless, a reform of local administrations is foreseen in Spain, thus increasing uncertainty.

### 5.3.2 Baseline assumptions

Most baseline assumptions are expected to hold, showing that the actions are well-designed. However, those underpinning EL5 in Greece are quite strong: a constant demography, the continuity of counter-austerity measures, economic transition towards digitalisation, and good cooperation between the institutions of the merged municipalities. Rather than on horizontal cooperation between institutions, FR18 in

France relies on **transparency and trust** between local and regional authorities, and on equitable **participation** opportunities for local residents.

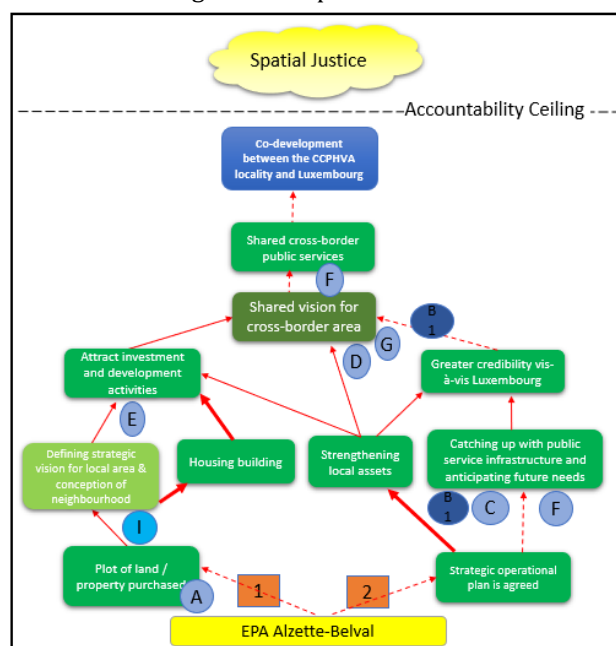


Figure 15. Revision in the mechanism map for FR18.

Note: See

whose revised mechanism map is reported in Figure 15, will experience a weakening of the causal paths, due to the **complex interdependencies** between stakeholders – the definition of a ‘shared vision’ becomes key in this instance.

### 5.3.4 Long-term goal

In the case of *disempowered places*, only one action will see a change in its long-term goal: this is the attempt to overcome fragmentation through the merging of Greek municipalities (EL5). This happens because the initial focus was on reorganisation of the local institutions, while in the next decade, **local cohesion** will become more central. In the other two cases, the goal will remain valid regardless of their rural/peri-urban (ES10), or post-industrial (FR18) nature. However, a perduring need to pursue spatial justice does not imply that the goal will be achieved.

### 5.3.3 Intermediate outcomes and causal links

The current causal paths are expected to hold in 2030. However, the level of certainty will vary, and new intermediate outcomes will emerge. These are mostly of a ‘soft’ nature, like the building of a **strategic vision** for the territory which is **shared** across the border (FR18) or a **culture of cooperation** (EL5). While Volos will aim at achieving economic diversity instead of focusing on one or more key sectors, the drivers of economic consolidation (and thus of the ability to deliver public services) in Spain are the **technical capacity of the municipalities to attract regional funds**, and the trust, both between public administrations, and at the public-private sector interface. If this is achieved, the path towards the goal becomes more certain. Instead, action FR18,

## 6 Lessons learned about spatial justice and actions addressing it

Taking a DEPEST approach and considering how changes over the next ten years affect the spatial justice issue that each case study action addresses, each partner drew lessons. They have reflected on challenges and opportunities and this section synthesises the lessons learned, drawing generalisations across the three spatial justice types. However, it is worth noting that place-based initiatives are, by their very nature, resistant to broad generalisation; their specificities being their *raison d'être*. This makes the task of synthesis somewhat challenging. In short, many of the local successes and failures are intrinsically and quite understandably bound-up with local factors and shaped by unique contexts.

### 6.1 Territorial disadvantage

These 19 poorly performing territories face challenges around wellbeing and sustainability, due to multiple and interrelated factors and a lack of 'critical mass' for local development (see Copus et al. 2019). One recurring 'lesson learned' appears to be in the form of a broad-based neo-liberal critique (DE2, FI11, HU15, FR17, RO26, UK31, and UK33). This holds that effective spatial justice, in terms of a policy objective to mitigate *territorial disadvantage*, needs to be decoupled from economic growth particularly in the context of territorial population decline. Decoupling needs to "tackle at their core the centrifugal forces which agglomerate resources in urban centres" (DE2). Effective decoupling, for most case studies, does not represent the most likely scenario in our analysis but without it, agglomeration effects will continue to drive outward youth migration and the prevailing absence of redistributive national policies will prohibit effective evening-up of wellbeing in many areas where degrowth has been in effect (UK33). For some cases, higher level redistribution (e.g. from the French state, FR17) is the only foreseeable route to equivalent wellbeing (taking into account relevance and likelihood): neo-liberalism militates against such an outcome. Clearly local actions can provide elements of mitigation through which particular sectors or sub-populations of localities can have their wellbeing improved (HU15 is an interesting case in point describing a process apparently protecting the lower middle class from big business), but the overarching influence of the neo-liberal state with its economic growth imperative will perpetuate and proliferate spatial injustice. Furthermore, even successful initiatives risk capture by local elites if growth focused structures (e.g., business agencies, UK31) supplant public bodies as coordinators.

This negative prognosis must be set against a minority of more optimistic scenarios recognising the scale of the challenge but remaining open to the possibility of paradigmatic change, and hopeful of local level improvements in spatial justice (EL3, HU16, NL19).

A related but distinct critique arises in the Greek scenarios (EL3, EL4, EL5, EL6) where the problematic macro paradigm identified is not neo-liberalism *per se* but the centralised and bureaucratic Greek state. Athens is said to concentrate the power, infrastructure, and funds (EL6). This cluster of scenarios aspire to more regional autonomy to challenge the overarching state pressure that accentuates spatial injustice. It is interesting to note that in contradistinction to the neo-liberal critique, the advocacy against centralism and bureaucracy sees entrepreneurship as an important part of the solution.

These findings challenge the second of the five paradigms underlying many of the actions selected (see D8.2: vii): the belief that local development and wellbeing are contingent upon endogenous processes rooted in community and social capital. This tension may have a methodological component in terms of the DEPEST approach. Focusing on the seven DEPEST 'domains of change' may have accentuated the David versus Goliath scale of the challenge for bottom-up actions and led to the most likely scenarios to appear ultimately less efficacious than EU or state-level redistributive programs would be.

A second prominent theme was represented, in several case studies, by the identification of a need for vertical and horizontal integration between institutional actors and other stakeholders for any spatial justice gains to be embedded (DE1, DE2, ES7, HU13, PL24). The general synopsis of this lesson is that the existing interplay between different hierarchical structures is often inadequate and ineffective at remediating spatial injustices. Examples from several case study contexts expose gains as potentially temporary, and highlight reversals of fortune either as the political landscape unfolds or as the funding arrangements

alter. Furthermore, the power imbalances between hierarchies and the lack of joined-up strategy from one silo to another result in local measures, however effective, failing to be translated into regional policy. One implication appears to be that bottom-up measures need to cross a threshold and become embedded in policy and thereby be metamorphosed into top-down measures to have any longevity. In addition, existing hierarchies can be overpowering and counterproductive, eroding hard won gains (HU13, and UK31). Against this, there were some positive findings (FI12, HU16 and PL24) that the interplay has been effective and that a scenario of continuing spatial justice enhancement can be plausibly anticipated (FI12).

This second theme is consistent with a key assumption underlying many of the RELOCAL actions studied (identified in D8.2), whereby procedural aspects of spatial justice at the administrative scale and cooperation are presupposed to be a means of giving greater weight to the voices of smaller localities and their administrations. The outstanding example is HU16.

Following on from the need for integration, there is a perceived deficit of succession planning to secure project successes (PL24) and equally mechanisms for ensuring continuity of financial support (HU16). Future EU projects might address these shortcomings in both design and execution phases, encouraging a long-term view with such tools as scenario planning and back-casting.

There were also paradoxical disadvantages created where measures in one locality relatively disadvantaged neighbouring villages or districts (DE1 & PL23). Localities can not only outperform one another in terms of elevating those targeted by an action over those excluded (for example, in the next village) but localities can also outperform other localities through the inequalities of competitive funding which can create “serial losers” (DE1), or by monopolising local assets (e.g. PL23). Competitive funding schemes and increasingly project-based local development disadvantage villages with weaker social cohesion and no traditional structure of civic engagement (DE1). It is forecast that inequalities amongst rural villages with respect to public services and local development projects will grow. Digital provision and opportunities reliant on digital infrastructure may also ultimately exacerbate spatial injustice creating a digital divide (SE29). Scenarios were generally pessimistic about these relative disparities being overcome over the next ten years.

## 6.2 Neighbourhood effects

Eleven of the case studies exhibited the characteristics of *neighbourhood effects*, being disadvantaged or poorly performing, largely urban spaces whose inhabitants suffer stigma related challenges. A further two case studies shared *neighbourhood effects* elements but better fitted the characterisation of *territorial disadvantage* (see Table 1).

One prominent finding, also echoed in some cases of *territorial disadvantage* (above) concerned paradoxical, relative injustices caused by local improvements. In short, beneficiaries emerge (as a result of the actions) alongside ‘others’ (or relative losers) who do not enjoy the same benefit, thus creating new tensions between haves and have nots (e.g. RO27 and UK32). Bottom-up approaches relying on endogenous processes rooted in community seemed, in practice, unsuited to an equitable spatial distribution of resources and opportunities, being more geared towards raising-up some, rather than evening-out generally. This is particularly apparent in the many of *neighbourhood effects* cases where our analysis recommends joined-up national and local policy for domains such as property rights and housing schemes. This is not to say that wellbeing was never improved but rather that mitigation of deprivation is a more likely outcome than improved spatial justice.

There was also a high level of uncertainty around future scenarios connected to urban landscapes (e.g. case ES9 and UK32), where many different resources contribute to the fortunes of districts and their populations, leading to uncertainty attributing improvements to specific actions and further uncertainty about how the future will play-out. For example, housing improvements may lead to gentrification or alternatively to ghettoization and predicting, let alone controlling the trajectory is challenging, particularly over the longer term. This uncertainty is combined with a recognition that improvements often take a long time to be realised (ES9).



A strong parallel to the neo-liberal critique from the *territorially disadvantaged* cases (discussed more fully in sub-section 6.1) emerged (e.g. SE30) where analysts saw segregation as a result of fundamental inequality. The analysis, at the level of the DEPEST factors, was typically pessimistic regarding any change without the unlikely scenario of a political paradigm change.

Ideas around horizontal and vertical integration (detailed above) were also evident (ES9 and RO28) with success attributed to inter-actor and inter-institutional cooperation (joining-up silos). In the case of RO28, this was a three-pronged approach around direct institutional investment, third sector support, and environmental initiatives.

### 6.3 Disempowered places

Three of the case studies are defined as *disempowered places*, where ineffective, or inappropriate, multi-level governance structures blight localities in terms of wellbeing and the entrepreneurial environment, relative to neighbouring administrative areas.

Here the main novel lesson to synthesise arose in case FR18, where macro structural deficiencies are thought likely to prove resistant to local, bottom-up initiatives. One major structural issue highlighted is the tax differential between the case study municipalities and nearby Luxembourg. The EU was considered the correct level at which to develop more effective policy to tackle these structural cross-border inequalities.

Among other issues for *disempowered places*, we note a repetition of the Greek critique of centralisation and bureaucracy in case EL5 where more regional autonomy is called for. Case ES10 describes a consolidation of power that has appeared to increase influence of the municipalities involved and strengthen the ability to access funding.

### 6.4 General remarks

Given the place-based nature of the case studies with critical local factors and contexts exhibiting high levels of contrast, the commonalities between the lessons learned by the partners tend to be at a high level of abstraction.

Firstly, there is a distinct, but far from universal, pessimism about local, bottom-up initiatives effectively delivering spatial justice while the wider socio-economic system operates under neo-liberal principles that actively perpetuate inequality of all kinds. The principal mechanism, in relation to RELOCAL, is agglomeration that concentrates resources in urban centres. Similarly, centralisation is antithetical to place based, bottom-up approaches, starving them of resources and agency. That said, interventions are more effective when they are integrated throughout other administrative and community structures. The goal, many of these cases show, being to move from isolated action to policy so that equality increasing measures can have more reach. In addition to integration, thought needs to be given to longevity and succession when designing interventions. Even relatively successful interventions are vulnerable to being derailed, to running out of funds and failing to enrol successors.



## 7 Reflections pointing forward to policy implications

The above analysis has highlighted the main opportunities and threats for spatial justice in the 33 RELOCAL case studies in a ten-year horizon. Although the **scenarios** revealed a high degree of **uncertainty**, with a few exceptions the **outlook** seems **negative**, especially in rural locations, in locations that cannot benefit from the spill-overs of a wealthy urban pole, and in areas subject to stigmatisation for different reasons. The mid-term effectiveness of the action and thus the spatial justice scenario do not seem to be greatly influenced by the welfare regime in force in the country. Instead, there seems to be a strong **country effect** even within the same regime, which captures the country's economic potential and quality of institutions (e.g., failure of the action in Greece vs. success in Spain for family-based regimes; failure in France vs. success in Germany for state-based ones; failure in Romania vs. success in Poland for mixed ones). Society-based welfare regimes present more nuanced outcomes, while in the British liberal regime this depends on the location (urban vs. rural), and on the level of devolution. This confirms the importance of a **place-based approach** to effectively meet the spatial justice needs of a locality. Equally, **top-down actions** like those targeting Romanian neighbourhoods, Greek urban areas facing different types of spatial injustice, and post-industrial French locations seem to be based on assumptions that do not take account of contextual conditions and drivers, and are thus less effective in the long-run. **Bottom-up actions** prove more effective than top-down actions because they address specific local problems and are in a certain sense less ambitious, but the local capacity to act bottom-up is highly dependent on pre-existing endowment, especially in terms of human and social capital. The importance of **place-specificity** to future trends is confirmed by the fact that a local nexus of change, not captured by more generalisable trends, was identified in 29 out of 33 case studies. Besides that, a descriptive narrative of the localities' future highlighted the importance of both **spatial and non-spatial influences**.

A first policy-oriented lesson that can be learned from the analysis concerns the **tools to design future actions** addressing spatial justice. When examined more in detail, many of the actions considered seem to lack a well-thought **intervention logic**, or their underpinning logic is weak and not taking account of contextual conditions. Future EU projects might address such shortcomings in both design and execution phases, encouraging a more structured design and long-term view with such tools as **mechanism mapping, scenario planning and back-casting**.

At a more general level of theoretical foundations of policy-making, most case studies highlighted the negative impact of a persisting **neo-liberal, non-distributional** economic paradigm. In an institutional framework where the financial resources to improve local well-being are assigned on a competitive basis, the weakest territories end up being **left behind** because they lack the human and social capital necessary to compete with areas that can benefit from '**agglomeration effects**' to attract these resources. In the context of shrinking redistributive welfare policies, place-based interventions can help mitigate spatial injustice but cannot achieve absolute equivalence of wellbeing with better-off localities. Therefore, **spatial justice policy objectives** in all three typologies need to be **decoupled from** (opportunity-based) **measures aimed at fostering competitiveness and economic growth**, particularly in the context of local population decline. Requirements (and thresholds) to apply for funding need to be **calibrated to the local situation** and, for the most disadvantaged places, purely redistributive measures are needed. Closely related to this is the issue of **political will**. Some case studies, for example Stockholm (SE30) in negative, Görlitz (DE2) in positive, highlighted the need of a committed political majority at local level. While these are urban locations, rural areas seem less successful in achieving spatial justice due to a persisting out-flow of the youth which causes a loss of human and social capital. If the **survival of healthy rural communities** is a goal, a pro-active approach is needed in areas suffering from *territorial disadvantage*.

Other policy-oriented lessons concern the **planning** of the actions **in time and space**. Many case studies (for example HU13, RO25, RO27, RO28, but also UK31) showed a perceived **deficit of succession planning**, and the lack of a mechanisms for ensuring **continuity of financial support**. For achieving a mid-to-long-term impact, project-based approaches need to leave room for long-term planning, where the actions are integrated into **regional or national plans** underpinned by a comprehensive vision for the localities concerned. **Coordinated governance approaches** appear to be key at this point – there is a need to connect local development strategies to those at the regional, national, and EU level, and the presence of an intermediary agency coordinating governance efforts would play an effective role in the long-term. For the success of this coordinated approach, mutual trust and a **shared vision** across administrative levels are

key. Our analysis recommends a joined-up **national and local policy** approach especially for domains such as property rights and housing schemes, that are key to achieving spatial justice in areas suffering from *neighbourhood effects* such as Pata Rât (RO25) or Mălin-Codlea (RO27) in Romania, and Premiá de Dalt (ES8) or La Mina (ES9) in Spain.

Although place-based approaches are required to achieve spatial justice at local level, the **EU** was considered the correct level at which to develop more effective policies in the presence of **cross-border inequality** (e.g., due to differential taxation and growth rates), for example in the Alzette-Belval case study (FR18). In turn, at the local administrative level there is a need to complement increasing **autonomy** (and duties) with adequate **financial resources**, or with the power to raise such resources. In the framework of increasing local autonomy and bottom-up interventions, actions designed on a case-by-case basis risk **replicating spatial injustice horizontally**, between the locations involved in the intervention, and those external to it. Equally, while aggregation of municipalities can provide a stronger voice to newly created entities, thus addressing issues of procedural justice in *disempowered places*, spatial injustice risks being reproduced within them, between central and peripheral settlements, like in the case of the Greek city of Volos (EL5). Better coordination and sharing of experiences between local communities should be promoted to prevent the reproduction of injustice.

The revised mechanism maps highlighted an **increasing focus on ‘soft’ interventions** centred on the promotion of local ‘identity’ and uniqueness to increase commitment by the local population and attract visitors or new residents. While ‘soft’ interventions are less costly and thus more affordable in the context of shrinking resources, the causal paths triggered are less tangible and **less certain**. An excessive focus on ‘soft’ approaches also bears the risk of losing sight of the importance of **local infrastructure**, which requires investments and maintenance. Apart from less accessible places (*territorial disadvantage*), this is also true for urban locations suffering from *neighbourhood effects*, which require an appropriate **‘hard’ housing policy** preventing the creation of ghettos, especially if population is growing and putting increasing pressure on public services. Affordable urban housing can be considered another element of spatial justice as it allows all people to **access the benefits of ‘agglomeration economies’** at similar costs regardless of their place of origin.

Given the prioritisation of environmental issues by the Cohesion Policy and the CAP during the next EU programming period, a large number of case studies, primarily in rural areas, foresee a redirection of the action towards the provision of **environmental goods** (e.g. sustainable and healthy local food, recreational services for visitors, etc.) as a strategy for ‘place-making’. This is the case, among others, of Western Macedonia (EL3), Karditsa (EL6), Szentes (HU15), and Kotka (FI12). But the Romanian Mara-Natur case (RO26) shows that this **opportunity window** is closing, and there is a risk of **market saturation** if too many places offer the same, while the Scottish Lewis case study highlights that more accessible places have a relative advantage also in this field. Thus, the benefits of ‘unpolluted environment’ need to be **assessed realistically**; future regeneration actions could focus on how these benefits can improve the well-being of local residents directly, rather than through attracting external visitors – the COVID-19 pandemic has unveiled the **vulnerability of places too reliant on tourism** –, or though attempting to identify a market ‘niche’ for local food in increasingly competitive markets.

**Digitalisation** is seen as another valuable opportunity to overcome *territorial disadvantage*, as shown in the Swedish Västerbotten case study. However, provision and opportunities reliant on digital infrastructure may also ultimately exacerbate spatial injustice creating a **second digital divide**. Scenarios were generally pessimistic about these relative disparities being overcome over the next ten years and highlighting the need for policy intervention in this field.

In the scenario exercise some trends did stand out, particularly the high likelihood of **demographic depletion** in case studies in the *territorial disadvantaged* group. Demographic evolution is a good proxy of spatial justice, with places suffering from (*absolute or perceived*) spatial injustice experiencing demographic depletion, and the places presenting better opportunities increasing their population. **Rural locations** were clearly identified as **losers** in a 2030 scenario, while **cities** are the winners; however, the negative effects of **overcrowding** emerge clearly in the *neighbourhood effects* case studies. Therefore, by promoting a **fairer distribution of the population**, interventions promoting spatial justice are likely to generate a **double dividend**.

A final caveat concerns the 2020 **COVID-19 pandemic**. This, and the interventions to reduce its spread, were not considered in the elaboration of the scenarios, but are likely to impact strongly on both baseline spatial justice and on the potential to achieve it locally. Nevertheless, there is a huge **uncertainty** as of the direction of this impact. For example, the resulting economic crisis could lead to an even stronger push towards **agglomeration** and the abandonment of places whose *territorial disadvantage* hinders competitiveness or neighbourhoods requiring high levels of financial support. On the other hand, increased public awareness of the risks implied in state withdrawal, or a need to actively promote economic recovery, could trigger renewed public interventions to redress injustices, including spatial (in)justice.

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## 8 Appendix 1: The scenario instructions

### 8.1 Introduction

This document is intended to provide guidance on building a 2030 scenario narrative for each case study area, and on using this to assess how contextual changes are likely to affect the featured spatial justice issue and the action which addresses it. This assessment will be carried out in the context of the ToC and MM framework which each case study has already implemented.

After a reminder about the objectives, clarification about the kind of scenarios we are aiming for, and a note on the shared responsibility for this part of WP8, the text describes two resources created by the WP8 team, before describing the process through which the scenarios are developed and documented.

#### 8.1.1 Objectives

Before we go any further it's worth reminding ourselves why we are creating 2030 scenarios. There are essentially two answers to this question:

- i. Because scenarios can help us to better understand the way in which spatial justice is affected by the (changing) local socio-economic context. This relates to the role of WP8 in elucidating an operational concept of spatial justice.
- ii. Because this exercise should yield valuable insights into the intervention logic of the actions, and provide ideas which will strengthen the policy recommendations of WP9.

Case study scenarios should be relatively concise and focused. In tangible terms they should comprise:

1. A scenario narrative (about five pages);
2. An updated mechanism map diagram;
3. Documentation of the mechanism 're-mapping' (about one page).

#### 8.1.2 What kind of scenarios?

Scenarios are sometimes designed to represent best or worst-case outcomes, or preferred outcomes (normative), or most likely outcomes. In the long discussion over the WP8 methodology we have, at different times considered implementing both plausible and normative scenarios. In recent months, the opinion of the WP8 team has shifted in favour of the simplicity of a single (most) plausible scenario. In other words, each case study team will, on the basis of their knowledge of the case study context, and with the support of stakeholders, describe how the case study context is *most likely* to change over the next decade, and how this is likely to affect the issue of spatial justice, and the action which addresses it. Thus, the scenario concerns **the case study context**, not the action implemented there and analysed in the previous deliverables; nevertheless, the impact of the envisaged changes on the action's dynamics will be the focus of the second stage of the scenario development 'mechanism re-mapping and documentation'.

What about the actions that have '**failed**' or that are expected to **end** before 2030? In these cases the partners are expected to use their judgement. If an action has failed, this means that some contextual conditions and drivers have changed, or that some of the baseline assumptions underpinning the causal path did not hold. Therefore, partners will rework these elements in the second stage of the scenario development, 'mechanism re-mapping and documentation', to identify more plausible causal paths, intermediate outcomes, and long-term outcome. They will basically design a revised action (and a long-term outcome) which is likely to work in the 2030 conditions. If an action has ended, the partners are expected instead to work *as if* the action is still in place until 2030. If the action has ended because the long-term goal has been achieved, the causal paths, intermediate outcomes, and long-term outcome, could be reworked thinking to the next stage: which are the interventions needed to sustain the good provided, and avoid a regression in terms of spatial justice?

### 8.1.3 Scenario inputs and responsibilities

The **WP8 team** have provided the following inputs to the scenario building process:

- i. A set of six papers which discuss key socio-economic megatrends, which seem likely to impact upon the case study areas between now and 2030.
- ii. A 'palette' of scenario elements, developed through a simplified version of morphological analysis, and presented in the form of a 'nexus-state array'.
- iii. Guidance on how to implement the scenario, and how to assess the impact on spatial justice, and the action, in the context of the case study.

Individual **case study partners** are responsible for considering the local implications of the DEPEST megatrends, selecting appropriate elements from the nexus-state array, developing a case study-specific narrative, and representing the likely impact on the case study action in the form of a scenario mechanism map.

Key **local stakeholders** should also be involved at some point – either during the initial stages of scenario formulation, or as reviewers, after the implications of the scenario have been worked through the mechanism map. The choice will depend upon, amongst other things, the researcher's degree of familiarity with the case study context, the relationship with the stakeholders, and the local policy/governance community/ethos/culture. A hybrid approach, whereby informal 'truth grounding' inputs are sought from key stakeholders during the scenario formulation stage, and a more comprehensive consultation, perhaps a face-to-face workshop, or a one-to-one email exchange, is carried out later.

## 8.2 Resource 1: The DEPEST thematic papers

The DEPEST papers (Appendix 1) provide an overview of a wide range of anticipated changes and trends which feature in either academic or 'grey' literature. The purpose of these documents is to provide a concise, easy to read introduction to the key 'megatrends' likely to impact upon the case study environments, and therefore to influence the external drivers and factors which, in turn, condition both the spatial justice issue to which the action is addressed, and the promoters and inhibitors which affect its outcomes.

The chosen structure (DEPEST) is 'borrowed' from the realm of strategic management. It is often associated with SWOT analysis. The latter is, of course a long-established approach in management circles, but also used in policy circles, and in local/rural development (Knierim, and Nowicki 2010). DEPEST is just one of a number of acronyms which are commonly used to structure such exercises (PEST, PESTEL, STEEPLE, DESTEP etc). In our implementation it stands for (see Figure 16):

**D**emography  
**E**conomy  
**P**olicy and Governance  
**E**nvironment  
**S**ociety  
**T**echnology

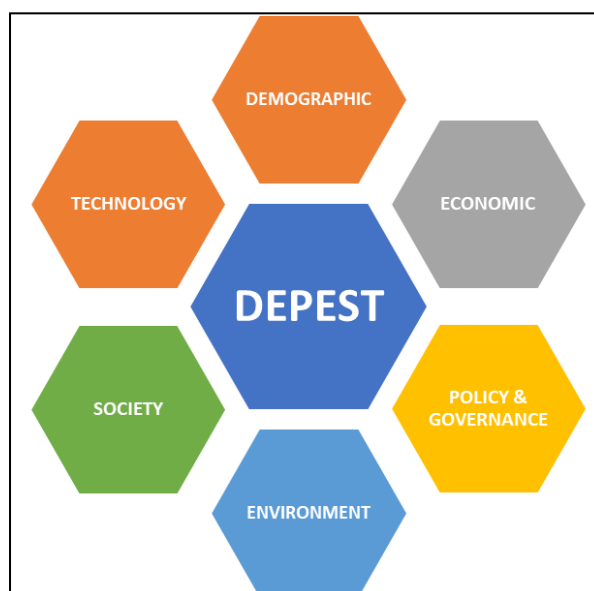


Figure 16. The DEPEST domains.

These six headings could be described as 'domains' of change. Each of these can be subdivided into numerous individual trends. At the local level, these trends can affect the equity process which delivers spatial justice itself, or the capacity of actions, interventions, and policy to enhance spatial justice. They can affect both equity and capacity, either positively or negatively, but usually unequally.



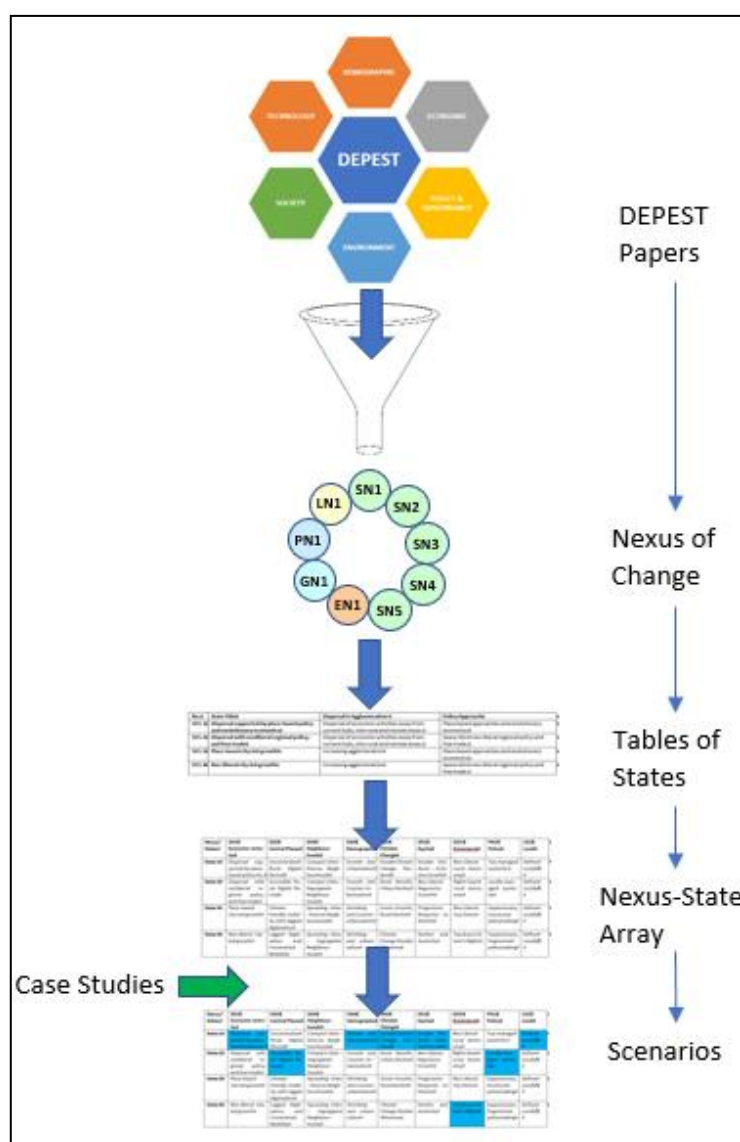


Figure 17. Steps involved in developing the nexus-state array.

1996, Eriksson and Ritchie 2002, Johansen 2018). However, we have adapted the terminology in order to make it more 'intuitive' in the RELOCAL case study context.

The 'building blocks' from which case study partners should assemble case study scenarios are contained in a special kind of table which is known as a '**nexus-state array**'. We have followed a number of steps, in order to develop the nexus-state array. These steps are illustrated in Figure 17, and described in the text below.

### 8.3.1 Nexus of change and scenario vectors

The DEPEST papers aim to describe a wide panorama of different kinds of change which seem possible across the three broad manifestations of spatial justice represented by the 33 case studies. Within that

The DEPEST briefing documents seek to find an appropriate compromise between being so theoretical that it is very hard to see their relevance to the local situation, and being so applied that they can only be useful to a small subset of case studies. The role of the DEPEST papers is to stimulate thinking about 'megatrends' and their potential to cause shifts in spatial patterns (residential, economic activities, institutions, and governance etc), or changes in patterns of interaction of people, goods, information, or power.

### 8.3 Resource 2: The nexus-state array as a scenario palette

The DEPEST papers are a rich source of ideas for the case study scenarios, and case study partners are encouraged to familiarise themselves with them. However, an awareness of a range of potential changes leaves a bewildering number of decisions to be made by case study partners, so there is a risk that the emerging scenarios could be very different, and that subsequent comparative analysis challenging. It is therefore be helpful to derive from the DEPEST papers a set of 'scenario building blocks' from which partners may make a selection, as a first step towards elaborating case-study specific scenario narratives. The approach we have developed has been much influenced by a methodology known as 'morphological' scenario building (Coyle and Yong

broad canvass of change it is possible to recognise a number of discreet and focused ‘hotspots’, in which change seems to be particularly significant, and influential. We term these ‘**nexus<sup>2</sup> of change**’.

These nexus of change are not deterministic or normative, and they may result in different trajectories depending upon local context. Thus, for each of these aspects of the case study environment, the uncertainty about which direction a locality will take can be expressed in terms of two dichotomous ‘**vectors**’, crosstabulation of which results in four ‘**states**’.

Nine such nexus of change (Table 6) are proposed as the starting point for the RELOCAL scenarios. In five of these (**N1-5**) the vectors are intrinsically **spatial**, two relate to more aspatial issues of **equity** (**N6**) and **governance** aspects (**N7**) of the environment, one focuses on **policy** change (**N8**), and one (**N9**) is available to capture purely **local** changes which are considered important for the future of the case study action.

Nexus of change	Vector 1	Vector 2
<b>N1:</b> Changing distribution of economic activity	Dispersal – agglomeration	Economic development policy approach
<b>N2:</b> Changing central places and services	Digital dispersion	Decarbonised mobility
<b>N3:</b> Neighbourhood diversity and segregation	Concentration - sprawl	City planning policy
<b>N4:</b> Demographic change	Shrinkage – growth	Migration flow
<b>N5:</b> Economic and social implications of climate change	Land based industries	New economic activities
<b>N6:</b> Inclusion - exclusion	Macro-economic trend	Economic policy style
<b>N7:</b> Governance and configurations of power	Local autonomy vs centralisation	Scale economies vs citizen’s rights
<b>N8:</b> EU, national and local policy	Expansionary vs contractionary EU economic policy	Programme or project-based local development
<b>N9:</b> Locality specific nexus	Case study defined	Case study defined

Table 6. Proposed nexus of change, their vectors, and spatiality.

The two dichotomous vectors, and the four ‘states’ that they generate for each nexus, are described in the ‘fiches’ which form Appendix 2. Each nexus fiche contains a ‘**table of states**’ – summarising the four possible combinations of the two dichotomous vectors.

The nexus and associated ‘states’ are then presented in a ‘**nexus-state array**’ (a version of the conventional ‘factor-state array’ of morphological scenario approaches) (Table 7).

The ‘nexus-state-array’, as in any morphological scenario exercise, can serve as a ‘palette’ of scenario elements, from which partners are invited to select, as a framework for their case study scenario narrative. It is important to note that the four states in each nexus of change are designed to be mutually exclusive, so only one state should be chosen from each column of the nexus-state array. It is also important to emphasise that not all nexus will be relevant to the context of a specific case study, and therefore it is not necessary to select one state from every column (nexus).

<sup>2</sup> The plural of nexus can be “nexus” or “nexuses” – we have adopted the first as it is easier to pronounce.

Nexus/ states	N1 – Economic activity	N2 – Central places	N3 – Neighbour- hoods	N4 – Demog- raphy	N5 – Climate change	N6 – Equity	N7 – Govern- ance	N8 – Policy	N9 – Local
<b>State 1</b>	Dispersal support- ed by place-based policy etc.	Unconstrained rural digital re- vival	Compact cities - diverse neigh- bourhoods	Dynamic de- mography	Double climate change dividend	Double dividend - inclusive growth	Neo-liberal local autonomy	Top-managed austerity	Defined locally
<b>State 2</b>	Dispersal with neo- liberal regional policy, and free trade	Accessible rural digital revival	Compact cities – segregated neigh- bourhoods	Retirement zone	Rural benefit, urban decline	Neo-liberal non- distributional growth	Rights-based local autonomy	Locally- managed auster- ity	Defined locally
<b>State 3</b>	Place-based city-led growth	Climate-friendly mobility with lagged digitisa- tion	Sprawling cities - diverse neigh- bourhoods	Balanced de- cline	Green growth, rural decline	Progressive response to decline	Neo-liberal top- down	Expansionary, structured poli- cymaking	Defined locally
<b>State 4</b>	Neo-liberal city-led growth	Lagged digitisa- tion and con- strained mobility	Sprawling cities - segregated neigh- bourhoods	Demographic depletion	Climate change double whammy	Decline and austerity	Top down citi- zen's rights	Expansionary, fragmented policymaking	Defined locally

Table 7. Nexus-state array.

## 8.4 Stage 1: Developing the case study scenario

### 8.4.1 Initial evidence gathering and reflection using the DEPEST thematic papers

To begin the work on future scenarios, case study teams need to identify likely changes in the socio-economic and policy environment of the case study locality. The first step is to use the DEPEST documents, intended to provide a starting point or inspiration, freely adding other aspects, as appropriate to the particular case. Appropriate sources of information may include (local or regional) grey literature, the expert judgement of the case study authors, and of key stakeholders (as available and willing).

Clearly ‘narrative’ which we aim to articulate cannot be fully objective, however, neither should it be *normative*. It is about *realistic assumptions*, based upon expert local knowledge, not about goals or aspirations for 2030.

The following questions may assist the process of reflection over DEPEST documents, which is the necessary first step of the process:

- Having read the DEPEST thematic papers, which of the megatrends described are likely to have an impact upon the case study area?
- Are there any local, regional, or national changes (not mentioned in the DEPEST papers) which will affect the case study?
- In what ways might these changes cause a shift in the geography of economic activity, or of residential patterns/segregation, or of interaction, which could have implications either for the spatial justice issue that the action addresses, or the manner, or effectiveness of the intervention?
- Is there any local or national ‘grey literature’ which explores or forecasts relevant changes?
- How will changes over the next ten years affect the spatial justice issue that the case study action addresses – will it exacerbate it? Will it make it easier to tackle, or more difficult?
- Are these changes likely to change the nature of the spatial justice issue, or create additional forms of spatial injustice?
- Will likely institutional/governance changes make the action more effective, or less effective?

It may be helpful to keep in mind that for the purposes of mechanism mapping comparison between 2018 and 2030 we are not so much interested in ‘absolute numbers’ or detailed predictions, as in *directions of change* and implications either for *the spatial justice issue* addressed by the case study action, or the *promoters/inhibitors* which constrain the effectiveness of the interventions.. For example, in the demographic domain the key changes might be in terms of ageing, reductions in the working age population, and the associated fiscal and service demand implications. In the field of governance, it would not be necessary to predict precise new institutional arrangements, what is important is whether there will be greater centralisation or devolution of responsibilities, whether there will be greater coherence/integration, and so on.

## 8.5 Using the nexus-state array as structural device for the scenario narrative.

The next step in reflecting about the future of case studies is to select and assess patterns of future changes from the nexus-state array as a ‘palette’ of scenario elements. Firstly, each case study team should follow Appendix 2 presenting two vectors of change and four states coming from their crosstabulation in each of the eight nexus and select one state, which best presents changes within the next decade. Then, teams should design the local nexus describing specific local changes which were not covered by the standard nexus and also select one state best describing the case study situation in 2030.

The output from the initial evidence collecting and reflection exercise should be a concise ‘pen picture’ describing how the case study context of the action seems likely to change over the next decade. The structure of the scenario narrative is not rigidly prescribed. It will of necessity vary between different kinds of case study, reflecting contrasting drivers of change and the specificities of spatial justice issues. However, the nexus-state array (Table 7), apart from providing an additional source of ideas, is intended to introduce an element of flexible standardisation, facilitating subsequent comparative analysis of the 33

scenarios. In order to facilitate this a simple scoring procedure is included (Table 8), which seeks to capture an assessment of the overall relevance of each nexus to the case study in question, and the relative likelihood of each of the four possible states.

Table 7 should be completed in the Excel sheet *nexus-state array* as follows (and reported in the scenario report):

1. For each nexus of change, indicate in the row '**relevance**' how relevant a change in its states in the next ten years would be for your case study area, with 1 being *very irrelevant*, and 5 *very relevant*.
2. For each state of each nexus of change indicate in the row '**likelihood**' how likely is that the nexus of change will assume this state in your case study area, with 1 being *very unlikely* and 5 being *very likely*.
3. If you assigned a low **relevance** of 1 or 2 to a certain nexus of change, there is no need to select a state from this nexus for your scenario. For the other nexus of change, you should select the state to which you assigned the highest **likelihood** (4 or 5).

Partners should thus work through the columns of the array, selecting, and highlighting the 'state' from each nexus which seems to best represent the likely situation in the case study context in 2030.

The array should be reproduced within the scenario narrative, and the selection of nexus and states described and explained in sections 2-4 of the CS scenario Report. The short generic descriptions of the states provided in the fiches of Appendix 2 are a starting point for these explanations. However, the state descriptions require elaboration, adding local colour by reference to specific case study characteristics and conditions.

Nexus/ states	N1 – Economic activity	N2 – Central places	N3 – Neighbour- hoods	N4 – Demog- raphy	N5 – Climate change	N6 – Equity	N7 – Govern- ance	N8 – Policy	N9 – Local
<b>Relevance</b>	5	4	1	4	3	5	3	4	5
<b>State 1</b>	Dispersal sup- ported by place- based policy etc.	Unconstrained rural digital revival	Compact cities - diverse neighbour- hoods	Dynamic de- mography	Double climate change dividend	Double divi- dend - inclusive growth	Neo-liberal local autonomy	Top-managed austerity	Defined locally
<b>Likelihood</b>	3	4	1	1	2	2	2	5	1
<b>State 2</b>	Dispersal with neo-liberal re- gional policy, and free trade	Accessible rural digital revival	Compact cities - segregated neigh- bourhoods	Retirement zone	Rural benefit, urban decline	Neo-liberal non- distributional growth	Rights-based local autonomy	Locally- managed aus- terity	Defined locally
<b>Likelihood</b>	5	3	2	2	4	4	3	4	4
<b>State 3</b>	Place-based city- led growth	Climate-friendly mobility with lagged digitisa- tion	Sprawling cities - diverse neighbour- hoods	Balanced de- cline	Green growth, rural decline	Progressive response to decline	Neo-liberal top- down	Expansionary, structured policymaking	Defined locally
<b>Likelihood</b>	1	5	3	5	1	0	5	3	3
<b>State 4</b>	Neo-liberal city- led growth	Constrained mobility, lagged digitisation	Sprawling cities - segregated neigh- bourhoods	Demographic depletion	Climate change double whammy	Decline and austerity	Top down citizen's rights	Expansionary, fragmented policymaking	Defined locally
<b>Likelihood</b>	2	2	4	3	3	5	4	1	2

Table 8: Nexus-state array with relevance and likelihood scores

Notes:

1. The relevance of each nexus is assessed using the following scale: 1 'very irrelevant', 2 'irrelevant', 3 'neither irrelevant nor relevant', 4 'relevant', 5 'very relevant'.
2. The likelihood of each state for all nexus is assessed using the following scale: 1 'very unlikely', 2 'unlikely', 3 'neither unlikely nor likely', 4 'likely', 5 'very likely'.
3. Blue cells would be the states which form components of the scenario, based upon the relevance and likelihood scores.



## 8.6 Stage 2: Mechanism re-mapping and documentation

This is where the implications of the above ‘pen picture’ of the case study locality in 2030 are worked out by modifying the mechanism map (i.e. a new version of the second figure in the baseline ToC report).

All the changes described below should be implemented in the Excel template provided<sup>3</sup>. The template should then be forwarded to the WP8 leaders and a static copy of the final mechanism map should be included in the scenario document, together with one page describing the re-mapping exercise (see 8.6.2 below). Case study partners can draw inspiration from the worked examples for Lewis (UK 32) and the Goth Village (PL23).

### 8.6.1 Mechanism re-mapping

The preliminary step for reviewing the mechanism map consists in copying the baseline mechanism map (its final version, reviewed according to the indications provided by WP8 leaders at the end of the summer 2019) into the Excel sheets *1. MM Initial* and *2. Re-mapping exercise* (note that the colours included in the sheet *2. Re-mapping exercise* should be maintained and used to identify different typologies of change; therefore, the text rather than the entire mechanism map should be pasted).

Case study partners should then work on sheet *2. Re-mapping exercise* according to the following steps. This should be implemented as a dynamic exercise, with potential feedback loops between the steps.

1. Review the **contextual conditions and drivers** (the circular yellow symbols with roman numerals) to identify: **(a)** the existing ones that vary in some way because of the new states of the nexus of change in 2030 (‘reviewed’); **(b)** any ‘new’ conditions or drivers which become important in 2030; **(c)** the existing ones which are not valid any more in 2030 (‘erased’). ‘Reviewed’ contextual conditions and drivers should be identified by adding an ‘a’ suffix to the roman number (so, for example V would become Va); ‘new’ ones should be identified by a new roman number. The changes implemented should be reported in **Table 1**, where the nexus driving each variation should also be indicated.
2. Consider the **baseline assumptions** (the circular blue symbols with capital letters) to identify: **(a)** the existing ones that vary in some way because of the changes in the contextual conditions and drivers identified in step 1 (‘reviewed’); **(b)** any ‘new’ baseline assumptions which become important in 2030; **(c)** the existing ones which do not hold any more in 2030 (‘erased’). ‘Reviewed’ baseline assumptions should be identified by adding a ‘1’ suffix to the capital letter (so, for example B would become B1); ‘new’ ones should be identified by a new capital letter. The changes implemented should be reported in **Table 2**.
3. Review the ToC diagram, namely the **intermediate outcomes** and the **causal links** (arrows), to identify: **(a)** the existing intermediate outcomes and causal links that are not relevant any more in 2030 due to the changes in the baseline assumptions (‘erased’); **(b)** the intermediate outcomes that are likely to change (‘reviewed’); **(c)** ‘new’ intermediate outcomes and causal links that become important in 2030; **(d)** the causal links which become stronger in 2030 (‘thicker’); **(e)** the causal links which become weaker and thus uncertain in 2030 (‘dashed’). The changes in the intermediate outcomes should be reported in **Table 3**, and the changes in the causal link in **Table 4**.
4. Review the **long-term outcome (goal)** and report the change in **Table 5**.

After the Excel sheet *2. Re-mapping exercise* of the template has been finalised, the case study partners should report a consolidated version of the mechanism map in the sheet *3. MM Final*. In particular, the ToC diagram should be reworked in order to make it more understandable by readers, and the circles

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<sup>3</sup> The template is presented in Appendix 5.

indicating baseline assumptions should be placed in the appropriate position. A static copy of the diagram in the sheet 3. *MM Final* should be pasted in the document.

#### 8.6.2 Documenting the mechanism re-mapping

The descriptive/explanatory text which accompanies the scenario mechanism map diagram should be a clear step-by-step account of the way in which the changes identified in the scenario narrative affect the 'intervention logic' of the case study action. It should be closely tied to the updated mechanism map, leading the reader through the changes which have been introduced. Authors should conclude with a reflection on how the changes implemented impact upon the issue of spatial justice in the case study locality, and whether the initial stated goal could be achieved.

### 8.7 Stakeholder consultation

Although there is very much a role for stakeholder inputs in the process described above, it will also be helpful for them to review the baseline ToC and ToC scenario reports once they are drafted. What form that consultation takes is a matter of choice for the case study teams. It could take the form of a half day 'reporting back' event, or it could be achieved by sending the reports to key stakeholders and inviting written feedback or arranging a telephone conversation or Skype meeting. Whatever the method selected the goal is to collect feedback on both the baseline and scenario reports. This feedback will be summarised in a final section of the scenario Report.

### 8.8 References

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## 9 Appendix 2: The DEPEST factors

### 9.1 Demography 2030

This paper focuses upon types of demographic change during the next decade which seem likely to impact upon the geographical distribution of population, and, indirectly, upon socio-economic inequalities. The three key megatrends are migration (of various kinds), ageing and 'shrinking'. It concludes by describing five scenario states, ranging from a very positive situation, combining population growth, sustained by net migration, with a relatively balanced age structure, to a condition of depletion, where out migration combines with ageing to deliver a vicious cycle of decline.

#### 9.1.1 Migration

We consider migration first because it plays a key role in the other two key megatrends: ageing and shrinking. It is also a key driver of both national and European trends (ESPON DEMIFER 2011) and local differentiation, creating various patterns socio-economic of inequality.

Here we take the term migration to refer not only to issues relating to economic migrants and asylum seekers, who arrive in Europe from Africa, the Middle East and elsewhere, but also to movements between and within MSs.

##### 9.1.1.1 Rural-urban migration

This is a long-established flow, historically associated with urbanisation and technological changes in the rural economy, especially agriculture and forestry. It is also driven by the attraction of more qualified young people from rural areas to the more differentiated labour market of cities, where they can find more highly paid and secure employment. Cities also offer a broader range of leisure and retail opportunities than is present in sparsely populated rural areas. The selective nature of this kind of migration has implications for the age structure, human capital, social structures, and even the gender balance of the sending area.

There is nothing to suggest that primary industries will not continue to shed labour during the period to 2030. However, whether rural-urban migration trends continue during the next decade is instead contingent upon how the nexus of economic, technological and mobility trends plays out. There is a tension between, on the one hand, the opportunities for dispersal seemingly associated with distributed manufacturing, servitisation of the economy, increasing connectivity and the dominance of the information economy, and, on the other, the continued hegemony of growth models driven by agglomeration. The extent to which the next ten years sees a change from centripetal to centrifugal migration flows will likely depend upon a range of contextual factors, and therefore vary considerably between different parts of Europe.

##### 9.1.1.2 Counter-urbanisation

Counter-urbanisation is a contested concept (Champion 2001, Grimsrud 2011) It seems reasonable to assume that a proportion of migration movements from cities into the countryside are associated with commuting. Whether counter-urbanisation continues to drive growth in the rural-urban fringe or further afield, during the next decade, therefore depends, in part, on whether, and how quickly, the decarbonisation of personal mobility affects patterns of commuting.

Another form of counter-urbanisation is retirement migration (Evandrou et al. 2010). If, as there is no particular reason to question, this continues over the next decade, recipient areas are likely to experience a rapid ageing process, with associated economic and social implications (see below).

##### 9.1.1.3 Post-accession migration

This category of migration is not characterised by urban or rural origins or destinations, but by flows of workers from the EU12 countries of the East and South into the EU15. Some of the migrants are individuals (rather than families) and often the relocation is temporary, or even seasonal. Such flows have had

mixed effects in their origin regions, hollowing out age structures and draining out human capital. In the receiving areas they have addressed shortages of low skilled and low paid labour, and increased the diversity of both urban and rural areas. Post-accession adjustment processes might be expected to reduce these flows over time. Indeed, there is already some evidence of a slowdown.

#### 9.1.1.4 Migration into the EU and Integration

This is obviously a topical issue in many parts of the EU, especially the Southern and Eastern MSs. Here we are talking mainly about refugees and 'economic migrants' from Africa and the Middle East. It has impacts at national, regional, and local levels. The generally inadequate resources and poverty of migrants, compared to the receiving population, and the unequal distribution of migrants between countries, regions and localities is an important issue. Localities and regions which receive the largest flows of migrants often struggle in terms of their capacity to provide for basic needs and to integrate the new arrivals. The concentration of such migrants in localities or neighbourhoods which were already disadvantaged or stigmatised tends to exacerbate previously existing geographical disparities.

The outlook for the next ten years is very difficult to assess. The scale of the flows has reduced since its peak in 2015-16. However, these flows are driven by conflicts (as well as longer-term economic malaise), which are impossible to predict. Populist and right-wing policies seek to curtail the flows. Even if the flow continues to be reduced, the scale of the integration challenge is such that it is hard to envisage that this will not still be an issue for local development strategy in many parts of the EU in 2030.

#### 9.1.2 Ageing

Demographic ageing is a 'megatrend' which is well known and widely acknowledged. Put simply it is characterised by an increasing share of the population in the older cohorts (usually defined as over 65). It is driven by changes at both the top and the bottom of the 'population pyramid'. The former is a consequence of long-term increases in life expectancy, the latter by reductions in total fertility rates (the average number of children born to each female during her lifetime). Few regions across the EU now have total fertility rates above the level considered necessary for a self-sustaining population and many are 'beyond the point of no return'.

Superimposed upon these long-term processes are the legacy effects of past events, such as the post-war baby boom, which continues to cycle through the generations of much of Europe. Ageing rates in particular places (at all scales, from macro-regions down to municipalities) are also affected by societal mores, and by migration (see below). As a consequence, the European space is a complex tapestry of different age structures. At the scale of countries and regions, and to the extent that these are a function of current age structures, mortality and fertility rates, population projections can tell us quite a lot about how age structures will look in 2030<sup>4</sup>. However, at the finer geographic resolution which is associated with the RELOCAL case studies there will be considerable variation, both due to localised legacy effects, and to migration during the next decade.

The interest in demographic ageing as a background for RELOCAL case study scenarios lies mainly in a variety of indirect socio-economic implications (which may impact upon the spatial justice issue which the case study action addresses). For example, ageing usually leads directly to reduced levels of economic activity. An ageing workforce may have indirect effects upon levels of human capital, the incidence of innovation, and technological change. It may raise poverty rates and increase social exclusion, due to low incomes in retirement, and restrictions on participation in a range of activities both due to low incomes and health restrictions.

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<sup>4</sup> Eurostat provides national projections [here](#). Most MSs publish regional projections. In some countries these may be available at a municipality level.

An ageing population means an increased demand for a range of services, particularly health and social care. At the same time, by depressing local fiscal revenue, due to lower rates of employment, demographic ageing reduces the capacity of a region to implement policy responses.

In the case study scenarios, the interest will lie in the degree to which ageing and its effects are focused in particular localities, whether municipalities, or neighbourhoods within cities. Here there is a very close connection with migration. For example, rural-urban migration exacerbates ageing in rural areas. To the extent that it involves retirees, or 'empty nesters', counter-urbanisation may reinforce rural ageing processes. On a macro-scale, post accession migration from the CEECs into the EU15 has resulted in complex age structure effects, especially where return migration has subsequently occurred.

On a neighbourhood scale within cities there may be an association between housing stock, redevelopment phases, and age structure. New developments of (undifferentiated) family housing attract young families, which subsequently age along with the housing stock.

### 9.1.3 Shrinking

Population decline can be a local or regional phenomenon. It impacts the economic and social situation of the locality in many of the same ways as ageing – especially in terms of reduced fiscal revenue and inadequate human/social capital. It increases the cost of delivering services, which can result in spatial inequalities in terms of wellbeing.

The term 'shrinking' was first applied to population decline in the context of urban areas experiencing out-migration in consequence of industrial restructuring, specifically in the American Mid-West (Rhodes and Russo 2013). Since then it has been used to describe the demographic 'hollowing out' of cities around the globe (Haase et al. 2016). It was also used to describe post-unification demographic decline in the new German Laender (Müller and Siedentop 2004, Grasland et al. 2008). More recently it has been applied to rural areas experiencing current out-migration, or the legacy age structure and natural change effects of past out-migration (ESPON 2017).

There are obvious links between urban shrinkage and the issue of Industry 4.0 (see the technology paper), and to the future of agglomeration and rural-urban migration. On the other hand, changes in personal mobility as petrol/diesel cars are taken out of use, together with increasing incentives for brown field development, may make urban shrinkage less likely in the next decade. Regional and local economic context will likely be decisive – whether urban shrinkage slows, or green forms of counter-urbanisation are found to be feasible.

As regards the prospects for rural/regional shrinkage; these processes possess a degree of inertia; they are not easy to reverse. Age structure legacy effects mean that relatively large net migration balances are necessary to counteract negative natural change effects. Shrinking currently affects more than half the EUs rural or intermediate NUTS 3 regions, especially in the extreme East, in an arc stretching from Arctic Finland to the Greek Islands, in regions along the Mediterranean, and the Iberian Peninsula (ESPON ESCAPE 2019). There are many smaller enclaves of rural shrinking. It is hard to imagine that demographic trends will be reversed in these areas during the next decade. In terms of policy response, adaptation is likely to prove more realistic than full mitigation.

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## 9.2 Economics 2030

### 9.2.1 Globalisation

**Trend:** Global economic maturity is related to the ability of the international community to coordinate economic policy. Thus, globalisation implies a decreasing role for traditional nation states and their democracies. Hence, the significance of global democracy increases. It is expected that international economic blocs like European Union will be the future of global economy (Kołodko 2013). Globalisation is likely to mean that international and global institutions focused on values of sustainable development are increasingly significant. Moreover, consumers and enterprises in both developed and emerging economies are more aware of sustainable development goals. Thus the evolution of cultures and nations holding associated values is expected (Camdessus 2017). Increasing connectedness with the global economy and society is already having profound effects upon local communities and seems likely to continue to do so. Implications will be complex, but it seems likely that they will have a range of consequences for spatial justice and place-based development and policy. Globalisation mainly affects equity but may also affect the capacity of places or communities to implement policy. As Kołodko (2013) argued, globalisation is recognised as a significant promoter of innovation as it enables mass and effective knowledge transfer. However, this positive effect of globalisation occurs only when local procedures and mechanisms (institutional, social, economic, cultural, political, legal, and geographical) stimulate education quality and knowledge development, and transfer at local level. As access to the knowledge is global, achieving competitive advantage is determined by the locality itself (local assets, e.g. socio-institutional settings, inter-institutional communication, and interactive localised learning), or 'pipelines' between localities (extra-local interactions) (Bathelt & Glückler 2011). Thus, 'glocalisation' should be the notion considered rather than idea of 'globalisation' as two parallel processes were discussed above: general shift from national upwards global scale, and social and economic activities for internationalisation of localised or regionalised assets (Swyngedouw 2004).

**Spatial patterns:** It is argued that globalisation influences development of modern, dynamic social and economic networks. These networks are dependent less on both local landscape relationships, and more on global flows (Swaffield & Primdahl 2006). Tensions between local space of places, and global space of flows are related to the social and geographical differences: social differentiation and geographical discontinuity are characterising global space of flows (Castells 2000). To understand global impact on local spatial patterns some issues should be addressed: 1) connection between local social and economic system to global structures, 2) uniqueness of local social and economic landscapes, 3) coherence and robustness of local social and economic systems related to local natural and cultural structures, 4) institutional and political ability to develop strategies for sustaining and protection of mentioned local natural and cultural structures, including incorporating culturally acceptable existing strategies (Antrop 2004, Mar-



ton & Wu 2006, Swaffield & Primdahl 2006). Finally, urbanisation is the significant spatial pattern of globalisation, changing economies, lifestyles, and landscapes (Antrop 2004). As Brenner (1998) argued, parallel changes in urbanisation and globalisation processes need to be underlined. Initially, globalisation was indicated as a driving force of changes of spatial organisation of the world economy, based on neo-liberal concept of global cities (Swyngedouw, Moulaert & Arantxa 2002). Global cities became focal points for accumulation of resources, able to coordinate the global flows of value. Nowadays, urbanisation and spatial organisation have been reconfigured as immobile peripheral territories became the object of both research and policy interest. Urbanisation relates to development of both global networks and to support of state, regional or local territorial control (Brenner 1998).

### 9.2.2 Servitisation

**Trend:** servitisation is the contemporary trend of entrepreneurship. Companies are increasingly used to offer bundled products, based mainly on customer-oriented services, support, customer self-services, and knowledge (Vandenmerve & Rada 1988). Servitisation is recognised as an innovative organisation of company's resources and processes to offer mentioned bundled products. The goal of the servitisation is to offer customer-oriented products with additionally created value thanks to the process itself. These bundled products are unique, long-lasting, and competitive (Baines, Lightfoot, Benedettini & Kay 2009).

**Spatial patterns:** Servitisation refers not only to marketing and entrepreneurship, but also to territorial networks of the core business units and service suppliers. A strong consumer centricity related to servitisation refers to focus on consumer's territory. Servitisation influences development of companies' activities in customers' territories (subsidiaries, joint ventures, agencies, and partnerships) (Bao & Toivonen 2015). Servitisation might enable local enterprises to offer tangible local assets and capacities in cooperation with global companies. Supply chains resulting from the servitisation might significantly increase competitiveness of all companies involved, both global and local (Kühl, Bourlakis, Aktas & Skipworth 2019). Moreover, servitisation is forced by significant changes of consumer behaviours towards sustainability. Services are expected by the customers to fulfil not only economic (related to economic utility) but also environmental performance of products (Bao & Toivonen 2015). It must be underlined that contemporary focus of European companies on the idea of servitisation is geographically differentiated (Neely 2007).

### 9.2.3 Divergence

**Trend:** Theories and concepts of divergence related to diffusion of innovation will be rejected as the concepts related to urbanisation economies or locational economies become most significant for divergence and development (Boschma & Lamboo 1999, Maskell 2003). Moreover, divergence is related to economic consequences of future global demographic changes. However, mainly European and African processes need to be considered jointly. Camdessus (2017) reminded commitment of Western European countries made in 50s of XX century to contribute social and economic development of African continent. It is underlined that systemic issues identified in African states like poverty and inequalities significantly decrease competitiveness of European countries and reduce ability of achieving competitive advantage comparing to United States, China, and India. From this perspective, divergence will no longer be only an internal perspective of European Union. This process will affect future changes and reforms of European Union economic system, including European economic policy.

**Spatial patterns:** It is expected that divergence will significantly influence spatial processes like urbanisation and mobility. On the one hand, various contexts of geographical proximity are promoters of innovation as they enable collaborative learning and influence future understanding of competition. Spatial proximity of competing enterprises enables employees' mobilities, and enables continuous monitoring and comparing (Bathelt, Malmberg & Maskell 2004). Thus, spatial proximity of competing companies is recognised as a promotor of innovation as it stimulates collaborative learning. Competing entities operating in same locality utilise same networks of local actors. Moreover, mentioned companies belong to similar entrepreneurial culture. Described processes of knowledge cocreation results in development of coopetition as a domain of entrepreneurship relations (Luo 2007). Hence, urban concentration of specific knowledge capital and urban concentration of specific knowledge creation processes in particular localities are expected (Boschma & Lamboo 1999, Maskell 2003). However, it is emphasised that the govern-

mental focus on urbanisation should enable only those forms that contribute to sustainable development (Turok & McGranahan 2013). On the other hand, Bathelt, Malmberg & Maskell (2004) and Boschma (2005) suggest that transfer of both tacit and codified knowledge, as well as innovation, will occur in both global and local contexts. Thus, regardless of global access to codified knowledge, knowledge creation and innovation rely not only on local assets (horizontal, vertical, and institutional dimensions of clusters), but also on assets enabled in other locations (external dimension of clusters, extra-local interactions) (Bathelt & Glückler 2011, Bathelt et al. 2004). The role of spatial networks, and clusters' cohesion are expected to increase based on shared European institutional and infrastructural context. Thus, from the policy perspective, not only local but also extra-local networks need to be supported (Bathelt et al. 2004). Geographical proximity is neither the only nor a sufficient promotor of innovation. Other contexts of proximity need to be considered as well: cognitive, organisational, social, and institutional (Boschma 2005). Moreover, some negative consequences of the focus on geographical proximity need to be underlined: location-based information overload, tensions between local actors related to limited local resources and limited effectiveness of local relational network (Torre & Rallet 2005).

#### 9.2.4 Changes of consumer behaviours

**Trend:** The modern consumer, like modern enterprise, is linked to the global resource of knowledge which enables more rational purchase decisions. This global resource of knowledge is not only a collection of facts about available products. It is also collaborative knowledge of consumer networks focused on sharing experience and values. Finally, internet-based interactions between consumers and producers will be strengthened (Prahalad & Ramaswamy 2006). Thus, the focus on experience cocreating, consumer-generated content, and the digital platform economy which creates online structures enabling differentiated human activities will increase (Kenney & Zysman 2016). The global rise of middle class of consumers (in terms of both numbers and relative values) will significantly affect the structure and volume of global consumption. This will be confronted with limitations constituted by environmental resources (Camdessus 2017). Hence, changes of consumer behaviours will result from increasing consumer awareness on sustainable development goals. Lifestyles and consumption behaviours represented by European citizens may significantly change towards modesty, harmony with the nature, and abstinence. The only alternative perspective is equal to both economic and ecological disaster: shortages of water, food and energy, excessive urbanisation and congestion, and inflationary pressure stimulating increase of poverty and inequalities (Camdessus 2017).

**Spatial patterns:** Consumer behaviours and their dynamics need to be discussed relating to spatial context. Contemporary geographical sciences enabled method and theories enabling better understanding and forecasting of consumer behaviours and their spatial patterns (Schenk, Löffler & Rauh 2007). To understand consumer behaviours on local spatial patterns some issues should be addressed: 1) functional relationships between localities where consumers' behaviours occur, e.g. town and its hinterland; 2) characteristics of local consumers and their consumption; and 3) robustness of local consumers' behaviours relating to global trends in consumption (Leeuwen & Rietveld 2011).

#### 9.2.5 Changes of economics and economic policy

**Trends:** It may be argued that based on critique of non-effective neo-liberal and Marxian concepts theory of economics will be developed towards modern concepts like evolutionary economics (including resource-advantage theory), or economic sociology (Hunt 2000, Swedberg 2003). As sustainable development becomes a priority for the international community, states, and individual consumers, new paradigms of competition will become relevant for enterprises. Under neo-liberal assumptions, enterprises were oriented towards maximising profit. The significance of sustainable development goals, and the contribution of new economic theories to policy development will increase. Hence, enterprises are likely to redefine their goals in terms of improving complex performance, both from the perspective of owners, and other stakeholders, including managers, employees, customers, citizens, the regulatory authorities of markets where company operates, and even competitors (Hunt 2000). Corporate social responsibility will increasingly be recognised by enterprises as the most powerful tool for achieving competitive advantage, and in consequence will become the most popular orientation for enterprises (Camdessus 2017). It is worth to be underlined that modern economic theories enable better understanding of place-based pro-

cesses and mechanisms of achieving competitive advantage (Hunt 2000). Thus, increase of geographical focus in economic research is expected. Changes in theory and concepts of economics will be strongly correlated with changes of economic policy. The expansion of international trade is expected to continue. At the same time, the paradigm of the international trade will change towards trade based on transnational production and regulations protecting consumers and competition. Monopolistic behaviours will be limited, both on the side of private and public capital (Camdessus 2017). Moreover, the European financial sector may be significantly changed in the near future. The following changes have been predicted by Camdessus (2017): the elimination of the so-called tax havens, normalisation of wages in the financial sector, identification of all conflicts of interest, transparency of operations in the financial sector, development of pan-European financial regulations and institutions.

**Spatial patterns:** Spatial patterns of economic policy are related more to the analysis of political trends, compared to economic ones. However, some of geographical issues related to dynamics of economics, and economic policy should be underlined: 1) marketisation of local economic policy, mainly through the implementation of business methods and practices by policy makers, including changes of organisational culture, 2) the impact of two contrary tendencies on local economic policy: pragmatism and ideology, 3) general shift of local economic policy, from managing and supporting requested municipal services towards local development (Swianiewicz 2005).

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## 9.3 Policy and governance 2030

### 9.3.1 EU integration and governance

The EU integration process will be subject to growing tensions in the next decade. The rise of **populist, nationalist movements** and their increased representation in the EU Parliament could result either in a push toward further integration by pro-EU governments or in partial withdrawal of the EU from some policy areas and more fragmentation between EU macro-regions. A delayed **adoption of the Euro** by (mostly Eastern European) Member States (MSs) which have committed to it might be a first outcome,

resulting in differentiated financial constraints and policy opportunities. **Brexit** is another process that will substantially change the policy environment in the UK but also in the rest of Europe, even if future bilateral relations have not been defined. The consolidation of a bloc of Eurosceptic MSs corresponding to the Visegrád group (**Poland, Hungary**, and the Czech Republic) is a third important phenomenon. The conflict between the EU and these nationalist governments might result in **political deadlocks** and a polarisation between Eurosceptic and pro-EU countries. Even if the former president of the European Commission and the EU Parliament have opposed returning to the concept of ‘multispeed Europe’, such tensions are likely to generate differentiated levels of integration as MSs resort to an **intergovernmental approach and bilateral agreements**. Equally, populist and anti-EU sentiments could lead (and are leading) to a reduction of the EU budget for the 2021-2027 programming period.

**Governance and government.** EU integration, with the resulting need to allocate structural investment funds and the financial constraints set after the economic crisis, has fostered five main trends in governance and government (Stead & Pálné Kovács 2015): a **crisis of the nation-state**; a **strengthening of lower levels of governance**; increasing **diversity** of governance models; **marketisation** of public services; and a change in the rationale for policy intervention. MSs have experienced a shift of decision-making power to both the EU and lower-level administrations; the latter have seen a strengthening of their jurisdiction to manage structural investment funds (e.g., through the creation of new circumscriptions corresponding to NUTS regions), but also due to the need of reducing public expenditure. Besides attempts to reinforce the nation state by Eurosceptic and nationalistic governments, the other trends are likely to continue. **Administrative reforms (consolidation of municipalities)** were implemented in Denmark, but also in Greece, Estonia, and Latvia, after the financial crisis. Further moves in this direction can be foreseen in peripheral and rural areas, though regional and local institutions are not always allocated an equivalent power to raise resources. This decentralisation trend is not common to all Europe, with the role of national institutions still strong for example in Eastern Europe. The **marketisation of public services**, fostered by the debt crisis, led to the outsourcing of many functions previously performed by public bodies which now act as ‘regulators’. This increasing reliance on market solutions generates **competition** between cities and territories, and increases polarisation between metropolitan and rural regions, and segregation within large cities. Meanwhile, EU policy has generated a need of ‘**soft spaces**’ of policy design, where informal process run alongside formal institutional ones, with vertical and horizontal collaborations between public and private actors and a new role for multi-area regions. In some cases, like Italy, the UK, or Spain, **devolution and differentiated jurisdictions** have enhanced the scope for adopting place-based approaches fitting regional conditions.

### 9.3.1.1 Implications for RELOCAL case studies

EU-level evolutions and the change in governance and governing institutions and practices show that **macro-trends cannot be generalised at EU level**, and thus each RELOCAL case study will be affected differently. For example, **Brexit** will cause the UK to lose access to EU structural investment funds, and the disappearance of the higher tier of government will lead to a period of redefinition of policy-making practices. Equally, the enduring conflict between EU institutions and national government (e.g. Poland and Hungary) could negatively affect development programmes that rely on **EU structural funds**. Meanwhile, nationalist governments’ attempts to strengthen the nation state could either result in further **centralisation**, or in a **renewed role for public institutions** in policy-design and stronger local **investments**. Whether a country has adopted the **Euro**, or plans to do so soon, could make a huge difference in terms of financial constraints for place-based policies. However, populist rhetoric could not necessarily result in a real change in economic policy.

The recent or ongoing administrative reforms could either strengthen the **role of local administrations** thanks to their larger size or cause a further marginalisation of shrinking micro-areas located in larger constituencies (e.g., in Greece). The impact of separatist movements on policy dynamics (e.g. in Scotland or Catalunya) needs also to be considered. Concerning policy negotiation, the inclusion of a larger number of **stakeholders** might represent both an opportunity, by bringing in new ideas and favouring coordination of efforts, or a threat, since negotiations could become long and more complex, and actions blurred due to the need of accommodating of many narrow interests. Finally, the increasing **marketisation of services** could penalise the territories already experiencing social injustice if private services providers cannot earn a profit and, thus, do not invest there, e.g. due to low population density, large distances, or limited purchasing power of the local population.



### 9.3.2 The EU Cohesion policy and CAP rural development policy

In the next decade, the EU Cohesion Policy (CP) and Common Agricultural Policy (CAP) will be affected by budget cuts, as well as by growing transfer of funds to other sectoral policies, resulting in a reduced allocation of 5-6%. Accordingly, two key trends will be **simplification and thematic concentration**.

#### 9.3.2.1 Cohesion Policy

In the 2021-2027 programming period, the CP will continue to provide support to all EU regions, including de-industrialising regions and poor regions in richer MSs, with the ceiling of 90% of the EU GNI per capita unchanged. However, the method for fund allocation will include **new criteria** like **youth unemployment, education levels, climate change**, and the **reception and integration of migrants**, to allow better targeting of regions in need. Special support will still be granted to outermost regions, and cross-border cooperation will be promoted through Interregional Innovation Investments for areas with matching 'smart specialisation' assets. Equally, the criterion of **macroeconomic conditionality** (subordinating the delivery of funds to the respect of financial rules) will be upheld, and complemented by a stronger **link with the European Semester** (a block of coordinated economic policies agreed by all MSs every six months), with country-specific recommendations issued at the beginning of and during the programming period. Conditions to receive funding will include a project falling within a priority area of the CP as well as the respect of rules on public procurement and state aid and of fundamental rights. **Co-financing rates** will increase to pre-crisis levels of between **40-70%**.

Two additional macro-dynamics will include simplification and thematic concentration. **Simplification** consists in a reduction of the bureaucratic procedures for matching different funds or funds and financial instruments, and more targeted audit and control. **Thematic concentration** consists in the identification of five priority goals, with the largest share of resources devoted to the first two: a 'smarter Europe', through digitalisation, innovation, and support to SMEs; a 'greener Europe' through investment in the energy transition; better transport and digital networks; social goals – quality employment, education, inclusion (also of migrants and asylum seekers) and access to healthcare; and more democratic, bottom-up development through Community-led Local Development strategies and sustainable urban development. No funds will address demographic issues apart from sparsely populated areas.

**Urban policy.** The main instrument to pursue a more effective urban policy is the **EU Urban Agenda**. The Agenda does not provide new financial resources but pinpoints an integrated and coordinated approach to improve life quality in urban areas through better regulation, funding, and knowledge. It defines 12 priorities which relate broadly to **social or environmental issues and innovation**: inclusion of migrants and refugees; air quality; urban poverty; housing; circular economy; jobs and skills in the local economy; climate adaptation; energy transition; sustainable use of land- and nature-based solutions; urban mobility; digital transition; innovative and responsible public procurement. **Voluntary partnerships** of cities, MSs, the Commission, and local stakeholders develop and implement **Action Plans** to tackle local priorities. Sustainable urban development will be pursued in 2021-2027 by earmarking 6% of the ERDF and allocating €500mln to the city-to-city cooperation tool European Urban Initiative. The Initiative will cover all urban areas and work towards implementing of the Urban Agenda through supporting capacity building (20% of the budget), innovative actions (60%), and knowledge, policy development and communication (20%). The Initiative assumes that scaling up cooperation and sharing knowledge can help cities effectively address the growing number of challenges they face.

**Social policy.** In 2021-2027, the European Social Fund (ESF) will be replaced by the **ESF+**, that incorporates four more funds. The total allocation will be €101.2bn (€89.7bn in 2018 constant prices), a **6% decrease** in real terms compared to 2014-2020, although its incidence will increase from 23% to 27% of the structural funds. The **priorities** will be **employment, education, and social inclusion**. The main innovations include a **simplification** of the rules for fund management and of MS obligations on monitoring and reporting; increased synergies between the components of the ESF+; a stronger alignment with the country recommendations of the European Semester and the European Pillar of Social Rights; broader scope, with the inclusion of **assistance to migrants and social integration** measures; **thematic concentration** (less objectives) along with flexibility for MSs to design the themes based on their needs. Almost all funds (€100.0bn) will be managed jointly with MSs; at least 25% should be allocated to social inclu-



sion; 4% to fighting material deprivation; and 10% to tackle **youth unemployment** in MSs with an above-EU-average rate of NEET young people. The EU Parliament proposed a 19% increase in the overall ESF+, allocating a larger share of funds to social inclusion and to innovative solutions against youth unemployment, and approved an amendment to make **children and the youth** the main beneficiaries.

**Transport infrastructures.** The EU **Trans-European Transport Network** policy foresees the creation of a wide network of railways, roads, waterways, maritime shipping routes, ports, airports, and railroad terminals to eliminate barriers and strengthen economic and territorial cohesion. The TEN-T includes two layers: a **core network linking the main nodes and consisting of nine corridors, to be completed by 2030**, and a **comprehensive network covering all EU regions, expected to be completed by 2050**.

The **reduction of funding** might be challenging for the regions whose specialisation is not in line with the priority goals of innovation and greening. The upholding of **macroeconomic conditionality** and the stronger link with the European Semester could represent additional risks for regions in non-compliant MSs. Nevertheless, the strong focus on the **bioeconomy** can become an opportunity for areas rich in natural resources to be valorised, while the additional criteria of **youth unemployment and integration of migrants** for fund allocation might favour peripheral areas of Eastern Europe and Mediterranean countries and ethnically diverse urban areas, respectively. On the one hand, **simplification** could facilitate applications by local SMEs operating in more traditional sectors which lack the necessary human capital to finalise complex bureaucratic procedures. On the other hand, the **increasing of co-financing rates** might favour better-off applicants (i.e. more profitable firms, or firms with better conditions to access financial tools). In urban areas, the priorities of improving the environment and promoting **innovation** could generate local employment opportunities but also strengthen polarisation by attracting well-paid skilled workers and favouring gentrification of some city areas. Equally, the efforts to integrate migrants and refugees could either improve the conditions of the latter or result in heavier burden for more vulnerable areas and social groups, e.g. **Roma** people. The EC's recognition of the importance to provide affordable **housing** in cities, including through social housing, might be an advantage for overcrowded urban areas, but it is not clear whether the resources allocated are enough. Finally, while cities and rural areas benefit from *ad hoc* measures, the increasing investments in **competitiveness of large metropolitan areas** might result in unwanted dynamics like further congestion for the latter and a loss of human capital for peripheral regions.

The development of an area is likely to be influenced by its closeness to one of the EU's **core transport corridors**. The different timing for the completion of the core network and of the regional lines of the comprehensive network is likely to benefit core nodes at the expenses of peripheral areas during the intermediate period, because of the increasing mobility gap.

### 9.3.2.2 Rural development policy of the CAP

Based on the European Commission's proposal for the CAP 2021-2027, the EU rural development policy (pillar II) will remain strongly focused on agriculture, but a larger amount of resources will flow from direct payments for farmers (pillar I) to rural development. The rural development policy 2021-2027 will have two main priorities: **climate change, and generational renewal in agriculture**. A better environmental performance of the farms will be achieved through stricter conditionality for the farms receiving payments, and the enhancement of eco-schemes with the creation of 'agri-environmental climate commitments', characterised by co-financing by MSs and multi-annual contracts. This is expected to further develop the bioeconomy, with its 'job creation potential'. Like in the current period, at least 30% of the funds allocated to pillar II will need to be spent in climate and environment-related measures; however, the measures aimed at farmers in disadvantaged areas will no longer count towards the total. Moreover, MSs will have the possibility to transfer an additional 15% of resources from pillar I to pillar II to tackle environmental and climate challenges.

To facilitate generational turnover, additional resources will be devoted to entrant farmers, and assistance will be provided in drafting of succession plans and mentoring to entrants. Meanwhile, a cap on direct payments will be set, and progressively reduced, so that larger farms obtain lower payments per hectare; nevertheless, MSs must ensure that only 'genuine farmers' receive support, thus excluding smallholders and hobby farmers. Research and innovation will become even more a priority, e.g. through

the setting aside of €10bn from the Horizon Europe program for R&I in food, agriculture, and rural development. Innovation includes also the '**digitalisation** of rural life' both on-farm (e.g. through big data and new technologies) and in rural areas at large, which is expected to boost the rural economy. MSs will have more **flexibility** to adjust CAP measures to their specific needs, defined in 27 CAP Plans dealing jointly with pillars I and II. The Plans will represent the basis to support jobs and growth in rural areas, e.g. through the 'Smart Village' strategy. Smart Villages are 'communities in rural areas that use innovative solutions to improve their resilience building on local strengths and opportunities'. All these changes will be complemented by **simplification**, e.g. of the requirements to obtain funds.

Despite the reduction of overall funds, the transferring of resources from pillar I to broad rural development will continue in the 2021-2027 programming period. Nevertheless, the goals and measures of pillar II are still strongly related to **farming** rather than to the rural economy at large, implying a vision of rural areas as dominated by this sector, which is not always the case, especially in Western Europe. The increasing focus on the farms' environmental performance and the **bioeconomy** might represent an opportunity for job creation in rural areas rich in **natural resources**, thus attracting or retaining people (including highly educated people). At the same time, the resources for facilitating generational renewal might incentivise the permanence of the **youth in agriculture** as well as attract new entrant. However, these measure build on the assumptions that land is available; that the farming sector represents a relevant share of the rural economy; that young people are interested in working in agriculture; and that the lack of jobs is the main reason of rural outmigration – that are not necessarily true in many rural locations.

The focus on **innovation** might help enhance **productivity** in the farming sector, resulting either in the creation of new, skilled jobs or in a further loss of agricultural jobs that are not replaced by other ones (depending on the resources available locally and on place attractiveness). A better access to **Internet** could facilitate distance working for those people interested in living in rural areas but also the closure of offices whose services could be provided online (e.g. post offices). Finally, the Smart Village strategy could represent a promising framework to boost endogenous development, but also an (insufficient) response to the **withdrawal of public services** and resources which assumes that assets are locally available for valorisation and that it is possible to retained skilled people locally.

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## 9.4 Environment 2030

The concept of spatial justice theoretically intersects with that of environmental justice (for example, Brulle and Pellow 2006, Schlosberg 2007, Mohai, Pellow et al. 2009). Environmental justice originally highlighted spatial issues around racial discrimination, socio-economic exclusion, polluted cities, and disproportionate exposure to natural hazards. Latterly, this largely urban agenda has been augmented as climate change has become the dominant socio-environmental issue of our times, recognised from both the top down in the form of the UN's Intergovernmental Panel on Climate Change (IPCC) and the bottom up through the recent declaration of a *climate emergency* by activists, epitomised by Greta Thunberg. The world of 2030 will be significantly reshaped by megatrends arising from climate change and by a new generation committed to urgent action.

### 9.4.1 Rising sea levels

Europe's coastal areas are home to millions of people, contain significant economic activities and provide important ecosystem services (Watkiss, Troeltzsch et al. 2018). Experts express a high level of confidence that low-lying coastal settlements throughout Europe are existentially vulnerable to coastal erosion and sea-level rises exacerbated by climate change. Further anticipated climate-related changes profoundly affecting coastal communities include a rise in sea surface temperatures, an intensification of tropical and extra-tropical cyclones, and larger extreme waves and storm surges. There will be regional and local variations in both the severity and frequency of storms making effective contingency planning challenging, but the megatrend is for overwhelmingly negative and virtually certain impacts (Nicholls, Wong et al. 2007).

Europe's coastal communities are facing major spatial challenges, for example the 850 inhabitants of Fairbourne in Gwynedd, North Wales where authorities are already openly considering 'decommissioning' an entire town, potentially creating the UK's first climate refugees. As with many other negative impacts of climate change, the poorest and most disadvantaged members of society including ethnic minorities, the old and the young, are particularly vulnerable, having less resources (money, knowledge, work flexibility, asset valorisation potential, etc.) to escape the varied negative impact on people (Wisner 2004), particularly those resulting from sudden, exogenous change.

### 9.4.2 Extreme weather events

More frequent and increasingly severe extreme weather events are predicted for Europe in line with the global megatrend. Rural communities face acute obstacles owing to their extensive nature making contingency planning and infrastructure provision more problematic, thereby increasing their vulnerability. The megatrend is for continuing increases in the intensity and frequency of flooding, wildfires, droughts, heatwaves, and severe snowstorms. These effects, related to rising sea temperatures, will be exacerbated by regional increases in water scarcity alongside coastal erosion. Effects will be highly variable from location to location with some places repeatedly affected due to topography (rivers prone to flooding, forests prone to wildfire, etc.) while others will experience relatively less severe impacts.

### 9.4.3 Food production

Climate change is already changing crop yields and livestock productivity across Europe. With changes in temperature and precipitation, the climate change megatrend is projected to further reduce crop productivity in parts of southern Europe where conditions are becoming drier and hotter, whilst the conditions

for growing certain crops in northern Europe is set to further improve due to longer growing seasons and more suitable crop conditions. This relative change in fortunes for the agricultural sector at a regional scale, resulting in a volatility for farm incomes with large regional variations, will be offset by the increase in extreme weather events negatively affecting agriculture across the whole of Europe, for example, by destabilising the availability of water needed for irrigation, livestock watering practices, processing of agricultural products, and transport and storage conditions (European Environment Agency 2019). The net effect is likely to see continuing levels of agricultural land abandonment with 11% of agricultural land in the EU area facing a high potential risk of abandonment in the period 2015-2013 (Castillo, Kavalov et al. 2018). Even excluding grave concerns around water, the current European food system is widely considered unsustainably dependent on agricultural inputs that are rapidly depleting, and heavily carbonised. Radical change is required to localise food and reform production systems along sustainable principles including shorter supply chains. The prospects are bleak for Europe's poorest and already disadvantaged citizens who are likely to see price rises and even food shortages over coming decades further weakening their economic position (European environment agency 2019). Both food and agricultural commodity markets will be affected by shifts in the ranges of cultivatable plant species also affecting ranges for grazing animals. Climate change driven regional disparities in agricultural conditions will severely test EU rural development policy 2021-2027 and will negatively impact regional food security.

#### 9.4.4 Energy

Europe's energy systems need to decarbonise to mitigate the effects of climate change and to improve air quality. The re-engineering of fossil fuel dependent economies is a megatrend that will require high levels of investment, political leadership, and behavioural change on a societal level. Renewables, including wind power, solar power (thermal, photovoltaic and concentrated), hydro power, tidal power, geothermal energy, ambient heat captured by heat pumps, biofuels and the renewable part of waste, are rapidly evolving and being deployed extensively albeit unevenly, however, 2017 figures indicate that renewable energy represented just 17.5 % of energy consumed in the EU (Eurostat 2019). By 2030, at the current rate of growth, the EU will exceed the 27 % minimum target for 2030. Even for this minimum target to be reached additional efforts to support new entrants in a fragmented market will be required (European Environment Agency 2016). As ever more ambitious targets are announced for the coming decades (phys.org 2018), Europe is set to strengthen environmental measures, with sustainable urban development integral to (cross-cutting) objective five of the Cohesion Policy 2021-2027. Variable results are anticipated dependent on availability and effective valorisation of local assets (wind, solar, tidal hydro etc.). New bio-economy opportunities for areas rich in natural resources seem probable while corresponding threats face already disadvantaged regions.

#### 9.4.5 Biodiversity and the Natural Environment

The EU is committed to halt the loss of biodiversity by 2020 (within the International Convention on Biological Diversity). Whether this is achievable or not, natural ecosystems and their vital services will continue to be under pressure from urban sprawl, intensive agriculture, pollution, invasive species and climate change (European Commission). In response, the megatrend is manifest in an increase in nature-based solutions including preserved area, nature reserves, sites of special scientific interest (SSIs) and protected areas. This will continue to have knock-on effects for human enterprises in particular for agriculture where we anticipate productivist approaches being increasingly challenged by more broad-based valuations supported by Natural Capital Accounting and other more holistic measures of landscape utility, for example rewilding.

Rewilding throughout Europe, both engineered through environmental planning or the result of land abandonment (more pronounced in Eastern Europe) is already creating tensions for small farmers, who are on the one hand being encouraged to increase food production to tackle the crisis in food and nutrition security (FNS), and on the other, being expected to welcome both afforestation and the return of predatory and destructive wildlife from wolves and wolverines in Norway, wild boar throughout continental Europe and Sea Eagles across Scotland. Wild animals for millennia exterminated by farmers are now being reintroduced or conserved.



While greater protection of sections of the natural environment are presenting enhanced recreational and wellbeing opportunities for some citizens of Europe, evidence from the UK indicates that access to 'nature' is deeply unequal. An independent review, of England's National Parks questions the equity of current utilisation of England's 44 'national landscapes'. It recognises that less affluent citizens, particularly those from working-class and black and minority ethnic backgrounds are less likely to be visitors. The report recommends that "every effort should be made to achieve diversity – of social background, gender, age, ethnicity, (dis)ability" (Defra 2019). Improving access and other changed special patterns around green spaces is similarly on the agenda in other MSs (WHO 2017).

#### 9.4.6 Mobility

Transport is a complex system entrenched in patterns of human settlements and consumption, of production and infrastructure (Directorate General for Energy and Transport 2009). Transport presents one of the greatest spatial challenges to effective climate change mitigation since the predicted, continuing growth in both passenger and freight activity is expected to outweigh all mitigation measures without effective means of decoupling transport emissions from GDP growth (Sims R., Schaeffer et al. 2014). Those measures are likely to entail radically reducing the amount of travel and reforming the modes of travel currently enjoyed by Europe's citizens. It also seems probable that Europe's sparsely populated areas will face disproportionate penalties without radical support arrangements being implemented. The effects on remote and sparsely populated areas is uncertain and will be uneven but there may be an increase in isolation caused by a rebalancing of transportation systems in favour of slower forms of transport (rail over air). Increased costs would be disproportionately burdensome on poorer citizens and damaging to more marginal economic activities. It is already relatively expensive to fly to remote rural areas compared to urban centres.

**Air:** The IPCC (199) make special mention of aviation as a major contributor to the greenhouse effect. A strategy adopted by the EU in 2005 commits the MSs to extend the EU Emission trading Scheme (ETS) to include aviation. Were Europe to pursue a path of 'greener aviation' toward 2050 it is plausible to envisage a more consistent transport energy taxation policy leading to a growth in passenger rail and a reduction in short haul flights across the continent. The freedom to fly, that has been extended to groups with a modest income over recent decades, might conceivably be restricted with higher ticket prices acting as a differential barrier. The effects on remote and sparsely populated areas is uncertain but there may be localised increases in isolation caused by a rebalancing of transport policy in favour of slower forms of transport. Increased costs would be disproportionately burdensome on poorer citizens and damaging to more marginal economic activities. It is already relatively expensive to fly to remote rural areas compared to urban centres. Technological advances, reducing aircraft emissions, could shape an alternative future.

**Road and Rail transport:** Road vehicles dominate the EU's transport system carrying more freight and more passengers than all other modes combined and providing jobs for 10.6 million people (European Commission). The switch to carbon efficient and zero carbon technologies is likely to unfold under the principle of subsidiarity, at a MS level with large variability across the EU. For private cars, richer MS and more affluent individuals are likely to continue to benefit disproportionately from financial incentives and technological innovation. For rail, the EU recognises a 60% reduction of GHG emissions from transport needed by 2050 with part of the saving expected to be achieved with the majority of medium-distance passengers expected to go by rail by 2050 (Greenrail SRL 2015). Overall, individual cities and territories will implement local policies potentially leading to greater geographical inequalities including exposure to poor air quality.

#### 9.4.7 Implications for RELOCAL case Studies

Climate change is the most global of issues but at the European scale additional climate action will be required to maintain social and territorial cohesion. All European stakeholders, in the years leading to 2030, are likely to be increasingly focussed on environmental challenges confronting Europe. Both within this short time horizon and for the foreseeable future, climate change is likely to dominate European agendas with several critical areas (listed above) anticipated to dramatically reshape human interaction with the environment.



For some CSs (e.g. Rotterdam, 90% of which is below sea level) rising sea levels may represent an existential threat. Those further from coasts or on higher ground could experience indirect impacts from climate migrants.

Extreme weather events will be spatially variable, but topography will create specific vulnerabilities and should be considered in light of each CS specificities. The EU Commission promotes insurance as a crucial adaptation tool in MSs to increase resilience (EU Commission 2018) which may lead to the development of this financial market.

For the agricultural sector, climate action will account for at least 30% of the funds allocated to pillar II with an additional 15% that can be switched from pillar I by MS. Farming is still likely to dominate economic activity, but farm configurations may be radically altered affecting the livelihoods of agricultural workers and the food system more widely. Rural areas are exposed to greater economic risks and opportunities related to agricultural production (for example, CS's in Poland, Hungary, and Germany).

In both urban and rural areas mobilities are likely to be transformed. The principle of subsidiarity applying to much of the sector, notably private cars, will exacerbate MS disparities. The nature of climate adaptation actions will vary considerably from region to region with sustainable land use, energy transitions and mobility challenges all being subject to both endogenous and exogenous constraints (e.g. Karditsa's remoteness from national highways and Maslomecz's peripherality). Furthermore, specific economic activities will need to relocate with changes in the timing of seasons, temperatures, and precipitation which will undermine the viability of certain commodities, value-added crops, and location specific recreational activities. A relative lack of diversity in economic activities combined with geographical isolation, ageing demographics and higher poverty rates between rural and urban areas will place disproportionate stresses on already stressed community stability in many CSs. These stresses will neither be uniform nor consistent with some communities even enjoying some benefits from climate change (Hales, Hohenstein et al. 2014).

One final point to be noted is that in constructing a base-line for environmental scenarios, with climate change prominent, the most appropriate comparator for any CS will often be a past state within the same region rather than surrounding areas or regional averages, given the large variability of effects from one location to another. However, regional effects will continue to create new spatial challenges between regions which should also be considered (see D8.2).

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## 9.5 Society 2030

Kanger and Schot (2019) describe the future as being faced by a double challenge: environmental degradation coupled with social inequality. Zardi (2019) states that there are only three future trends with any importance and one is *the battle for an equal, just, and democratic society*. There is also a trend for individualism to collectivism where there is move from thinking less about ourselves to thinking about others too (Li et al. 2018). Concurrently, there is a strive for better representation in the workforce so that under-represented groups (e.g. race and sex) are better represented. Achievements by white men are increasingly attributed to “privilege” rather than merit (Fisher et al. 2019). There is also an increasing move

in society towards socially innovative practices (Klůvanková et al. 2018). This has stemmed from an increased pressure on individuals and communities to do more for themselves through increased responsibility (Mackinnon and Derrickson 2016) partly due to state withdrawal of support through austerity. Social innovation can empower communities but will only be truly autonomous if such actions are suitably enabled. This section has identified four key social trends (technology, divisions of wealth, health and changing lifestyle practices and living arrangements). Each will be considered in turn.

#### *9.5.1 Technology/digitalisation*

An increased use of technology by all in society could see new types of exclusion and inequalities. In 2018, 89% of European households had access to the Internet, an increase of 29% since 2008 (Eurostat 2018). The term 'digital divide' has been used to describe those who can physically connect to the Internet and those who could not (i.e. those that can afford technology versus those who cannot, those that can access high speed versus those who cannot); but this gap has been narrowing. Instead, in this decade there is a second level digital divide – those who have the skills to use digital technology and those who do not (Philip and Williams 2019), this may act to further exclude the most vulnerable in society. Increased digitalisation may also act as a barrier to social interactions and such a trend is likely to continue in the next ten years, for example, if digital replaces exchanges which would have previously been face-to-face e.g. replacing in person healthcare visits (Currie et al. 2015), and people accessing goods and services online. Further, there may be increased expectation in society of digitalisation to increase the speed of responses to queries both in a professional and personal capacity. Technology thus will increasingly affect how individuals identify with themselves and with others, and this change is likely to spread evenly across society (Luppicini 2013).

In the future there may be new types of digital divide for example being able to afford or to install certain technologies. Technology looks likely to continue the trend of replacing the predominant ways societies access services such as health, shops, and travel. Service providers who are using technology to decrease their personnel costs will have to consider whether some sectors of the population will need support to access these to make such technologies more equitable across society. Remote and rural areas throughout Europe are still lagging behind other communities in terms of digital accessibility; despite there being targets about accessibility to certain internet speeds for all in Europe in the future, these speeds may be out-dated before they are even reached (Philip and William 2017).

#### *9.5.2 Divisions of wealth*

Recent increases in overall per capita global wealth have been coupled with (and to some extent held responsible for) physical, mental, and emotional suffering as there has been a move away from values, community, and family as wealth increases. However, growth of wealth has been inequitable with the rich getting even richer and the poor grow comparably poorer (Berman et al. 2016). This leads to unequal societies where only a few people own much of the wealth and equity plans to tackle this so far seem to be unsuccessful. It has been found that in countries where these inequalities are most pronounced there are the greatest societal challenges. Across generations, earnings mobility prospects tend to be weaker in countries where income inequality is high, and stronger in countries where inequality is low. Further the OECD recommend that to promote enhance social mobility in the future the following factors needs to be put into place: Access to high quality and affordable housing and transport; improved urban planning that aids reduction in regional divides and concentrations of disadvantaged households in cities; a reduction in inheritance and gifts tax avoidance, through progressive tax systems; promoting safety nets and training schemes, as well as linking social protection entitlements to individuals, not jobs, would assist (low-earning) people to cope with losing their job. (OECD 2018).

In the future, places which are able to control the distribution of income, using macroeconomic policy instruments, are generally perceived to be more effective than others for regulating the wealth distribution (Berman et al. 2016) and countries with wider wealth inequalities will become increasingly undemocratic (Milanovic 2016). There are plans to tackle wealth inequalities by promoting social mobility and more equitable access to wealth, however, current efforts across Europe are variable and this is likely to continue into the future. The UK, Germany, France Austria, and Hungary have the worst social mobility whilst Finland, Norway, Sweden, Spain, and Greece have the best (OECD 2018). Trends suggest that the

promotion of social mobility will continue to be less successful in areas where it is already low, thus this has implications for communities which are already in receipt of plans and policies tackling social mobility problems.

### 9.5.3 Health

There has been a plethora of research considering the social determinants of health and much of these focus on inequalities in wealth and other societal aspects (see for example Wilkinson and Pickett 2009). Societies which are the most socially equal are generally the healthiest (Japan for example). Good educational opportunities, good public service provision, strong evidence of social spending and high social participation have all been evidence at having health promoting properties in populations (Vonneilich et al. 2019, Kinghorn 2019, Alvarez-Galvez and Jaime-Castillo 2019).

The proportion of the population that experiences mental ill-health is increasing in many countries, with 16% of adults in the UK currently having a common mental disorder, such as depression, at any one time (Beddington et al. 2008). Causes of mental ill-health include social disadvantage, poverty, debt, and unemployment (Mind 2019), thus where social injustices occur, mental health is likely to be proliferated. A recent report by Public Health England has suggested that the primary social causes of mental ill-health are related to employment, social isolation, governmental benefits, and housing (see Figure 18 below). Oshio and Kan (2019) looked at trends of living alone and not participating in social activity and found that an absence of social participation was riskier for mental health for a sample of the population in Japan.

Obesity is another health trend, with societal obesogenic environments often to blame.

There are likely to be similar social disadvantages within and between other European Countries and cities leading to similar patterns elsewhere. Poor health can result in further exclusion from society too, thus resulting in a vicious cycle of decline of both society and health. Communities in which there are poor educational opportunities, challenges in public service provision, a lack of social spending and low rates of social participation, health inequalities will continue to widen in comparison to other communities. Many of the social trends are inter-linked so where there are inequalities in any way to the rest of the population, health will worsen. Ill-health in a population is therefore a sign of inequalities which will further proliferate ill health.

### 9.5.4 Changing lifestyles - working practices and living arrangements

The way in which people live is also another societal trends, with younger generations more likely to have different working practices and living arrangement than previous generations. This section will be divided into firstly thinking about future working practices before considering living arrangements.

#### 9.5.4.1 Working practices

Economic inactivity has been linked to depression (ONS 2017) and this will continue to be the case. However how many hours people work has also been linked to depression and how old people are before they can retire. Weston et al., (2019) have found that people working fewer hours are less depressed. Much current research on working practices is based on the assumption that people will work one job, but the *gig economy* is increasing because employers are struggling to be able to economically justify paying people full time and throughout the year, thus off-loading the risk of employment to people. This is likely to negatively affect mental health because most people like stability much more than having to look for another 'gig' every few months (Nemko 2019). On a more positive note, there is an emergence of alternative workplace models, such as coworking spaces, digital working hubs, on-demand spaces, and office clubs which may reduce pollution and traffic congestion whilst increasing productivity, innovation. Such flexible working practices are likely to promote wellbeing and work-life balance and so going forward it will be beneficial for policy makers to consider strategies for promoting flexible working models (Yu et al. 2019).

Another trend that is likely to continue in the future is better support for childcare to promote equality and to aim to get women back into work after having children. Further support for paternal rights of leave with children should also get better which may change traditional family configurations. Delayed retire-

ment is also likely to continue, this may have a negative impact on health and thus life expectancy but as the healthy retired also input into the voluntary sector, the voluntary sector may not be able to do as much as it is currently doing.

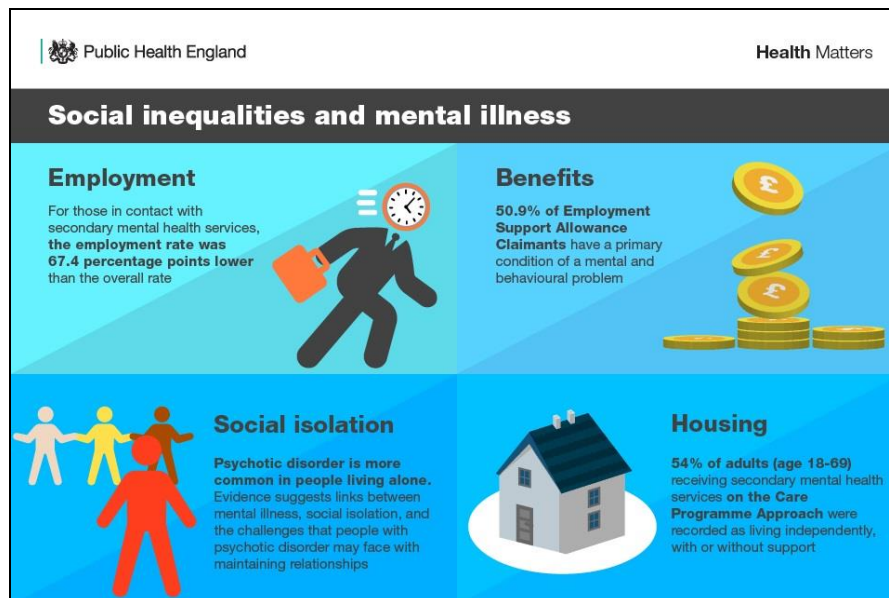


Figure 18. Social causes of mental ill-health in England (Source: Public Health England).

#### 9.5.4.2 Living arrangements

Young people are increasingly less likely to be able to commit to a place, home, or a family. This is known as 'generation rent'. Average age of home ownership is increasing, and at the same time there is less social housing being provided by governments. However, this will across Europe, in some European countries (e.g. Germany) people are more likely to rent than to own a home. Differences across Europe need to be framed very generically. Affordability and availability of all housing types is likely to be more challenging for future generations. This may lead to alternative models of living such as co-living etc.

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## 9.6 Technology 2030

Recent decades have seen a dramatically accelerating pace in the development and adoption of new technologies. Technology-related trends are expected to have significant impact on economy, society and the environment leading towards Sustainable Development Goals (SDGs) as outlined by United Nations. Science, technology, and innovation (STI) are not only an explicit focus of SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation). They are key factors for most of the Goals. Therefore, harnessing frontier technologies could be transformative in achieving the SDGs and creating more prosperous, sustainable, healthy, and inclusive societies (UNCTAD 2018).

The most important technological megatrends might be applicative in the area of the Fourth Industrial Revolution (4IR, Industry 4.0). The concept of Industry 4.0 is a result of contextual integration of technological and business concept of game changers as advanced technologies changing the world in the future. Like the first industrial revolution improved the operation of manufactories, the second one introduced electricity into the industry and the third one automated the uniform tasks of line workers, the fourth one improves information management and decision-making (Dominici et al. 2016, Paprocki 2016, Veselovsky et al. 2018, Abbas 2018). The fourth industrial revolution differs from the previous ones with the fact that it relates to all fields of life.

Digitalisation is highly important to the EU and the EU Digital Agenda 2020, providing an overarching framework for European efforts towards a digital society is one of five pillars of the Europe 2020 Strategy. Central to the agenda is the Digital Single Market Strategy for Europe which focuses on maximising the growth potential of the digital economy, emphasising both benefits for businesses and industries, but also EU citizens through digital services. Other EU policies of relevance are those aimed at societal aspects (EU eGovernment Action Plan 2016-2020, eHealth Action Plan 2012-2020, Digital Education Action Plan (2018), the Skills Agenda for Europe) (see further: Randall et.al. 2018).

Regarding implications on RELOCAL case studies, key technological advances at play, also labelled as game changers are **technologies related to digitalisation** defined as the transformation of all sectors of economy, government and society based on the large-scale adoption of existing and emerging digital technologies focused on: 1) connecting data, 2) connecting people, 3) connecting things. Digitalisation is the process and digital game changers are tools through which it will occur creating impact within a Socio-Cyber-Physical System, constituted by the social world (people), the digital world (data) and the physical world (things).

### 9.6.1 Technologies connecting data

**Artificial Intelligence (AI)** covers a wide range of applications. It is based on learning techniques, enabling machines to learn from experience and collected data. High-Level Machine Intelligence (HLMI), the frontier of AI, will occur when unaided machines will accomplish every task better and at a lower cost than humans will. Nowadays, AI can outperform humans only in the presence of limited knowledge domains with precise and easy-to-describe rules, such as board games, with some interesting results also in the semantic recognition and classification of text, voice, images, and on capacity of analysing problems given general rules. The potential for application in local development should be considered as large, for instance in the case of supervised learning and use related to the possibility of interpreting both environmental as well as socio-economic data and supporting decision making (towards smart development).

**Big data** is a term used to refer to the study and applications of big and complex datasets. Big data challenges include capturing data, data storage, data analysis, search, sharing, transfer, visualisation, querying, updating, information privacy, and data source. In local development, the potential of Big data is related to the capacity to collect environmental and socio-economic data and provide meaningful representations of a large number of data streams describing different phenomena. For instance, sources of data are the satellites used as Earth observation systems, with a huge impact on innovative services. Satellites

are a game changer for both connectivity services and machine-to-machine applications. The notable efforts put by the European Union in the satellite segment, like the (i) Copernicus programme on the themes of land, marine, emergency response, atmosphere, security, and climate change, and the (ii) Galileo system for positioning and search-and-rescue operations, can bring open and high-quality data to users in a free manner. Digital management systems are expected to play a significant role in the digitisation of business activities, as well as digital payment systems.

**Cloud technologies** support IT systems within low-cost and user-friendly storage of large amount of data through platforms like OneDrive, Dropbox, Google Drive.

#### 9.6.2 Technologies connecting people

In about 20 years, **digitalisation has revolutionised the way people communicate, get informed, and learn**. Human-to-human communication can occur on digital media thanks to Internet Protocols, which allow us to turn text, sounds, and images into easily transmissible numerical data, allowing replication at virtually no cost and immediate transmission in real time (Winget & Aspray 2011). Today we can work remotely, share data, and participate in teleconferences. Anyone can broadcast information and gain popularity at limited or no cost. Recently, Forbes identified some socio-technological trends in this field: **augmented reality, live streaming, and gamification**. **Social Media** play an increasing part in people's lives. This raises big expectations, but also big concerns about privacy, power distribution, trust, social cohesion, and validity of scientific claims. Especially in remote settlements, technologies connecting people have the potential to overcome physical distance and low density, which is the key distinction between rural and urban people and places. Social media are also used in specialised communities and in diverse areas for given purposes: to connect stakeholders, scientists, researchers, private companies in order to create groups focused on thematic objectives, all around the same virtual roundtable.

#### 9.6.3 Technologies connecting things

**Internet of Things (IoT)** is a paradigm for developing and deploying smart services and applications, often in combination with AI-based techniques and cloud services. Once things are connected, they can exchange data so that services and applications can be provided with minimal or no human intervention. Physical objects connected by networks of low-cost sensors allow for the collection of data on human behaviour and environments at an unprecedented scale having huge potential for increased resource efficiency and data based decision making.

Other important game changers are technologies that connect things together without human intermediation. **Advanced robotics** are widely used in the process of automation of manufacturing jobs and are expected to take on jobs requiring high levels of precision (e.g. surgery).

The key technological game-changer enabling other innovations within the process of digitalisation is **mobile internet** – consisting of increasingly inexpensive and capable mobile computing devices (wearable smart phones, smart watches, various thematic applications) and internet connectivity integrated in everyday life activities of people fundamentally changing the way we interact with the physical world.

#### 9.6.4 RELOCAL context – impact of digitalisation for the future of European localities

From the perspective of RELOCAL actions which, in general terms, all aim at the improvement of life quality and enhanced opportunities in the area targeted, technological development should be considered as an important factor for the future. For example:

- GIS systems connecting spatial data, developed by municipalities in administration, planning procedures together with the development of social media, improve the involvement of local communities in decision making processes, leading to participatory governance;
- Internet of Things (IoT) and Internet of Services (IoS) as an alternative to a 'critical mass' of population in remote or sparsely populated area which is often an obstacle to maintain certain lifestyles in these territories (people have a low access to goods and services as providing them

would imply unsustainable and inefficient investments. IoT and IoS enable e-services, e.g.: online shopping, learning, payments.

Digital technologies often aim to improve efficiency and effectiveness in relation to productivity, profitability, and sustainability. However, it has to be stressed that these opportunities depend very much on the distribution of physical, social, and human capital and abilities to adopt and use new technologies (Salemink et al. 2017). The existing digital divides (rural-urban; men-women; young-elderly) represent a broad range of access problems and are likely to have the same implications for the future 'leaving some behind' and thus not achieving the central principle of the 2030 Agenda. In that sense, it may reinforce existing power differences, for example between rural and urban areas, as well as social and economic differences in relation to labour and skills (Bronson and Knezevic 2016). Also, the integration between digital technologies and the social organisation (e.g. institutions, leadership, skills) becomes more and more complex. With systems that have a low level or a poor integration it is likely that adaptation is challenging and may have negative socio-economic consequences such as: Information overload or loss of human control over machines. Addressing the challenges and embracing the opportunities associated with digitalisation will require innovative, coordinated, and multi-level governance approaches that foster interaction between citizens, business, non-governmental organisations, and public administrations.

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## 10 Appendix 3: The nexus fiches

### Nexus 1: Agglomeration vs dispersal and servitisation of economic activity

This spatial change process relates to **economic activities**, and possible changes in the way they are distributed across space. This is very much a contested issue.

Some argue that we stand on the brink of a new (industry 4.0) era in which 'distributed manufacturing', set within 'servitised', and information-rich, network economies, will become increasingly dispersed, offering new opportunities for many rural areas, even remote ones. Both globalisation and 'localisation' seem to be an important context for this process of change. Business success seems to be associated with a balance between 'global pipes' and 'local embeddedness'. From a different perspective it has been argued that physical proximity will become less important than various forms of 'relational' proximity.

Others argue that the long-awaited 'death of distance' is a chimera. The enduring importance of face to face interaction, will mean that cities will remain the most favourable environments for innovation and entrepreneurship, and the 'engines of growth'. Therefore, (they say) the next ten years will witness

continued spatial polarisation, with economic activity concentrating in, and around, cities and towns, at the expense of remoter areas.

It is usually assumed that the backdrop for either concentration or dispersal of economic activities is a continuation of spatially blind neo-liberal regional strategies and free trade policies. There are several reasons why a different picture might materialise: The first would be that the place-based approaches enshrined in EU Cohesion Policy become the dominant paradigm. The second relates to the risk that old-fashioned trade wars may re-emerge in association with populist politics. Thirdly, the rising importance of economic theories which stress the importance of non-profit goals (environment, inclusion etc) may challenge the assumptions upon which European countries build their economic policies. It is not clear what effect such changes might have upon spatial patterns of economic activity, but the first and third could perhaps privilege more regional and local supply chains?

Based on the information above it seems appropriate to summarise potential changes in the distribution of economic activities according to two main categories – dispersal-agglomeration and policy approach.

No.	State title	Dispersal vs agglomeration	Policy approach
N1.1	<b>Dispersal supported by place-based policy and evolutionary economics</b>	Dispersal of economic activities away from current hubs, into rural and remote areas.	Place based approaches and evolutionary economics
N1.2	<b>Dispersal with neo-liberal regional policy, and free trade</b>	Dispersal of economic activities away from current hubs, into rural and remote areas.	Space-blind neo-liberal regional policy and free trade.
N1.3	<b>Place-based city-led growth</b>	Increasing agglomeration	Place based approaches and evolutionary economics
N1.4	<b>Neo-liberal city-led growth</b>	Increasing agglomeration	Space-blind neo-liberal regional policy and free trade.

## Nexus 2: Implications of new mobilities and digitisation for central places and services of general interest

This nexus of change parallels that of the preceding one, but this time it relates to the access to central place functions and provision of services of **individuals, or residents**, rather than economic activity. Here too, digitisation plays a key role, alongside social change, and adaptation to climate change.

The impact of digitalisation on twentieth century central place patterns is already very clear. Online shopping seems set to continue to usurp the place of the 'traditional' high street and market town. Of more direct interest for RELOCAL case studies is the effect upon residential patterns, migration, and commuting. The role of planning policy, in different national contexts, will be crucial in the extent to which accessible rural areas are affected by 'sprawl' and suburbanisation as a consequence of these changes in retailing.

For rural and remote areas new communication technologies and digitisation of retailing and service provision may bring a mixture of benefits and disadvantages. Whilst telemedicine and other online services and administration may render provision for remote areas more viable and convenient, the lag in network provision may put such areas in a perpetual catch-up situation.

If a reasonable broadband connection is available, working from home, in a number of service occupations, seems likely to become more common over the next ten years, opening up the potential for new forms of economic activity in remote rural areas, and new forms of work-life balance. On the negative side the declining need for face to face interaction may adversely affect the community and social capital of rural areas.

Arguably, most of the above trends tend to reduce the differences between rural and urban life. The impact of decarbonising transport may have the opposite effect. Depending upon whether range issues are solved or not, the switch to electric cars and public transport may favour more compact urban settlement structures.

The above trends can perhaps be summarised according to the following dichotomous vectors: (i) The first is the degree to which digitisation provides new forms of rural employment service provision. (ii) The second is the degree to which transport decarbonisation affects daily mobility patterns.

No.	State title	Digital dispersion	Decarbonised mobility
N2.1	<b>Unconstrained rural digital revival</b>	Rural and remote rural areas revitalised as digitisation brings new forms of employment and better services	New technology brings decarbonised mobility at affordable prices, allowing counter-urbanisation to continue
N2.2	<b>Accessible rural digital revival</b>	Rural and remote rural areas revitalised as digitisation brings new forms of employment and better services	Decarbonisation limits the range of daily mobility, so that urban migrants settle within a limited range of cities and towns.
N2.3	<b>Climate-friendly mobility with lagged digitisation</b>	Lagged digitisation in rural and remote areas constrains the extent that these areas can benefit from new forms of employment and better services	New technology brings decarbonised mobility at affordable prices, allowing counter-urbanisation to continue
N2.4	<b>Lagged digitisation and constrained mobility</b>	Lagged digitisation in rural and remote areas constrains the extent that these areas can benefit from new forms of employment and better services	Decarbonisation limits the range of daily mobility, so that urban migrants settle within a limited range of cities and towns.

### Nexus 3: Neighbourhood diversity and segregation

This nexus of change relates to the degree to which **neighbourhoods** are increasingly segregated, or increasingly diverse. The outcome in any particular locality depends upon a multiplicity of interacting trends, across the DEPEST themes.

For example, the wealth inequalities and social mobility processes seem very relevant here, although the precise effect upon spatial patterns and neighbourhood segregation can only be understood or predicted in the context of the nature of the housing market, and residential mobility. Changing family structures (e.g. increasing numbers of singles and split families on the one hand, and rising numbers of intergenerational households on the other) add complexity to the process.

Levels of international migration, local ethnical diversity (e.g. Roma people), and reception of asylum seekers have an obvious role to play in the evolution of patterns of poverty and disadvantage. These exogenous flows interact with

life cycle processes within and between neighbourhoods, which are in-turn restricted by the nature and composition of housing stock inherited from previous phases of development. Gentrification or increasing deprivation are potential outcomes.

The increased emphasis upon green space and green infrastructure may also interact with the evolution of patterns of residential segregation. The decarbonisation of private transport, and the affordability and range characteristics of alternatives may result in new kinds of 'spatial sorting' of different income groups, as middle/higher income group re-colonise inner city brown-field sites.

Reducing this complex situation into a pair of dichotomous vectors of change is not easy. We suggest a mobility driven trend (either concentration or sprawl) cross-tabulated with an axis reflecting the capacity of city planning policies to counter the tendency towards segregation.

No.	State title	Concentration or sprawl	Effectiveness of city planning policy
N3.1	<b>Compact cities - diverse neighbourhoods</b>	City centre gentrification - decarbonised mobility	Effective city planning for diverse neighbourhoods
N3.2	<b>Compact cities - segregated neighbourhoods</b>	City centre gentrification - decarbonised mobility	Laissez-faire development increases segregation
N3.3	<b>Sprawling cities - diverse neighbourhoods</b>	Increase commuting, middle class sprawl	Effective city planning for diverse neighbourhoods
N3.4	<b>Sprawling cities - segregated neighbourhoods</b>	Increase commuting, middle class sprawl	Laissez-faire development increases segregation



#### Nexus 4: Demographic trends

This nexus of change is potentially the best documented. Most MSs produce regional **demographic** projections. The key trends of ‘shrinking’, urbanisation and counter-urbanisation, and ageing are well understood.

Shrinking can be driven by age structure legacy effects from past migration, or by current selective out-migration of younger and more highly qualified people.

The indirect implications include the fiscal effects of a declining working age population, the capacity of local taxation as a base for funding essential services, the increasing cost of providing services to sparsely populated areas, and to an ageing population. Less frequently discussed is the concept of ‘critical mass’ with respect to social capital and neo-endogenous local development processes. Living in sparsely populated and/or shrinking rural areas may entail the acceptance of more limited/difficult access to services which

many would consider essential for wellbeing, such as healthcare and education. Ageing populations are sometimes assumed to be less innovative and entrepreneurial.

Not all areas are shrinking, however. Many accessible rural areas, and larger cities have experienced strong in-migration in recent years, creating demand for housing and for services such as schools and healthcare.

A growing population is not always associated with a balanced age structure, retirement areas face a specific set of issues, combining a high demand for services with a shrinking tax base, and a shortage of working age carers.

Whether the demographic trend is positive or negative the challenges of housing or services mismatches can be associated with issues of spatial justice.

No.	State title	Shrinking or growing	Age structure
N4.1	Dynamic demography	Growing – usually as a result of in-migration.	Balanced age structure – expanding demand for child-care. A relatively buoyant labour market.
N4.2	Retirement zone	Growing by age-selective in-migration	Ageing - Increasing numbers of older people increasing the demand for services such as healthcare.
N4.3	Balanced decline	Shrinking, caused by selective outmigration and/or negative natural change.	Balanced age structure – this is the least likely combination.
N4.4	Demographic depletion	Shrinking, caused by selective outmigration and/or negative natural change.	Ageing, falling numbers of working age people, reducing the tax base. Increasing numbers of older people increasing the demand for services such as healthcare.

## Nexus 5: Spatial changes in economic activity associated with climate change mitigation and adaptation

This nexus of change is ultimately driven by **environmental trends**, especially climate trends and reductions in biodiversity, however, in recognition of the nature of the RELOCAL case studies, and the focus upon spatial justice, is expressed in terms of implications for spatial configurations of socio-economic characteristics. As such it is likely to pay more attention to the indirect effects of adaptation, rather than direct impacts or mitigation. It is also important to keep the rather limited time horizon of our scenarios in mind. Impacts upon urban structures and suburban areas have been mentioned in preceding sections; here we will focus upon impacts upon economic activity.

Climate change adaptation and mitigation upon farming and forestry systems and their profitability seem likely to be very variable, but not always negative in terms of income.

The implications of 'relocalisation' of food supply chains in different territorial contexts are difficult to imagine or predict. On the supply side they will affect certain types of farming more than others, and on the demand side they

are likely change the purchasing behaviour of income groups to different degrees.

Another key element of changing attitudes to the environment concerns the re-valuation of environmental assets, and the rising importance of economic activities which derive value from them. The obvious examples would be leisure and tourism activities in the countryside, and the circular economy.

In some parts of rural Europe, the climate challenge will open up substantial opportunities for development based upon renewable energy. Such energy supplies could fundamentally change the map of economic activity, away from 'Fordist' manufacturing areas based upon fossil fuels, towards places where solar, wind, hydro or wave energy is more abundant.

On the basis of the above, it seems reasonable to structure the states of this nexus according to the following vectors: (i) The impact upon land based economic activities, (whether negative or positive) (ii) The degree to which climate change will open up new opportunities for economic activities.

No.	State title	Impacts upon land-based industries	Opportunities for new economic activities
N5.1	<b>Double climate change dividend</b>	Positive affects upon farming and forestry	Green growth and valorisation of environmental assets
N5.2	<b>Rural benefit, urban decline</b>	Positive affects upon farming and forestry	Decarbonisation constraints on Fordist Industries
N5.3	<b>Green growth, rural decline</b>	Negative affects upon farming and forestry	Green growth and valorisation of environmental assets
N5.4	<b>Double whammy</b>	Negative affects upon farming and forestry	Decarbonisation constraints on Fordist Industries

## Nexus 6: Shifts towards inclusion or exclusion

Although the rationale for this nexus of change is that these aspects of **inclusion** vary between individuals and households across society as a whole, rather than systematically across space, these trends are an essential component of the local case study context which we cannot afford to ignore in the construction of our scenarios.

The rationale for not ‘forcing’ this nexus into a spatial perspective relates to the centrality of equity and inclusion issues to the concept of spatial justice. In essence, this is about the ‘life chances’ of the case study population, and different groups within that.

This nexus is intended to capture likely trends in terms of various dimensions of equity/inclusion, from ‘hard’ ones such as health, poverty, access to employment, adequate housing, and the digital divide, to less easily measured ones such as individual (rather than geographical) access to services such as childcare, mental health services etc. It should also reflect to trends in household formation, such as the decline of the nuclear family, increasing numbers of single person households, multi-generational households, and so on.

Changes in exclusion and inclusion may be a consequence of macro-economic trends, or of changes in policy and service provision. These two vectors are a helpful way to structure the scenario states associated with this nexus.

No.	State title	Macro-economic trend	Service provision and policy
N6.1	Double dividend - inclusive growth	Strong economic growth	Progressive inclusion policy
N6.2	Neo-liberal non-distributional growth	Strong economic growth	Non-distributional policy / austerity
N6.3	Progressive response to decline	Slow growth or recession	Progressive inclusion policy
N6.4	Double whammy - decline and austerity	Slow growth or recession	Non-distributional policy / austerity

## Nexus 7: Changes in governance and configurations of power

This nexus of change is aspatial in the sense that it is not so much about geography as about **configurations of power**, the distribution of influence and decision-making competence between different strata of multi-level systems of governance. To the extent that these are physically associated with localities, regional centres, capitals, and Brussels, it is an issue of scale. This aspect of change is very much entwined with procedural aspects of spatial justice. It speaks to issues of spatial justice both within the case study localities, between the case study and surrounding areas, and even between the case study and the national capital, or Brussels. These might be termed micro, meso and macro governance environments. Across all these levels there is potential for power or decision-making competence to drift ‘upwards’ towards more centralised institutions, or to be devolved ‘downwards’, towards the local. This reminds us that RELOCAL’s research hypothesis is about the capacity of (local) place-based actions to address issues of spatial justice.

At a macro scale this nexus is manifest in the different trajectories of MSs in relation to EU Integration. At a local scale it concerns the degree of autonomy of regional and ‘municipal’ government. In many parts of Europe, and several case studies, small municipalities are under pressure to amalgamate or cooperate. However, there may also be more subtle shifts towards, or away from, local autonomy, often involving changes in the freedom of action at the local level, or the range of responsibilities.

Another vector of this nexus, which relates more to distributional aspects of spatial justice, and service provision in particular, is the tension between neo-liberal/ new public management concepts of efficiency, and scale economies, on the one hand, and citizen’s rights-based concepts, such as ‘territorial equivalence’, on the other.

No.	State title	Local autonomy vs centralisation	Scale economies vs citizen’s rights
N7.1	Neo-liberal local autonomy	Increasing local/regional autonomy	Neo-liberal / new public management approach
N7.2	Rights-based local autonomy	Increasing local/regional autonomy	Citizen’s rights-based approach
N7.3	Neo-liberal top-down	Increasing centralisation	Neo-liberal / new public management approach
N7.4	Top down citizen’s rights	Increasing centralisation	Citizen’s rights-based approach

## Nexus 8: Changes to EU, national and local policy

Like the previous one this nexus of change does not relate to spatial trends, but to the **policy context** within which the case study actions are embedded.

It is not easy to generalise about the effects of changes in the next EU policy funding period. On the one hand there is a considerable amount of continuity in terms of basic principles and approach, and on the other hand the key characteristics in relation to the case study action, and the spatial justice issue it addresses are very much a function of the national implementation and its wider policy context. Behind the very simple consideration that the availability of CAP, Cohesion or other EU policy funding may decrease, or increase, there are some overarching characteristics of the evolution in EU policy and the way it is adopted by the nation state.

Rather than by changes in the EU Cohesion Policy and Common Agricultural Policy, which are likely to experience continuity despite an increasing focus on the environment and stronger thematic concentration, the opportunity for national and local policy-makers to deliver spatial justice will be affected by broader trends in the EU economic policy, led by the European Central Bank.

On the one hand, a continued focus on financial stability would result in contractionary fiscal policies at national level, and thus a limited spending capacity. On the other hand, after a decade of austerity there could be a switch towards growth, reflected in expansionary economic policies and thus increasing public investments, or a climate favourable to private investments.

Another key issue is the local response (i.e. how the case study area fits the new policy framework or whether it is able to benefit from the new framework). This vector refers to the policy approach of national institutions, which is reflected in different opportunities for local actors. On the one hand, the national or regional governments could operate through horizontal programs, implying a holistic vision for the territory, with more or less space for local actors to shape the way the policy is applied locally. On the other hand, due to limited resources or political preferences, local development could be achieved through specific local projects relying mostly on EU or other funds or ad hoc opportunities, generally with a strong role for local institutions as coordinators and third sector (civil society) organisations.

No.	State title	Expansionary vs contractionary EU economic policy	Programme based vs project-based local development
N8.1	Top-managed austerity	Continued focus on financial stability reflected in contractionary fiscal policies at national level	Renewed role of public institutions in elaborating a holistic vision the territory through broad policies
N8.2	Locally-managed austerity	Continued focus on financial stability reflected in contractionary fiscal policies at national level	Project-led development with limited coordination and a strong role of local institutions and third sector
N8.3	Expansionary, structured policymaking	Renewed focus on investments reflected in expansionary fiscal policy at national level	Renewed role of public institutions in elaborating a holistic vision the territory through broad policies
N8.4	Expansionary, fragmented policymaking	Renewed focus on investments reflected in expansionary fiscal policy at national level	Project-led development with limited coordination and a strong role of local institution and third sector



**Nexus 9: *Specific local changes which are cannot be covered by the standard nexus above – please apply an appropriate name***

The final element in the scenario structure is deliberately left open, in order to accommodate trends which are not captured by any of the preceding five nexus. There is no restriction on what type of change this might be, but there needs to be a clear and reasonable rationale for separating it out and not incorporating it in one of the other five nexus. It might be a new piece of infrastructure (bridge, motorway etc), a new form of economic activity, a local planning or economic development strategy, or a new aspect of governance

or policy. Although most of these are arguably 'covered' in the first five nexus, it may be argued that one of them is so influential, and unique to the case study situation that it deserves to have the status of a separate nexus.

In this case it is the case study partner's responsibility to devise at least one set of 'expressions'/states using the table below. It will be easier to specify the 'states' if this can be formulated as a pair of dichotomous vectors.

No.	State title	Vector 1	Vector 2
N9.1			
N9.2			
N9.3			
N9.4			

## 11 Appendix 4: The Excel template

Please fill only the yellow cells. After selecting the States, highlight them with a colour of your choice. If a Nexus has a low relevance and you are not going to consider it, highlight the relevance cell using the same colour of your choice.

Nexus/ States	N1 Economic Activity	N2 Central Places	N3 Neighbourhoods	N4 Demography	N5 Climate Change	N6 Equity	N7 Governance	N8 Policy	N9 Local Nexus Name
Relevance *									
State 1	Dispersal supported by place-based policy etc.	Unconstrained Rural Digital Revival	Compact cities - Diverse Neighbourhoods	Dynamic Demography	Double Climate Change Dividend	Double Dividend - Inclusive Growth	Neo-Liberal Local Autonomy	Top-managed austerity	Name of the first State of the local Nexus
Likelihood **									
State 2	Dispersal with neoliberal regional policy, and free trade	Accessible Rural Digital Revival	Compact cities - Segregated Neighbourhoods	Retirement Zone	Rural Benefit, Urban Decline	Neo-Liberal Non-Distributional Growth	Rights-based Local Autonomy	Locally-managed austerity	Name of the second State of the local Nexus
Likelihood **									
State 3	Place-based city-led growth	Climate-friendly mobility with lagged digitisation	Sprawling cities - Diverse Neighbourhoods	Balanced Decline	Green Growth, Rural Decline	Progressive Response to Decline	Neo-Liberal Top-Down	Expansionary, structured policymaking	Name of the third State of the local Nexus
Likelihood **									
State 4	Neo-liberal city-led growth	Lagged Digitisation and Constrained Mobility	Sprawling cities - Segregated Neighbourhoods	Demographic Depletion	Climate Change Double Whammy	Decline and Austerity	Top down Citizen's Rights	Expansionary, fragmented policymaking	Name of the fourth State of the local Nexus
Likelihood **									
<b>PLEASE FILL ONLY THE YELLOW CELLS.</b>									
* The relevance of each Nexus must be assessed using the following scale: 1 "very irrelevant", 2 "irrelevant", 3 "neither irrelevant nor relevant", 4 "relevant", 5 "very relevant"									
** The likelihood of each State for all Nexus must be assessed using the following scale: 1 "very unlikely", 2 "unlikely", 3 "neither unlikely nor likely", 4 "likely", 5 "very likely"									
Please fill the following table based on the axes and States of the local Nexus, if identified									
No.	Local Nexus Name			First local axis			Second local axis		
N9.1	Name of the first State of the local Nexus			State A of the first local axis			State A of the second local axis		
N9.2	Name of the second State of the local Nexus			State A of the first local axis			State B of the second local axis		
N9.3	Name of the third State of the local Nexus			State B of the first local axis			State A of the second local axis		
N9.4	Name of the fourth State of the local Nexus			State B of the first local axis			State B of the second local axis		

Figure 19. Excel table *Nexus-State Array*.

The number of baseline assumptions, contextual conditions and drivers and constituent interventions could differ from the number of circles and squares included in this template. In this case, you must either erase the surplus circles or add new ones. The circles indicating the contextual conditions and drivers must then be copied on the bar representing the associated category (geographical, societal, policy).

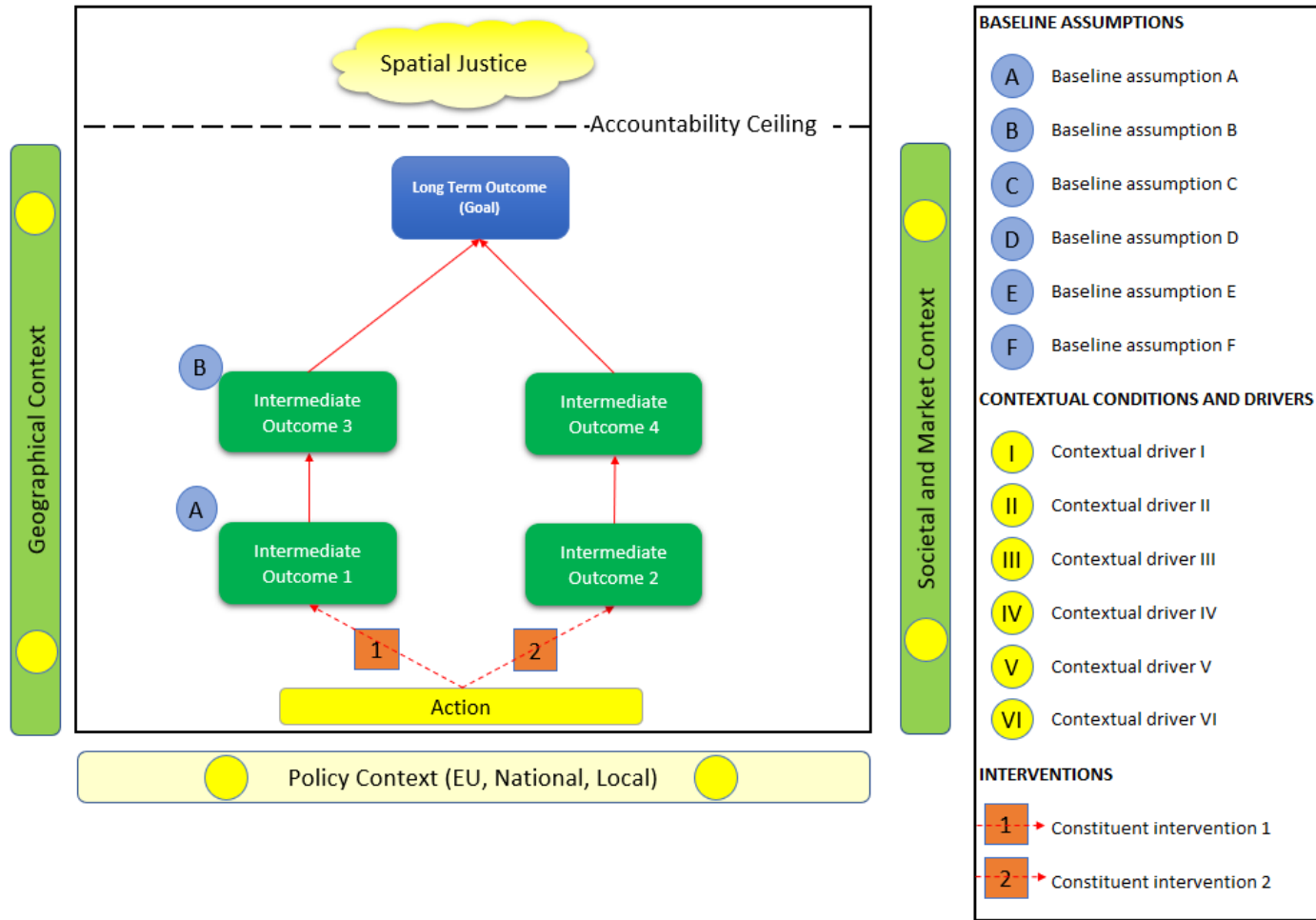


Figure 20. Excel table 1. MM initial.

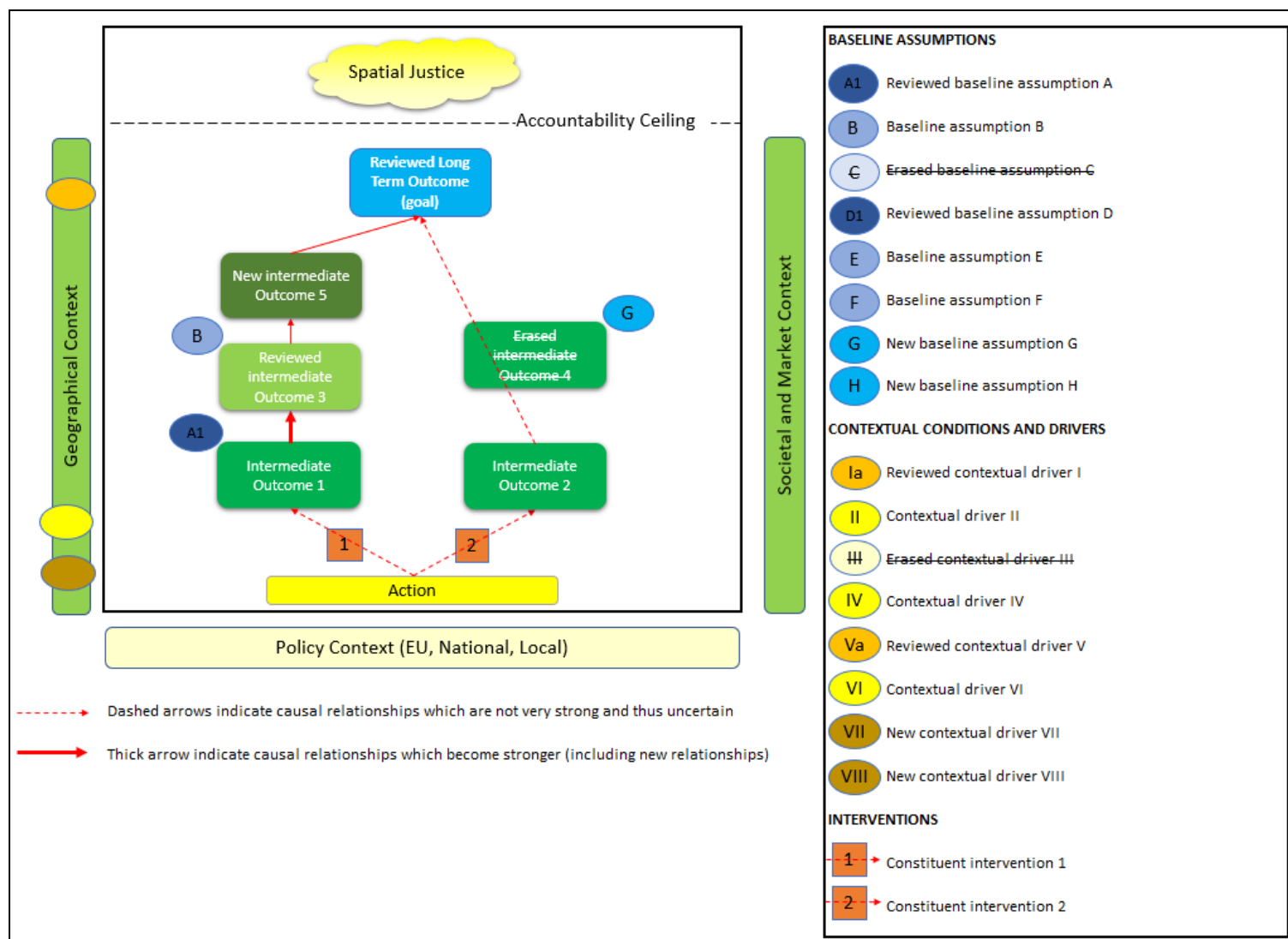


Figure 21. Excel table 2. *Re-mapping exercise* (part 1).

**PLEASE FILL ALL YELLOW CELLS IN THE TABLES (EXPLAIN OR REDUCE THE TABLES TO ADAPT THEM TO THE NUMBER OF ELEMENTS IN YOUR C.S.)**

Please use the specific colours provided for the current, reviewed and new contextual drivers and conditions and the current, reviewed and new baseline assumptions. In the diagram use the specific colours and shapes provided for the reviewed, erased and new intermediate outcomes and the reviewed goal.

**1 PLEASE FILL THE FOLLOWING TABLE WITH THE PREVIOUS AND NEW (2030) CONTEXTUAL CONDITIONS AND DRIVERS**

Progressive number	Previous contextual driver	Contextual driver in 2030	Change	Nexus(es) explaining the change
I → Ia	Contextual driver I	Reviewed contextual driver I	Reviewed	N1, N3
II	Contextual driver II	Contextual driver II	None	
III	Contextual driver III		Erased	N2, N3, N4
IV	Contextual driver IV	Contextual driver IV	None	
V → Va	Contextual driver V	Reviewed contextual driver V	Reviewed	N5, N9
VI	Contextual driver VI	Contextual driver VI	None	
VII		New contextual driver VII	Added	N8
VIII		New contextual driver VIII	Added	N9
...	...	...	...	...
...	...	...	...	...

**2 PLEASE FILL THE FOLLOWING TABLE WITH THE PREVIOUS AND NEW (2030) BASELINE ASSUMPTIONS**

Progressive number	Previous baseline assumption	Baseline assumption in 2030	Change
A → A1	Baseline assumption A	Reviewed baseline assumption A	Reviewed
B	Baseline assumption B	Baseline assumption B	None
C	Baseline assumption C		Erased
D → D1	Baseline assumption D	Reviewed baseline assumption D	Reviewed
E	Baseline assumption E	Baseline assumption E	None
F	Baseline assumption F	Baseline assumption F	None
G		New baseline assumption G	Added
H		New baseline assumption H	Added
...	...	...	...
...	...	...	...

**3 PLEASE FILL THE FOLLOWING TABLE WITH THE PREVIOUS AND NEW (2030) INTERMEDIATE OUTCOMES**

Previous intermediate outcome	Intermediate outcome in 2030	Change
Intermediate outcome 1	Intermediate outcome 1	None
Intermediate outcome 2	Intermediate outcome 2	None
Intermediate outcome 3	Reviewed intermediate outcome 3	Reviewed
Intermediate outcome 4		Erased
	New intermediate outcome 5	Added
...	...	...
...	...	...

**4 PLEASE SPECIFY WHICH CAUSAL LINKS (ARROWS) HAVE CHANGED AND HOW**

From	To	Change
Intermediate outcome 2	Intermediate outcome 4	Erased
Intermediate outcome 4	Long-term outcome	Erased
Intermediate outcome 2	Long-term outcome	Added, dashed
Intermediate outcome 1	Intermediate outcome 3	Reviewed, thicker
Intermediate outcome 3	Long-term outcome	Erased
Intermediate outcome 3	Intermediate outcome 5	Added, normal
Intermediate outcome 5	Long-term outcome	Added, normal
...	...	...
...	...	...

**5 PLEASE SPECIFY HOW THE LONG-TERM GOAL HAS CHANGED**

Previous long-term goal	Long-term goal in 2030
Long Term Outcome (Goal)	Reviewed Long Term Outcome (Goal)

Figure 22. Excel sheet 2. *Re-mapping exercise* (part 2).

This new Mechanism Map is similar to the previous one, with the only difference that the erased contextual conditions and drivers, baseline assumptions, and intermediate outcomes are eliminated, while the ToC diagram is re-ordered to become more easily understandable and the circles representing baseline assumptions are placed next to the relevant intermediate outcome.

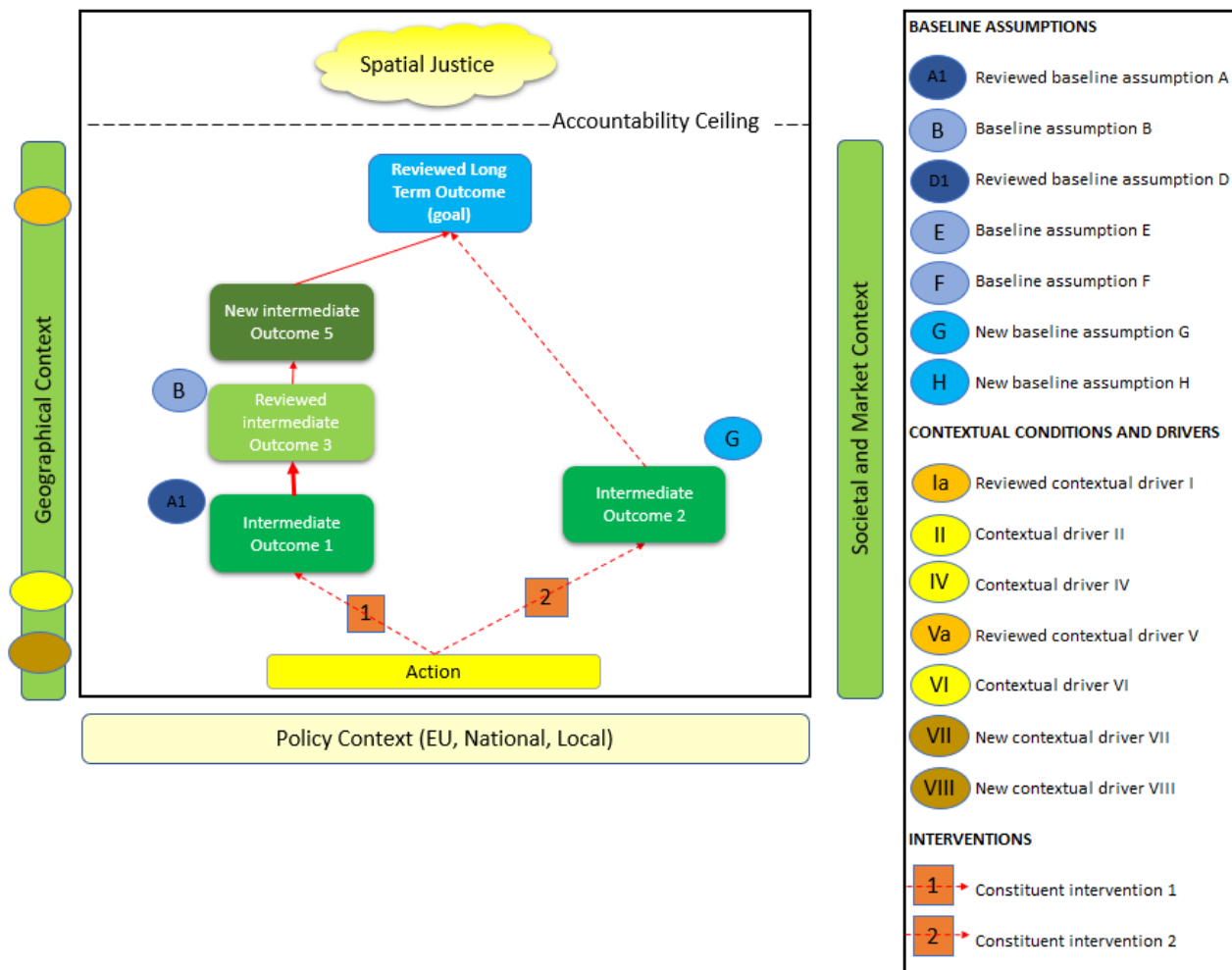


Figure 23. Excel sheet 3. *MM final*.



## 12 Appendix 5: The case study scenarios

Nexus/ States	N1	N2	N3	N4	N5	N6	N7	N8	N9
	Economic Activity	Central Places	Neighbourhoods	Demography	Climate Change	Equity	Governance	Policy	Bottom-up decision-making
Relevance *	4	5	1	5	4	3	4	4	5
State 1	Dispersal supported by place-based policy etc.	Unconstrained Rural Digital Revival	Compact cities - Diverse Neighbourhoods	Dynamic Demography	Double Climate Change Dividend	Double Dividend - Inclusive Growth	Neo-Liberal Local Autonomy	Top-managed austerity	Strong engagement & devolution of responsibilities
Likelihood **	4	1	2	1	2	2	4	3	4
State 2	Dispersal with neoliberal regional policy, and free trade	Accessible Rural Digital Revival	Compact cities - Segregated Neighbourhoods	Retirement Zone	Rural Benefit, Urban Decline	Neo-Liberal Non-Distributional Growth	Rights-based Local Autonomy	Locally-managed austerity	Strong engagement - no/ little devolution of responsibilities
Likelihood **	1	4	2	2	2	1	5	5	5
State 3	Place-based city-led growth	Climate-friendly mobility with lagged digitisation	Sprawling cities - Diverse Neighbourhoods	Balanced Decline	Green Growth, Rural Decline	Progressive Response to Decline	Neo-Liberal Top-Down	Expansionary, structured policymaking	Weak engagement - devolution of responsibilities
Likelihood **	5	2	3	4	4	5	2	1	1
State 4	Neo-liberal city-led growth	Lagged Digitisation and Constrained Mobility	Sprawling cities - Segregated Neighbourhoods	Demographic Depletion	Climate Change Double Whammy	Decline and Austerity	Top down Citizen's Rights	Expansionary, fragmented policymaking	Weak engagement & no/ little devolution of responsibilities
Likelihood **	3	4	3	5	3	3	2	2	2

No.	Bottom-up decision-making	Strength of civic engagement	Devolution of responsibility
N9.1	Strong engagement & devolution of responsibilities	Strong civic engagement within the rural villages	Strong will of political actors to devolve decision-making responsibilities to civic actors
N9.2	Strong engagement - no/ little devolution of responsibilities	Strong civic engagement within the rural villages	No/ little will of political actors to devolve decision-making responsibilities to civic actors
N9.3	Weak engagement - devolution of responsibilities	Weak civic engagement within the rural villages	Strong will of political actors to devolve decision-making responsibilities to civic actors
N9.4	Weak engagement & no/ little devolution of responsibilities	Weak civic engagement within the rural villages	No/ little will of political actors to devolve decision-making responsibilities to civic actors

**BASELINE ASSUMPTIONS**

- A More cooperation between local governmental and non-gx thereby increased integration of place-based knowledge in local governance structures
- B "Digital village experts" are successfully educated and impart their knowledge to other villagers; "village app" is commonly used
- C1 Intra-regional digital empowerment, especially of elderly people, and keeping at least some younger digital-oriented inhabitants
- D1 Digitalisation facilitates home office, provision of services and community life for the current inhabitants of the villages and mitigates outmigration

**CONTEXTUAL CONDITIONS AND DRIVERS**

- I Geographical potentials of rural areas (e.g. closeness to nature)
- II Remoteness (e.g. state borders, access to public transportation, key infrastructure)
- IIIa Population decline (incl. ageing and labour market shortage); only minor counter-urbanisation and non-EU immigration
- IVa Regional economic potential and valorisation of green technologies
- V OWL 4.0 (Integrated regional action programme), permanent local funding and supportive politics
- VI National policies and funding programmes tackling remoteness, and supporting rural areas and digital transformation processes
- VII Negative effects of climate change on land-based industries (incl. forests)
- VIII Progress of broad band supply (digital infrastructure)
- IX Increasing role of third sector and civil society in taking over public services, but no actual devolution of responsibilities

**INTERVENTIONS**

- 1 → Organizing village conferences
- 2 → Organizing digital training courses and digitally themed events & field trips
- 3 → Equipping community centres with technical infrastructure ("IT media centres") and creating digital platforms ("village app")

Figure 24. Scenario and mechanism map for case study DE1 Ostwestfalen-Lippe.

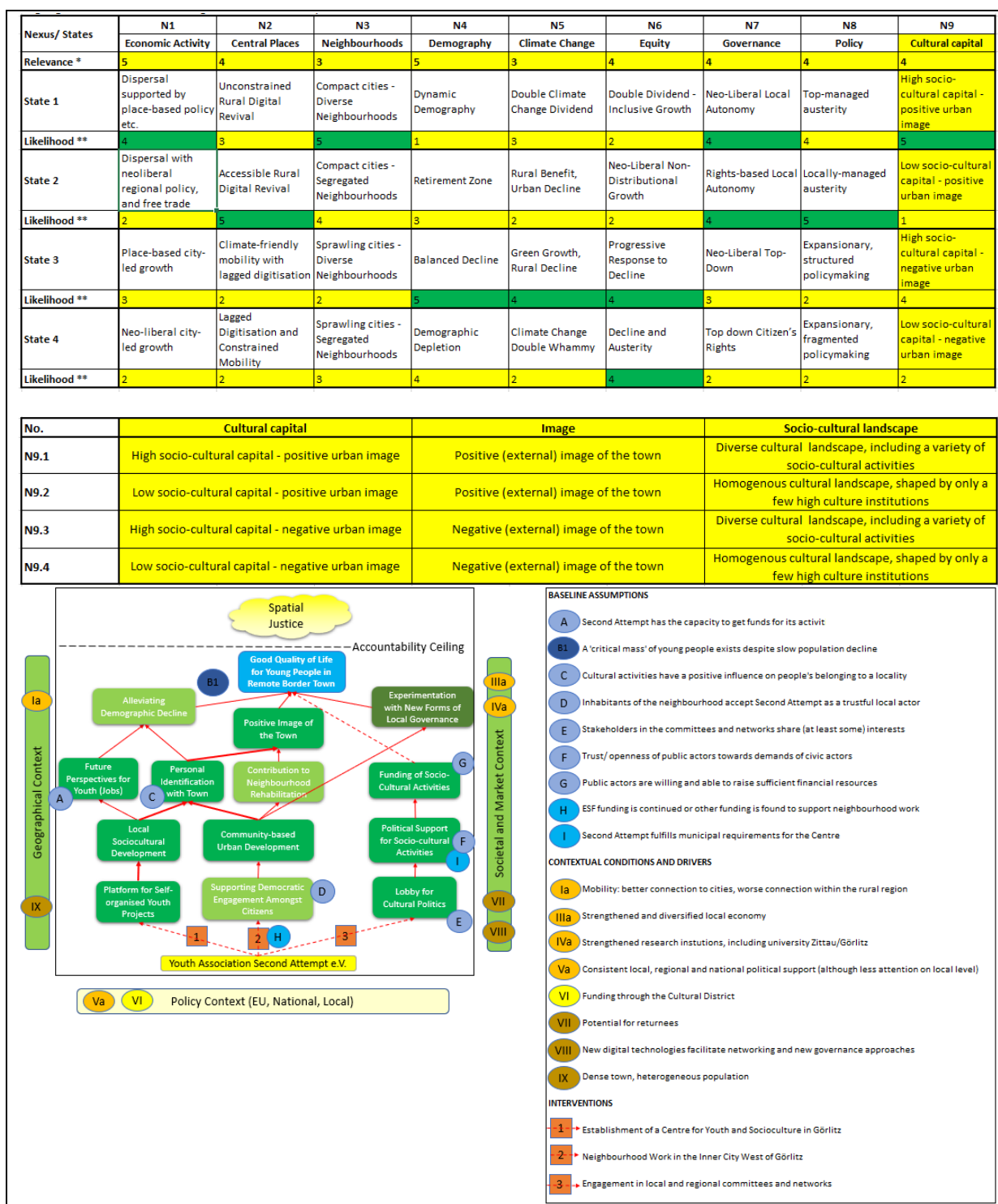


Figure 25. Scenario and mechanism map for case study DE2 Youth Centre Görlitz.

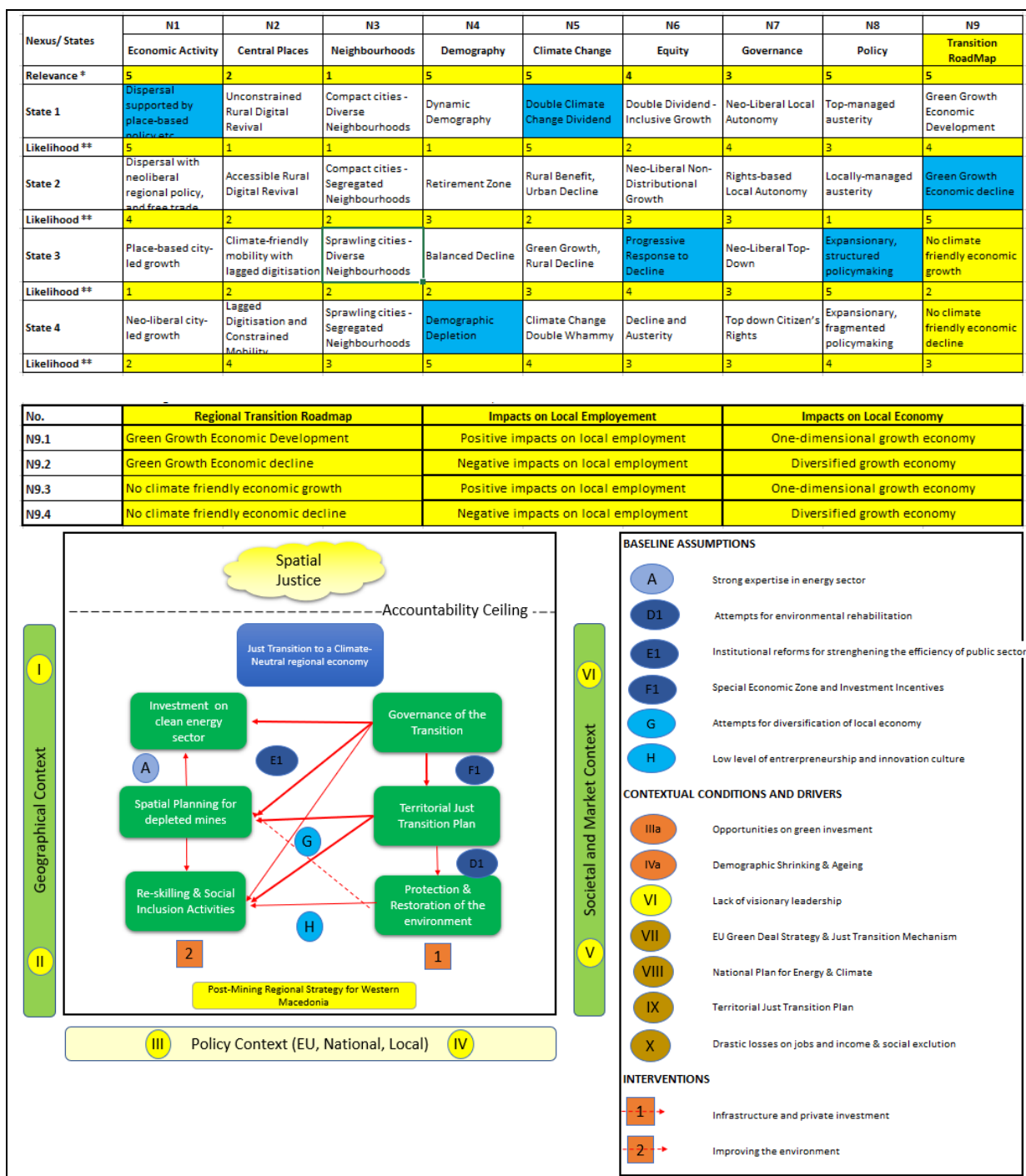


Figure 26. Scenario and mechanism map for case study EL3 *Post-Mining Regional Strategy*.

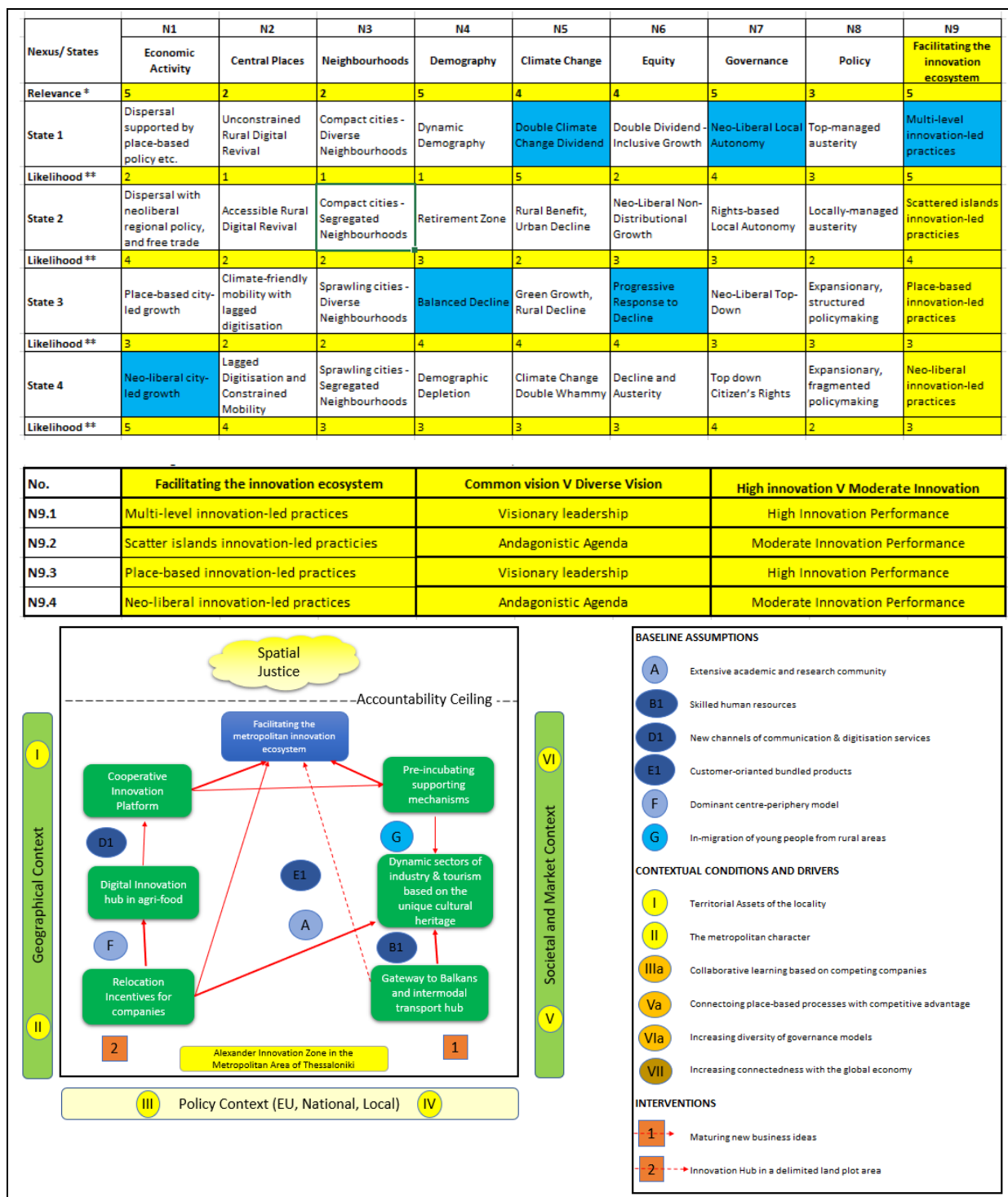


Figure 27. Scenario and mechanism map for case study EL4 *Alexander Innovation Zone*.

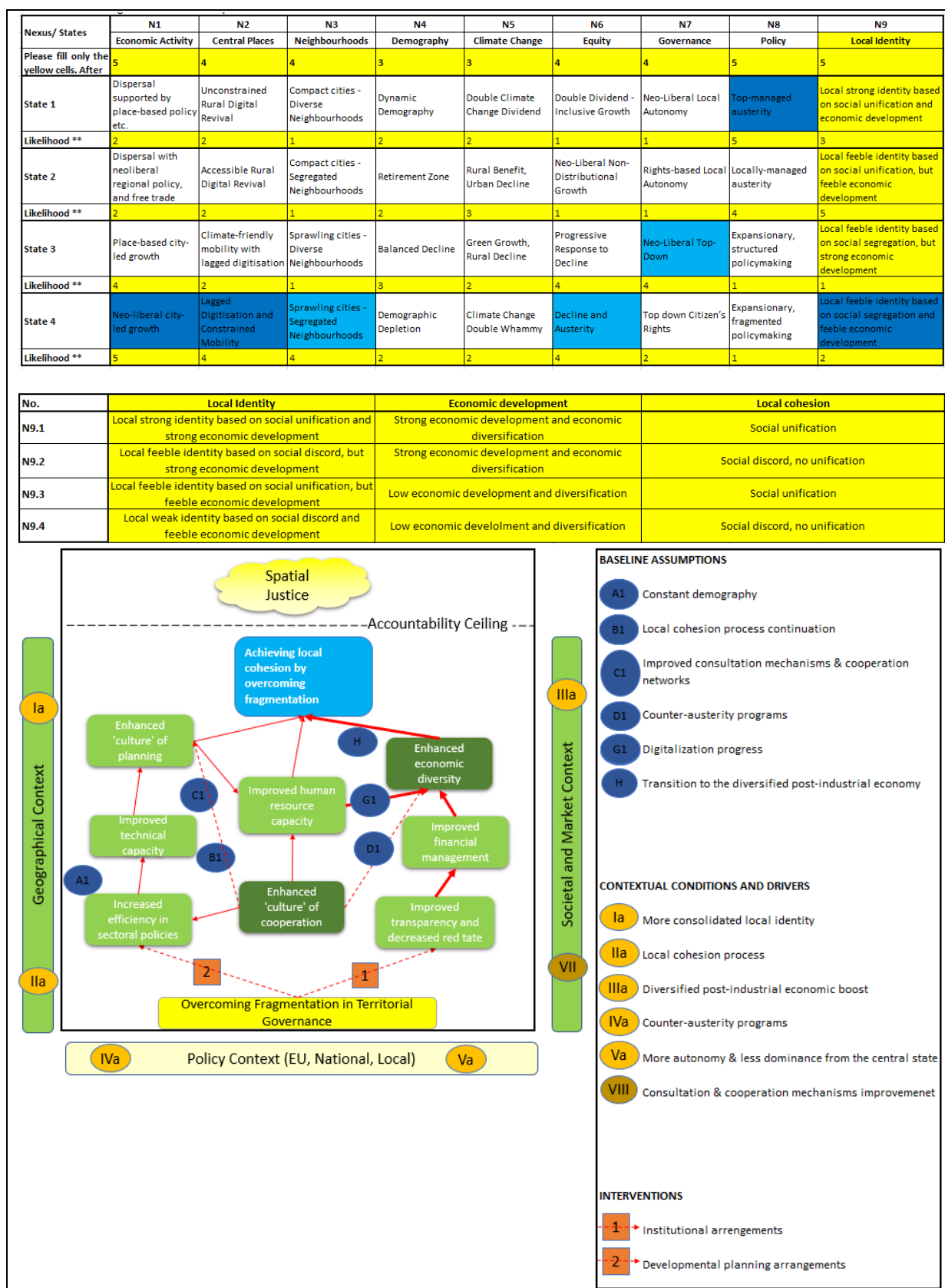


Figure 28. Scenario and mechanism map for case study EL5 *Overcoming fragmentation*.

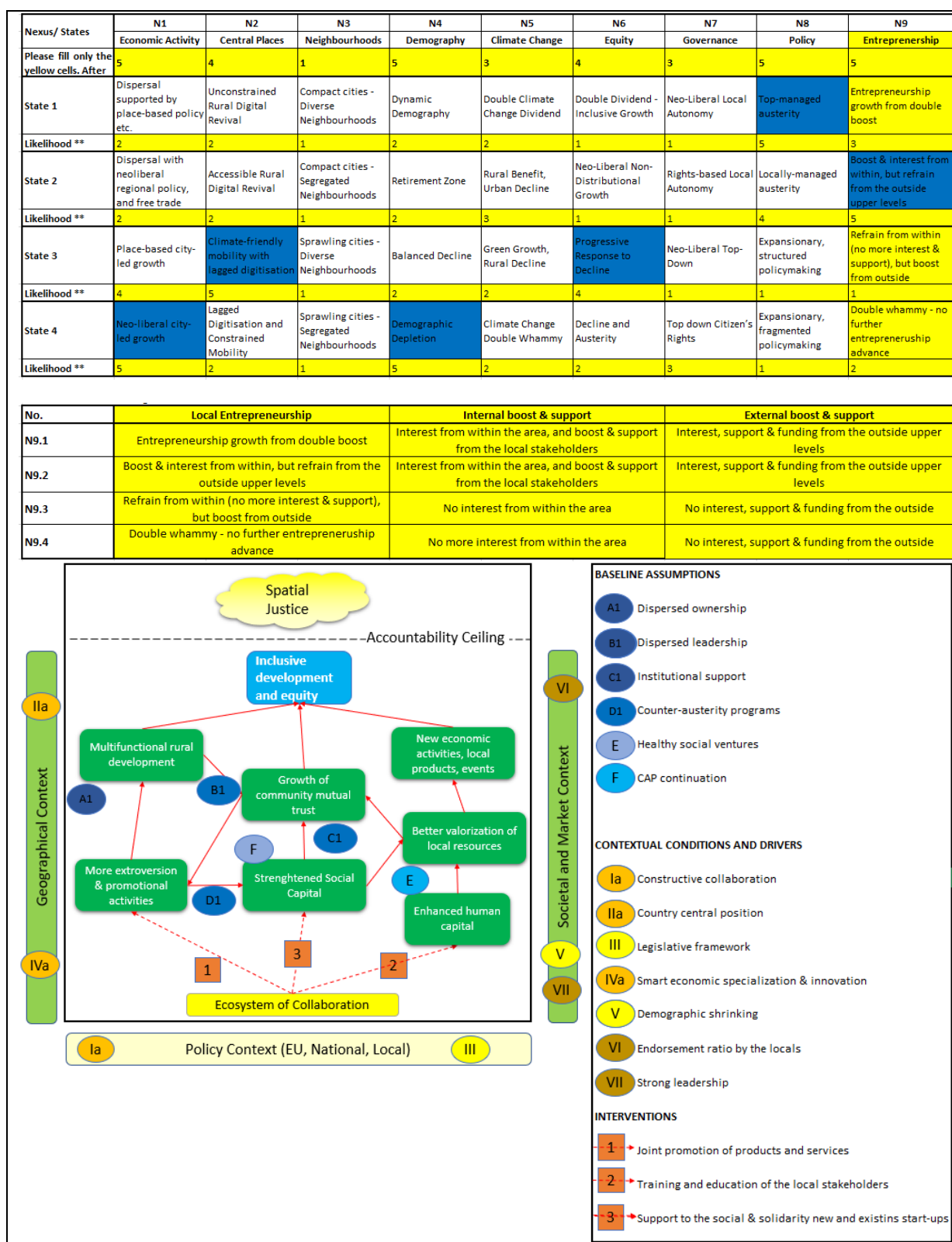


Figure 29. Scenario and mechanism map for case study EL6 *Ecosystem of Collaboration*.



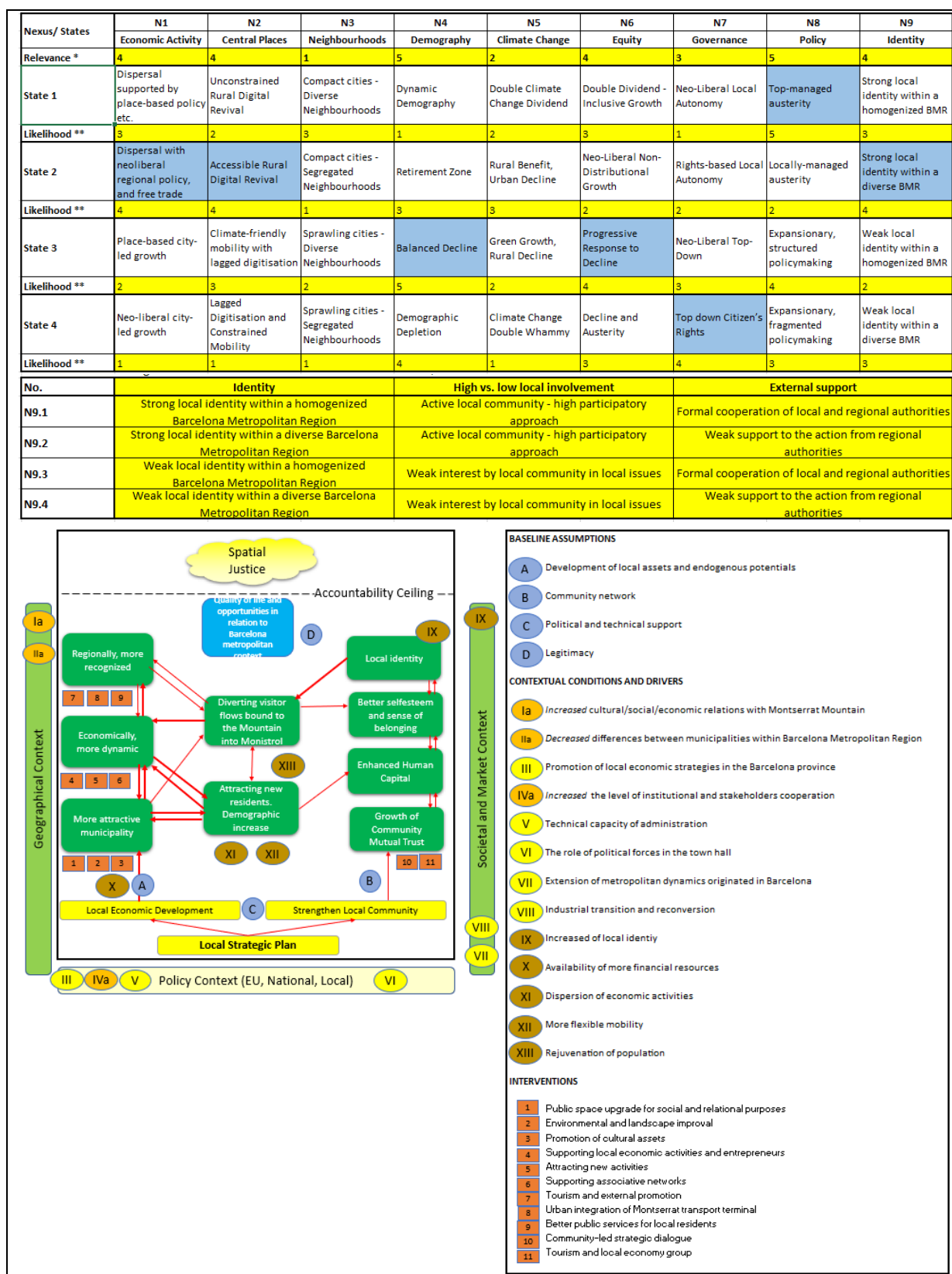


Figure 30. Scenario and mechanism map for case study ES7 *Monistrol*.

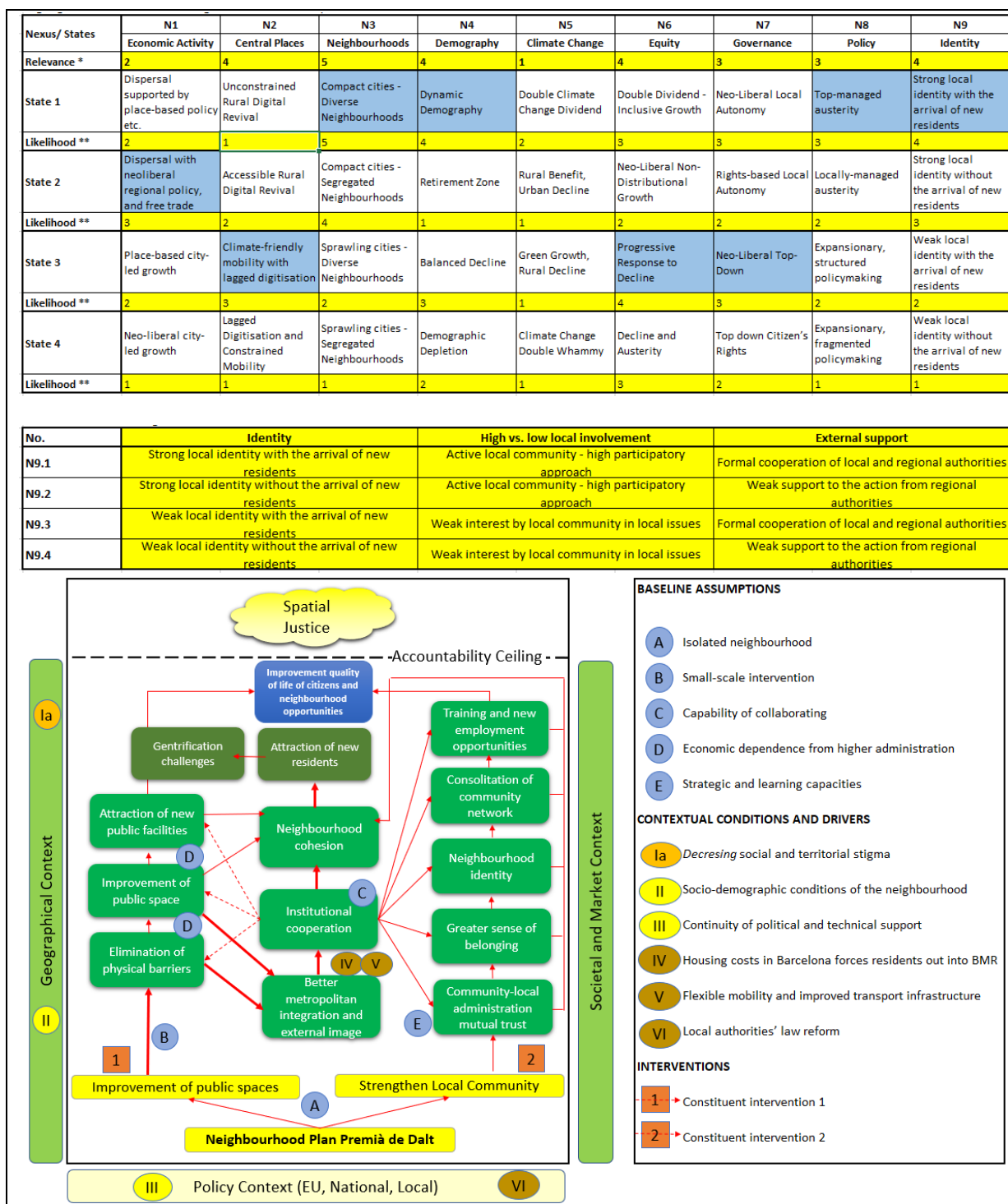


Figure 31. Scenario and mechanism map for case study ES8 *Premià de Dalt*.

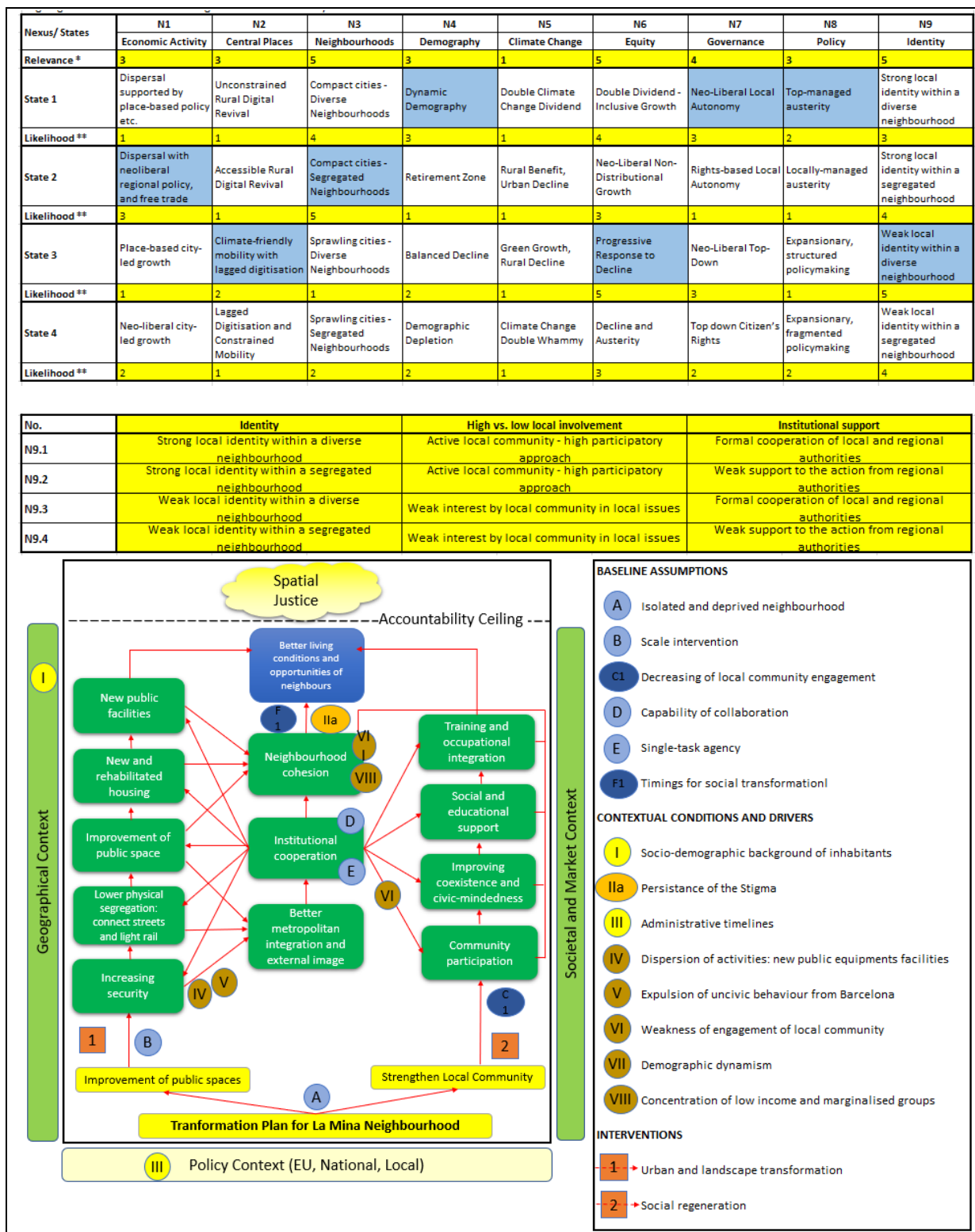


Figure 32. Scenario and mechanism map for case study ES9 La Mina.

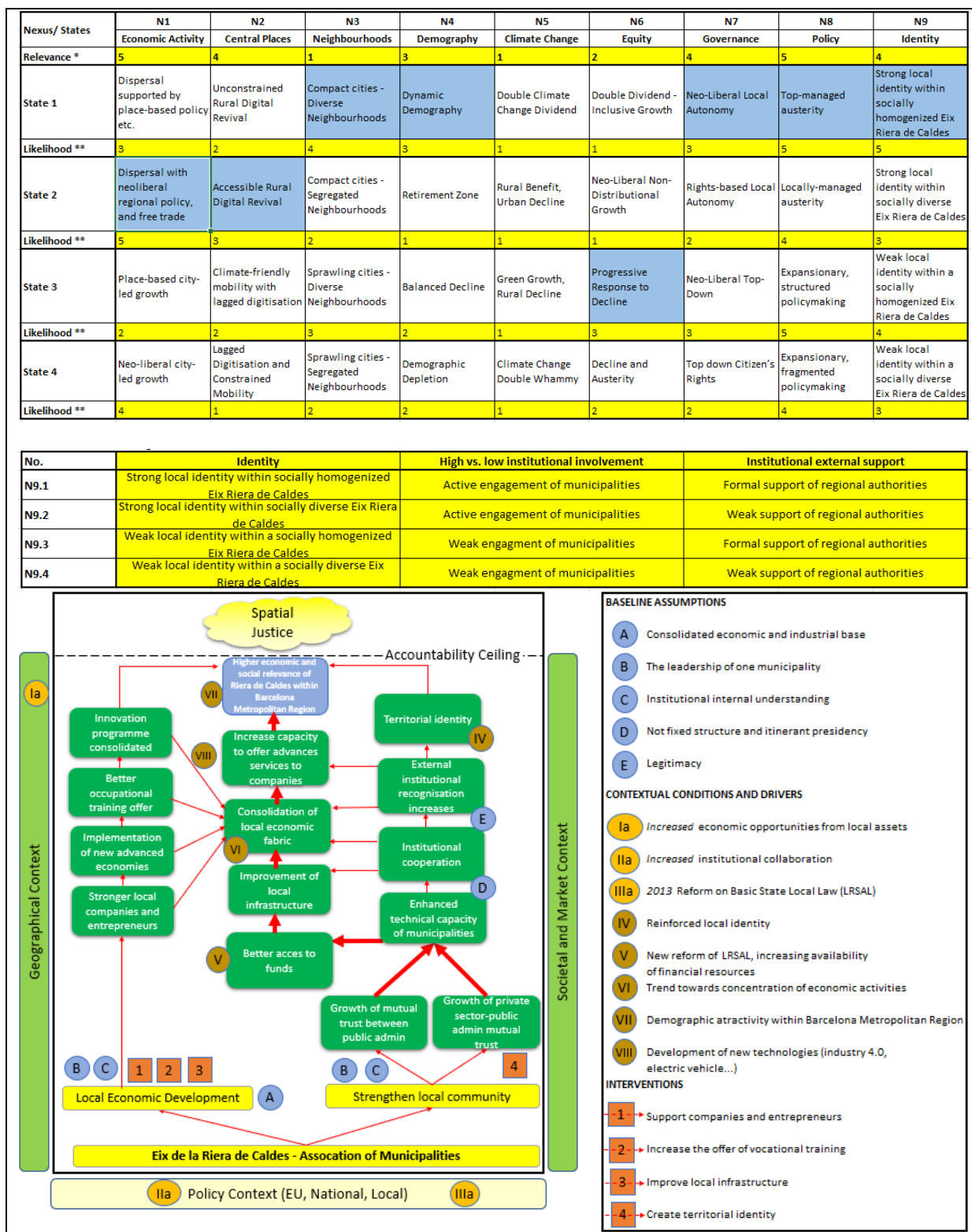


Figure 33. Scenario and mechanism map for case study ES10 Eix Riera de Caldes.

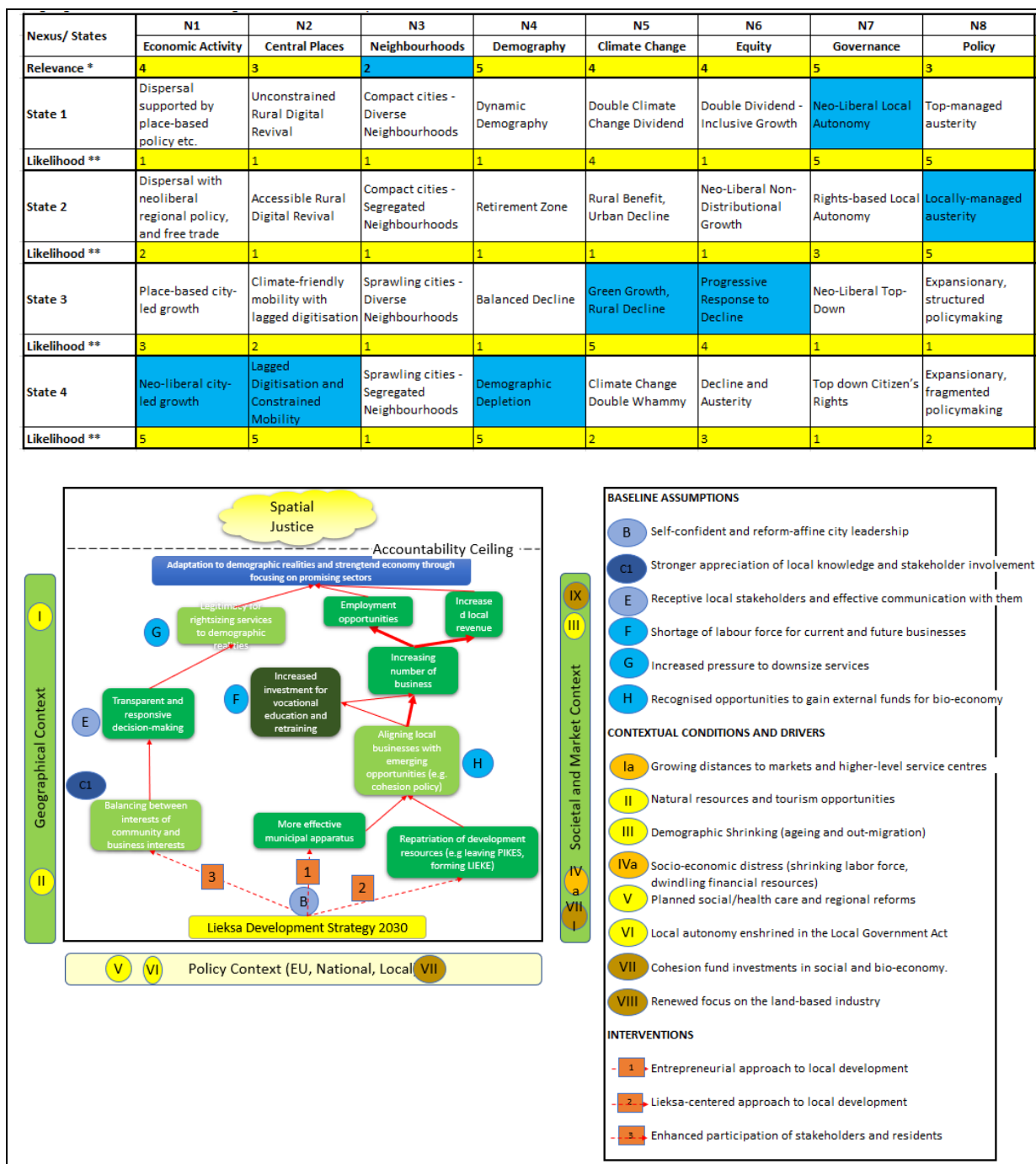


Figure 34. Scenario and mechanism map for case study F111 *Lieksa*.

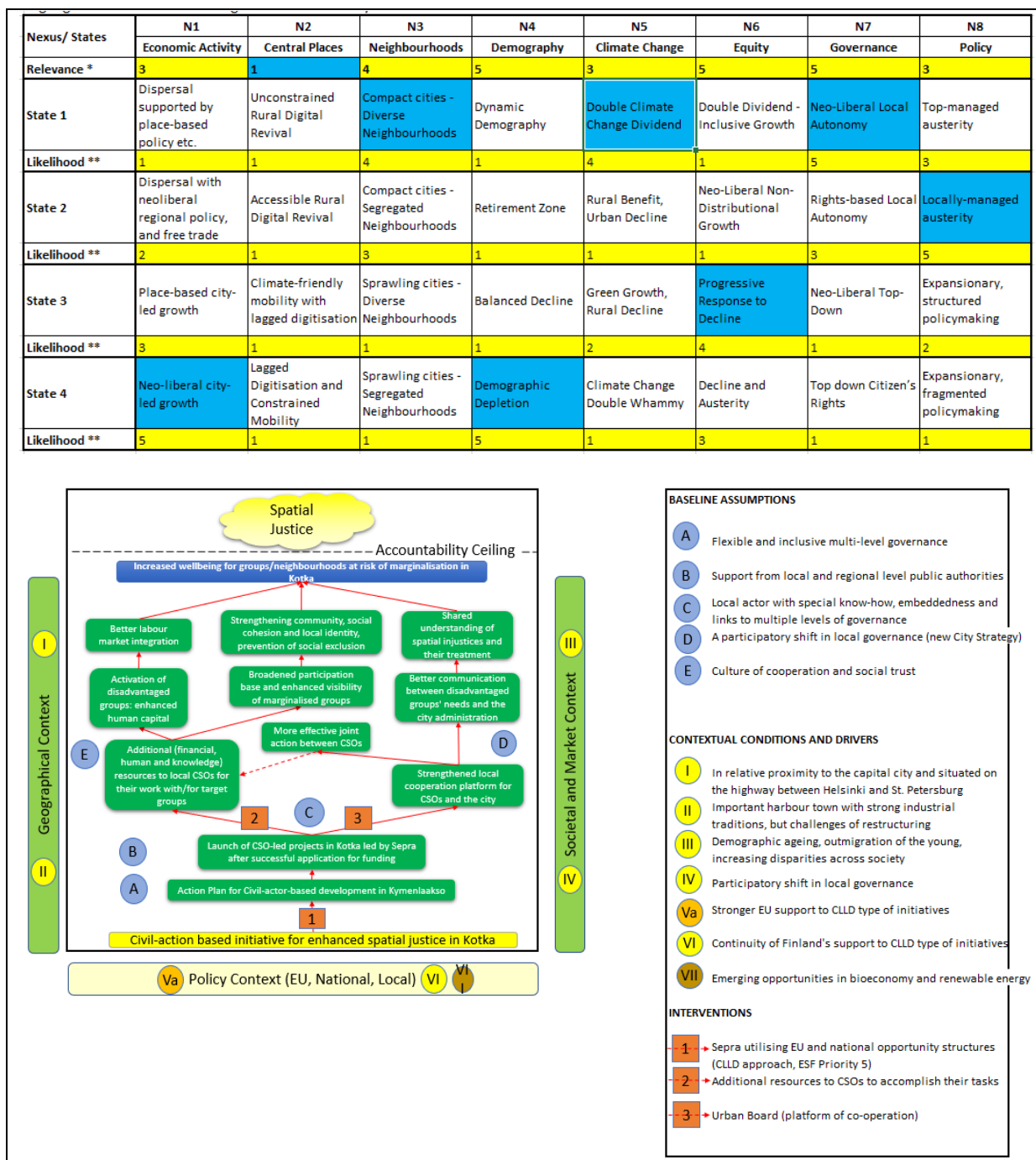


Figure 35. Scenario and mechanism map for case study F112 *Kotka*.



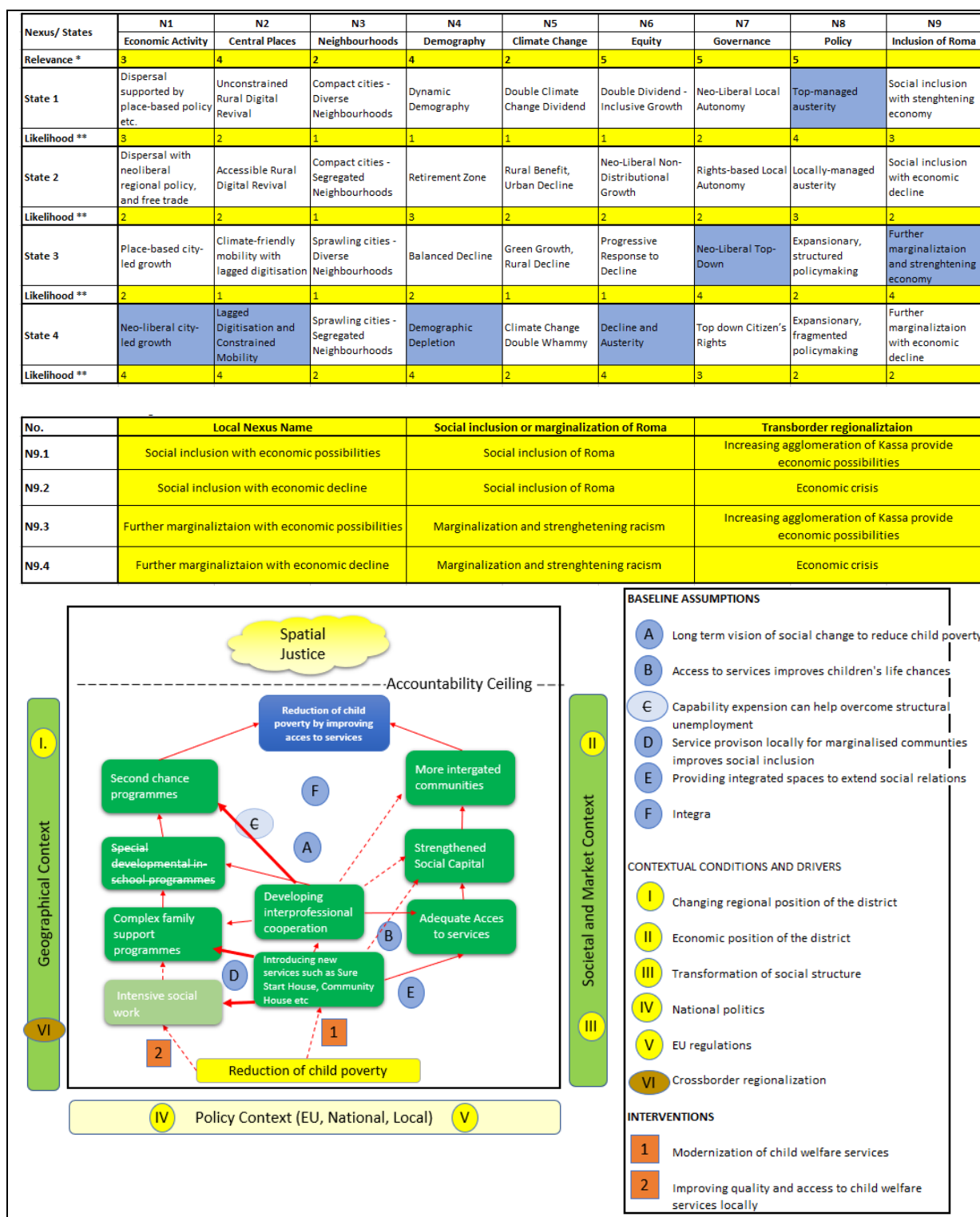


Figure 36. Scenario and mechanism map for case study HU13 *Give Kids a Chance*.

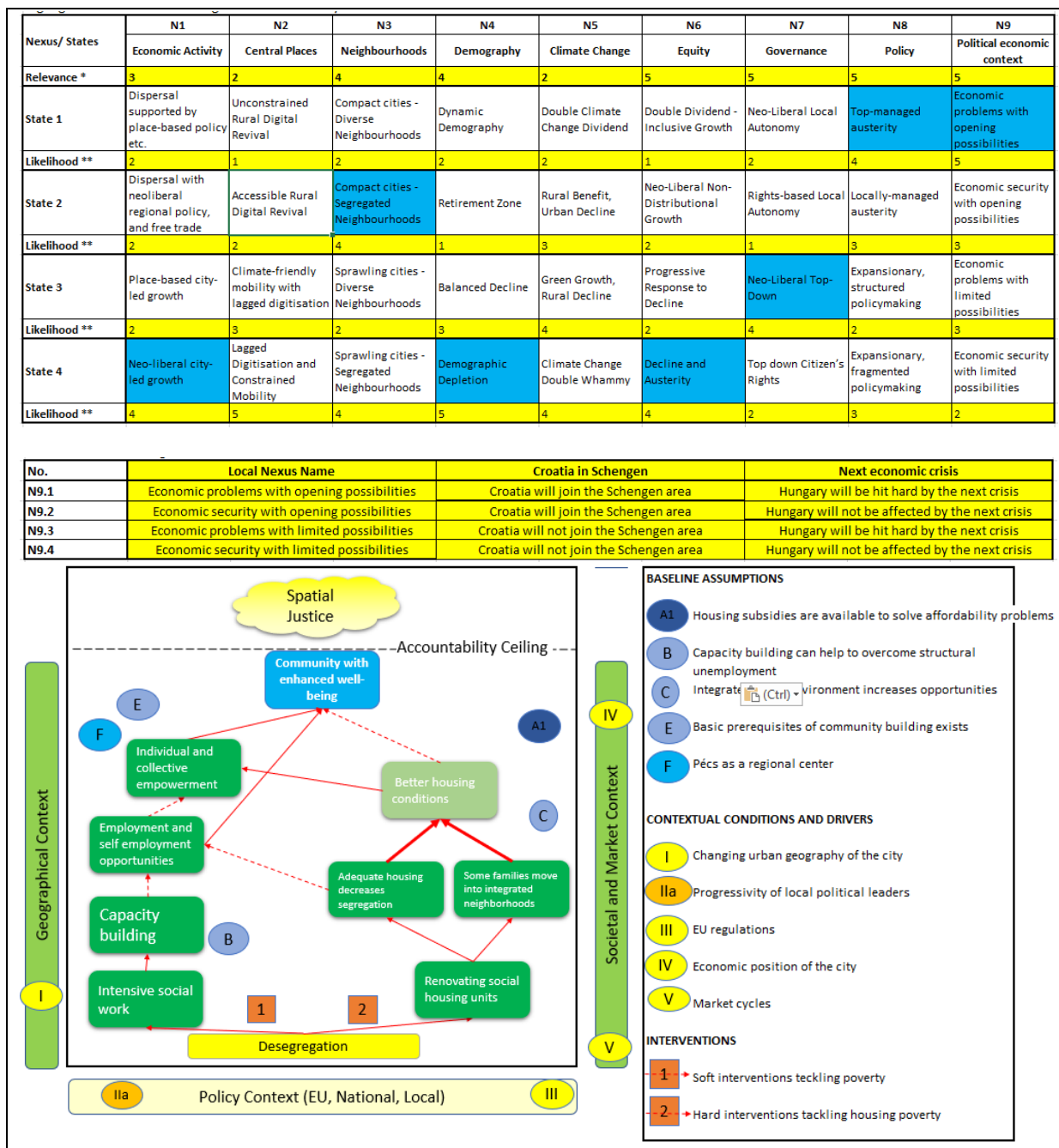


Figure 37. Scenario and mechanism map for case study HU14 Gyögy-Telep.

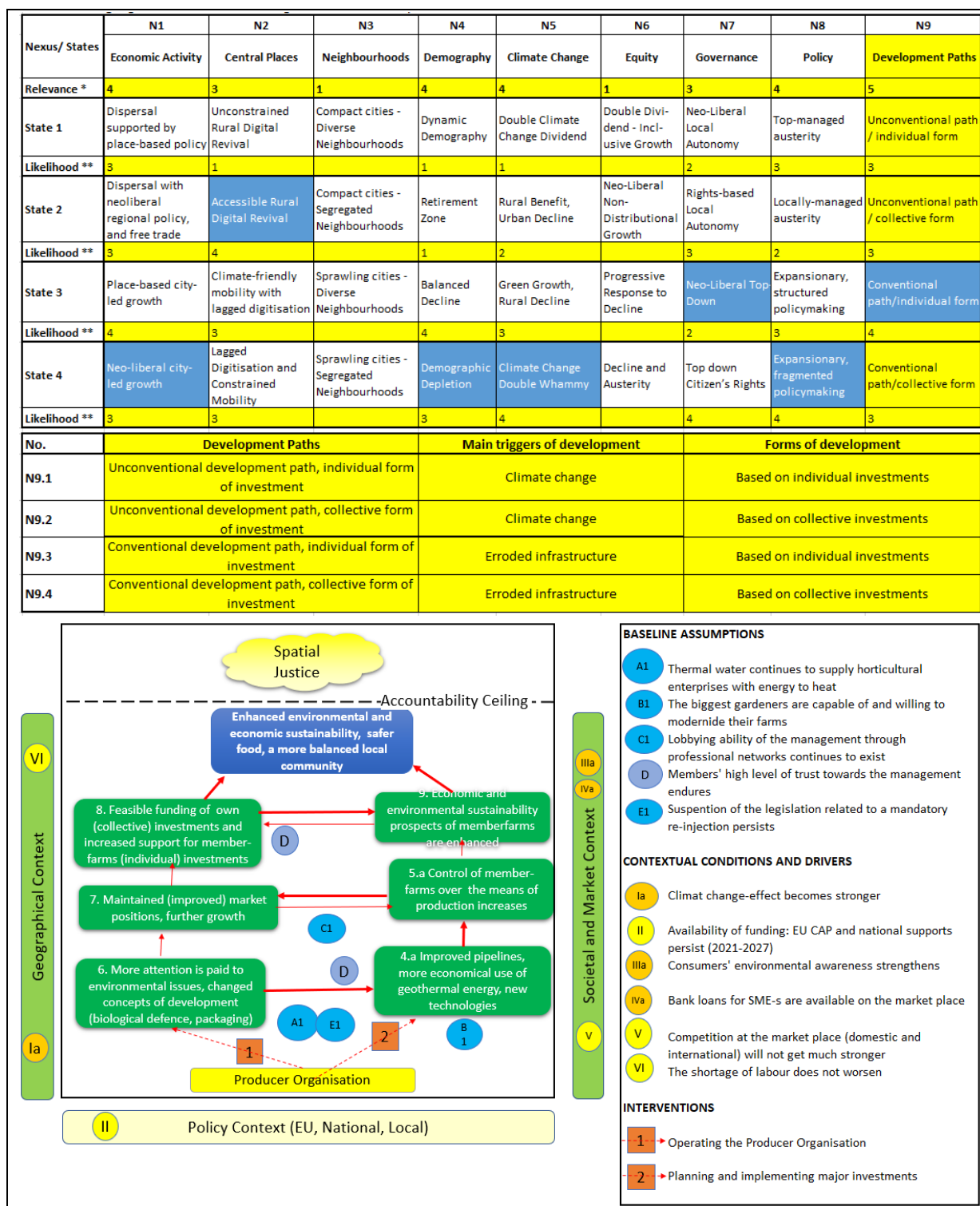


Figure 38. Scenario and mechanism map for case study HU15 Szentes.

Nexus/ States	N1	N2	N3	N4	N5	N6	N7	N8	N9
	Economic Activity	Central Places	Neighbourhoods	Demography	Climate Change	Equity	Governance	Policy	Agency profile
Relevance *	5	4	2	4	4	2	5	5	5
State 1	Dispersal supported by place-based policy etc.	Unconstrained Rural Digital Revival	Compact cities - Diverse Neighbourhoods	Dynamic Demography	Double Climate Change Dividend	Double Dividend - Inclusive Growth	Neo-Liberal Local Autonomy	Top-managed austerity	Missed opportunity
Likelihood **	2	1		1	3		2	5	3
State 2	Dispersal with neoliberal regional policy, and free trade	Accessible Rural Digital Revival	Compact cities - Segregated Neighbourhoods	Retirement Zone	Rural Benefit, Urban Decline	Neo-Liberal Non-Distributional Growth	Rights-based Local Autonomy	Locally-managed austerity	Continued dependency (Business as usual)
Likelihood **	3	3		3	3		2	1	3
State 3	Place-based city-led growth	Climate-friendly mobility with lagged digitisation	Sprawling cities - Diverse Neighbourhoods	Balanced Decline	Green Growth, Rural Decline	Progressive Response to Decline	Neo-Liberal Top-Down	Expansionary, structured policymaking	Taken opportunity (breaking out)
Likelihood **	2	2		3	4		4	2	4
State 4	Neo-liberal city-led growth	Lagged Digitisation and Constrained Mobility	Sprawling cities - Segregated Neighbourhoods	Demographic Depletion	Climate Change Double Whammy	Decline and Austerity	Top down Citizen's Rights	Expansionary, fragmented policymaking	Forced continuity (dependency)
Likelihood **	4	4		4	3		2	2	3
No. 9	Local Nexus Name			First local axis		Second local axis			
N9.1	Missed opportunity			Business of usual at LAG level		Laissez-fair' attitude at national level			
N9.2	Continued dependency' (Business as usual)			Business of usual at LAG level		Conservative attitude at national level			
N9.3	Taken opportunity (breaking out)			Decision over diversified operation at LAG level		Laissez-fair' attitude at national level			
N9.4	Forced continuity (dependency)			Decision over diversified operation at LAG level		Conservative attitude at national level			

**Geographical Context**

I

II

VIII

**Spatial Justice**

Accountability Ceiling

Balanced Development through the LAG and its self-sustained AGENCY

6. Well designed and balanced LAG strategy post 2020 and beyond

4. Remobilised group dynamism, social capital willingness to change

2. Enhanced capacities used for strategy re-design

3. Strengthened group awareness and connectivities

8. Increased self-confidence and autonomy

7. Decreased vulnerability to central level mismanagement

5. Restrengthened and broadened networks within and beyond the LAG area

1. Increased knowledge base and preparedness of the AGENCY staff

'Diversification' agenda: renewing and combining rural and regional development activities at sub-regional level

IV Policy Context (EU, National, Local)

**Societal and Market Context**

VI

V

VII

**BASELINE ASSUMPTIONS**

- A Stakeholders' consensual decision concerning shift towards diversification
- B Smart specialisation - mapped resources and capacities
- C Available human and social capital in local administration and in the civic sector
- D Vertical and horizontal co-operations spread
- E Well endowed LAG territory with "manageable" pockets of poverty
- F Safe position of LEADER at EU level post-2020 (5% of allocated EAFRD)

**CONTEXTUAL CONDITIONS AND DRIVERS**

- I Better spatial connectivity through road and rail development projects
- II Absence of sub-regional development agencies (a niche since 2013 to trade upon)
- IV EU-level regulatory plans against mis-management will come into force
- V Emerging opportunities for the combining rural and regional development at sub-regional level
- VI Increasing consumer demand for local products and assets
- VII More relaxed ('l'assais fair') operating rules set for LAGs at national levels
- VIII Climate change impact remains moderate

**INTERVENTIONS**

- 1 Diversifying, extending sub-regional development activities through broadening cooperation
- 2 Developing and implementing an Activation Plan for the AGENCY

Figure 39. Scenario and mechanism map for case study HU16 Balaton LEADER.

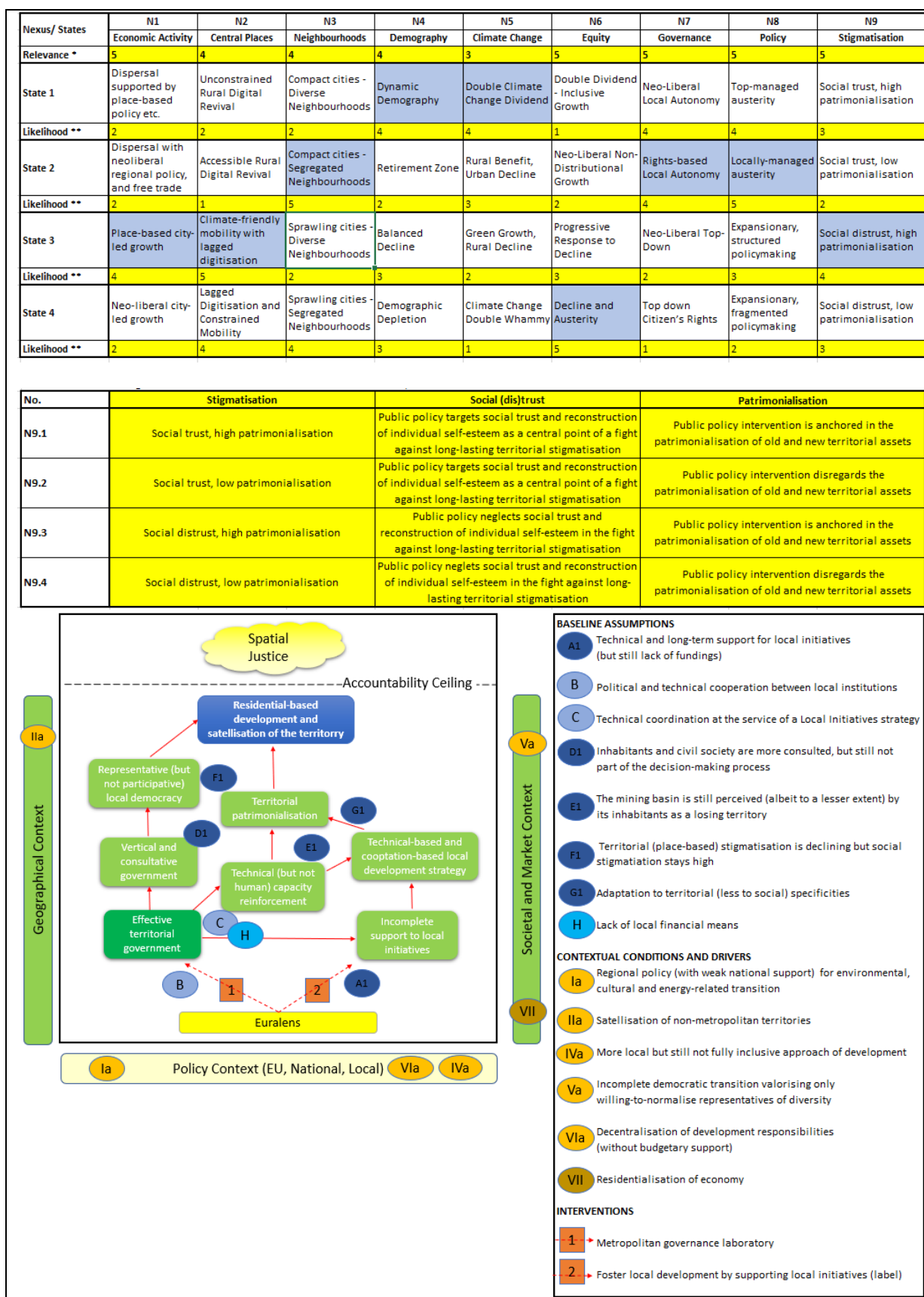


Figure 40. Scenario and mechanism map for case study FR17 *Euralens*.

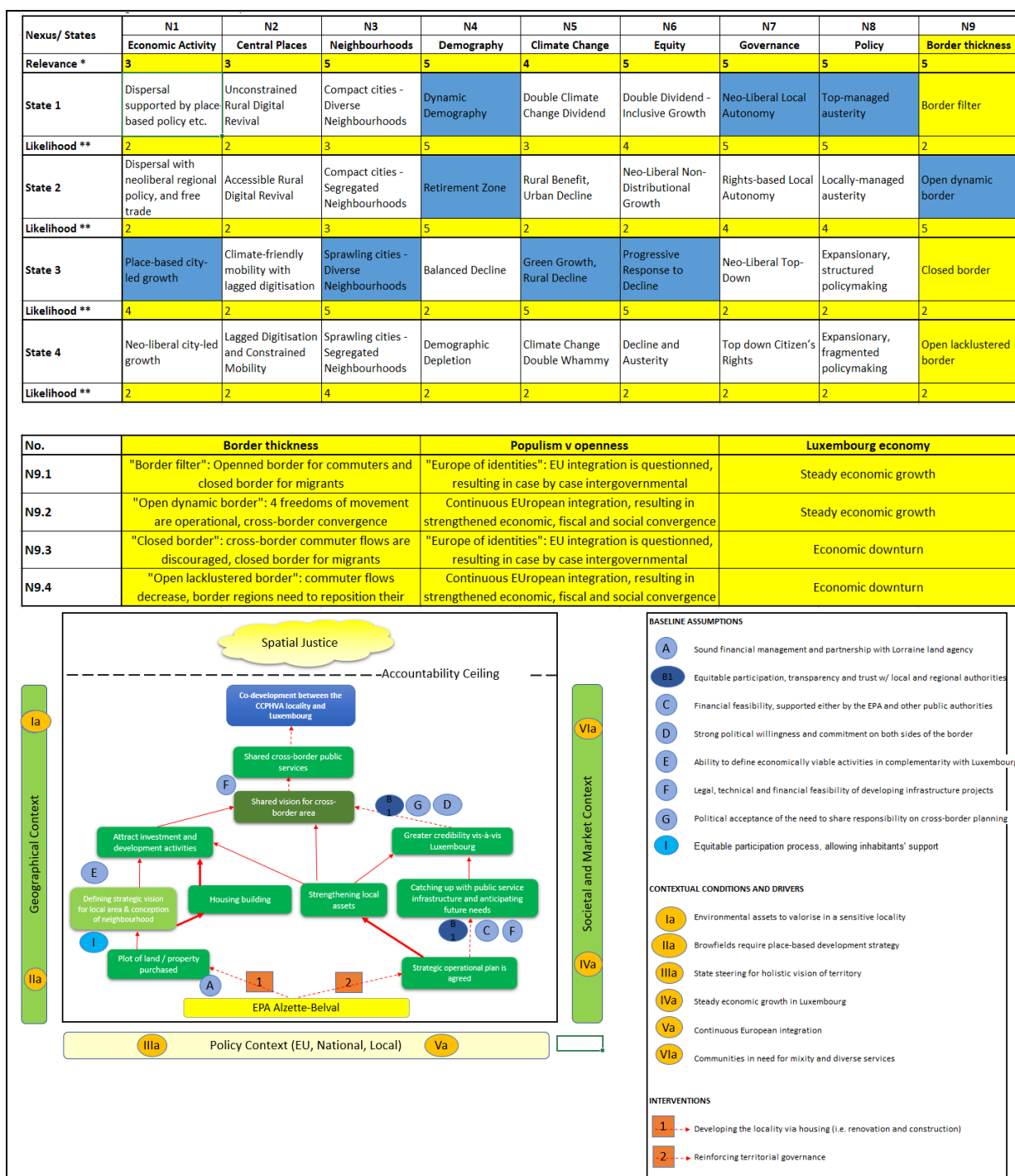


Figure 41. Scenario and mechanism map for case study FR18 Alzette-Belval.



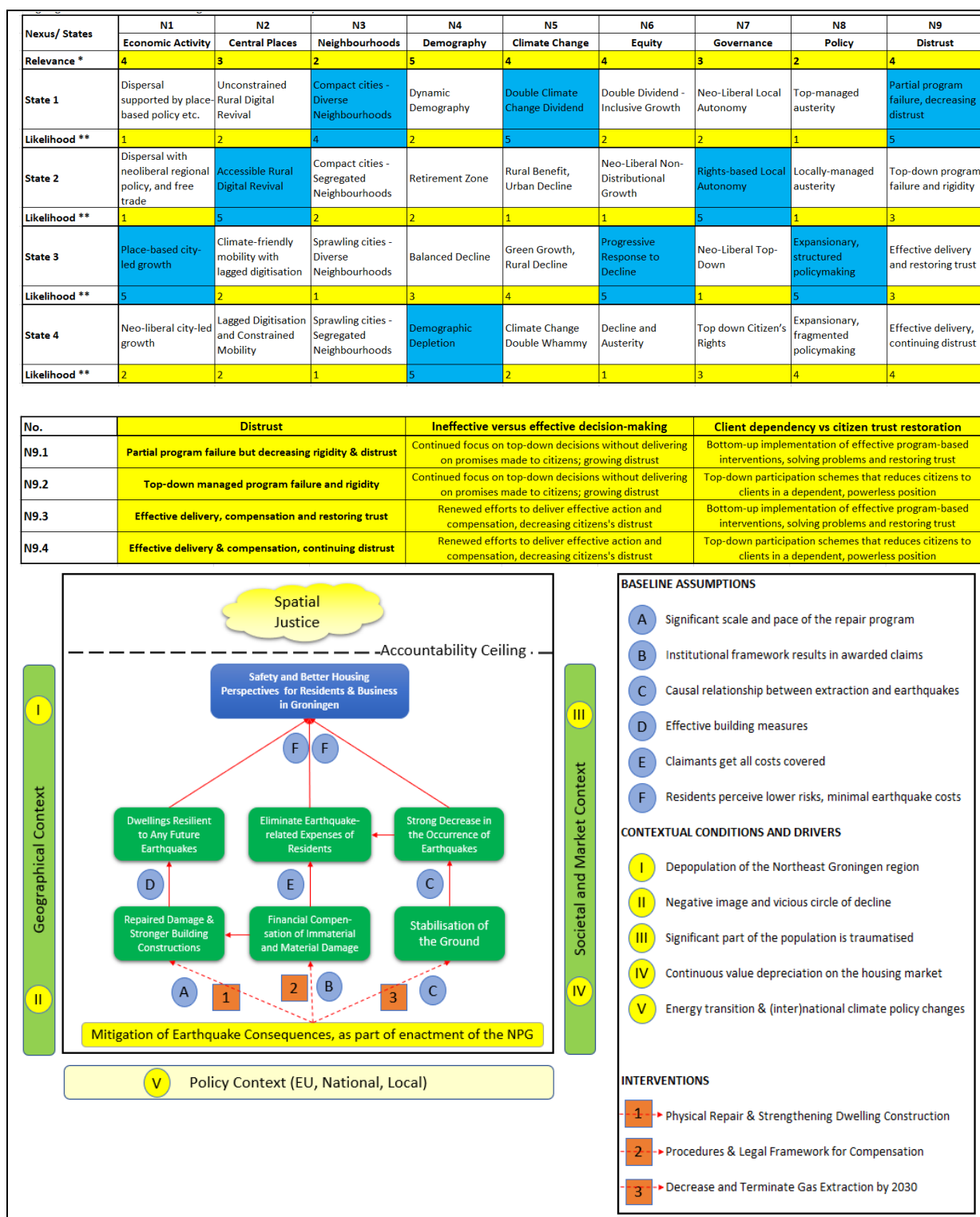


Figure 42. Scenario and mechanism map for case study NL19 Groningen.

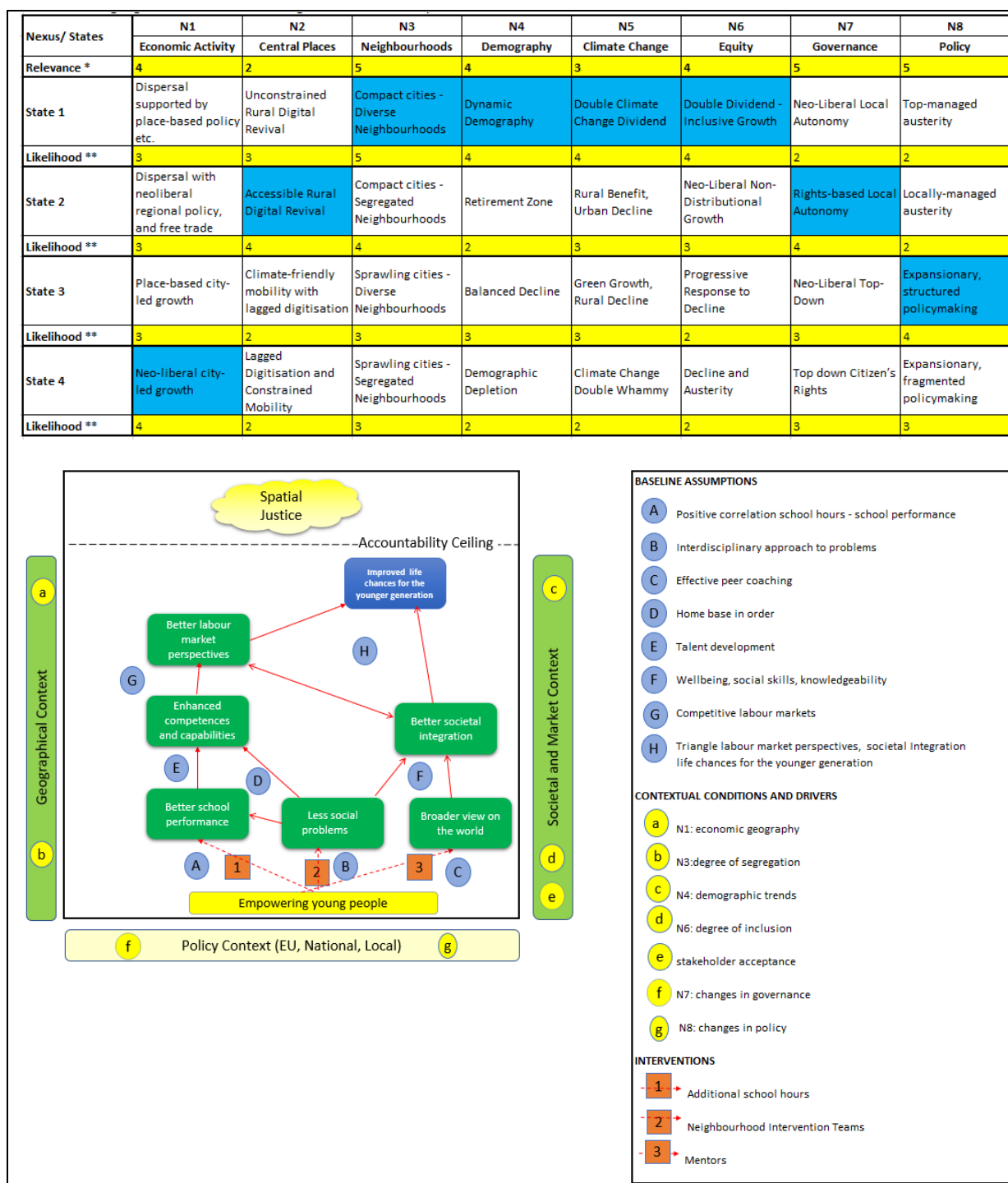


Figure 43. Scenario and mechanism map for case study NL20 Rotterdam South.

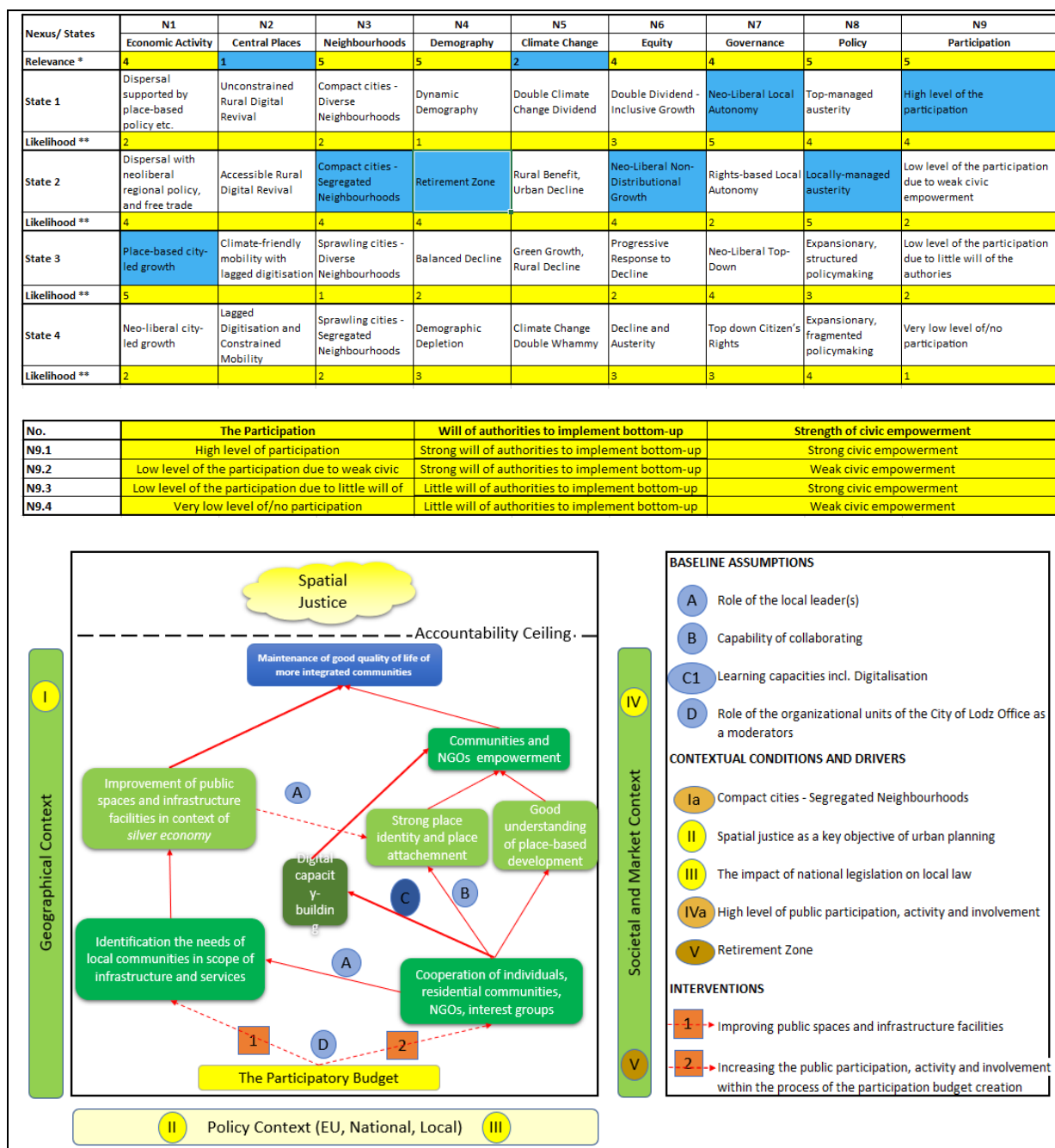


Figure 44. Scenario and mechanism map for case study PL21 *Participatory Budget Lodz*.

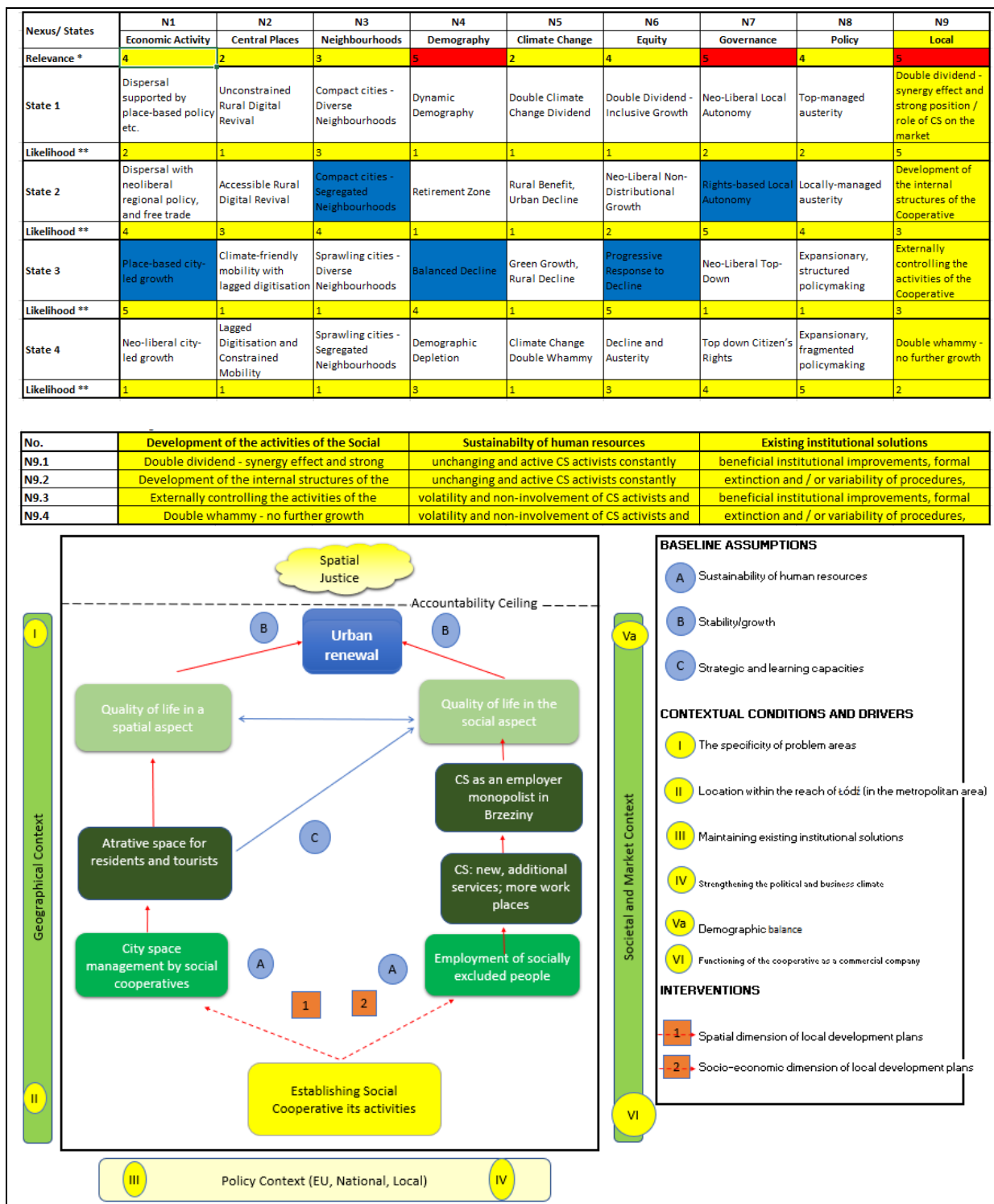


Figure 45. Scenario and mechanism map for case study PL22 *Communal service*.

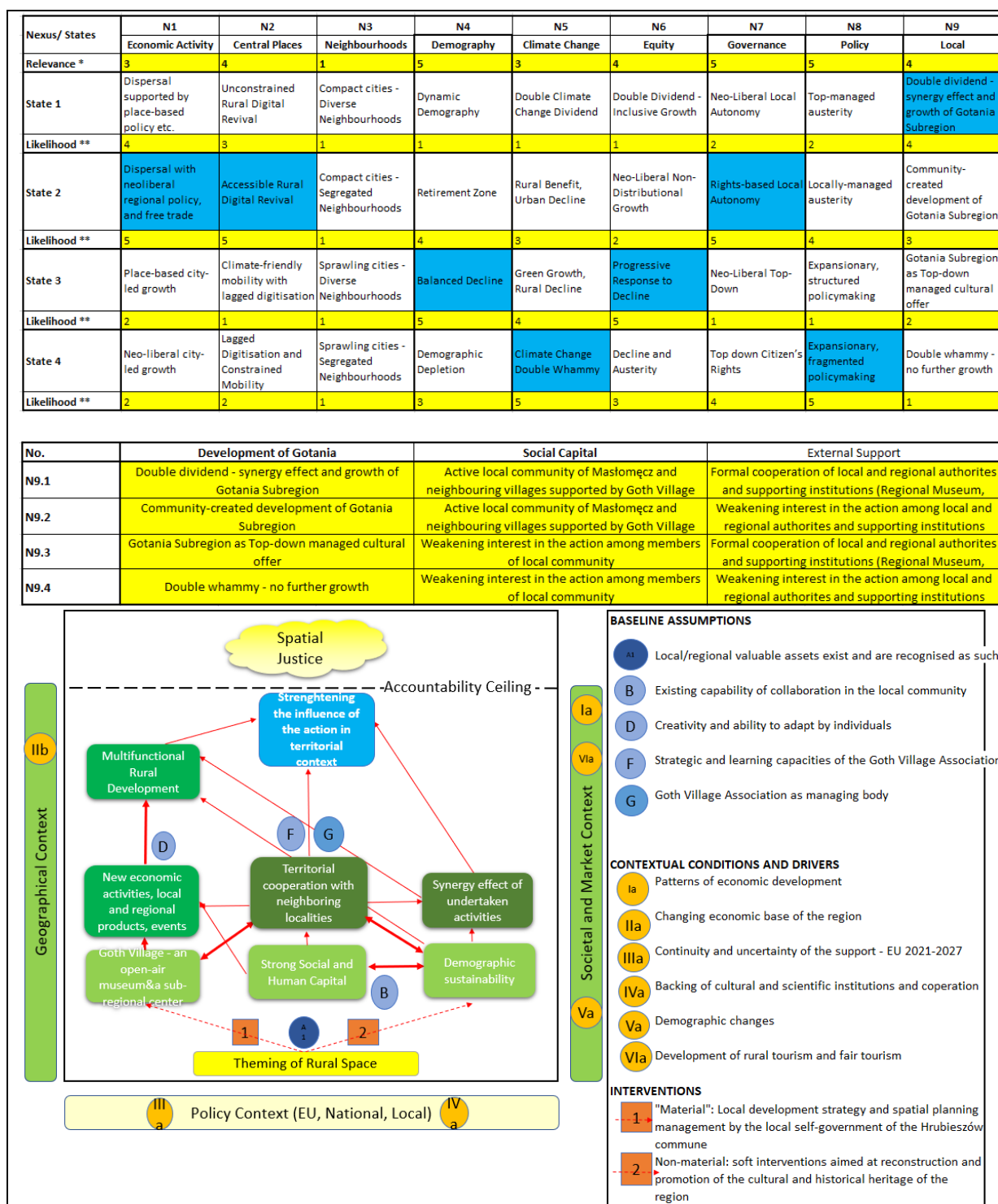


Figure 46. Scenario and mechanism map for case study PL23 *Goth Village*.

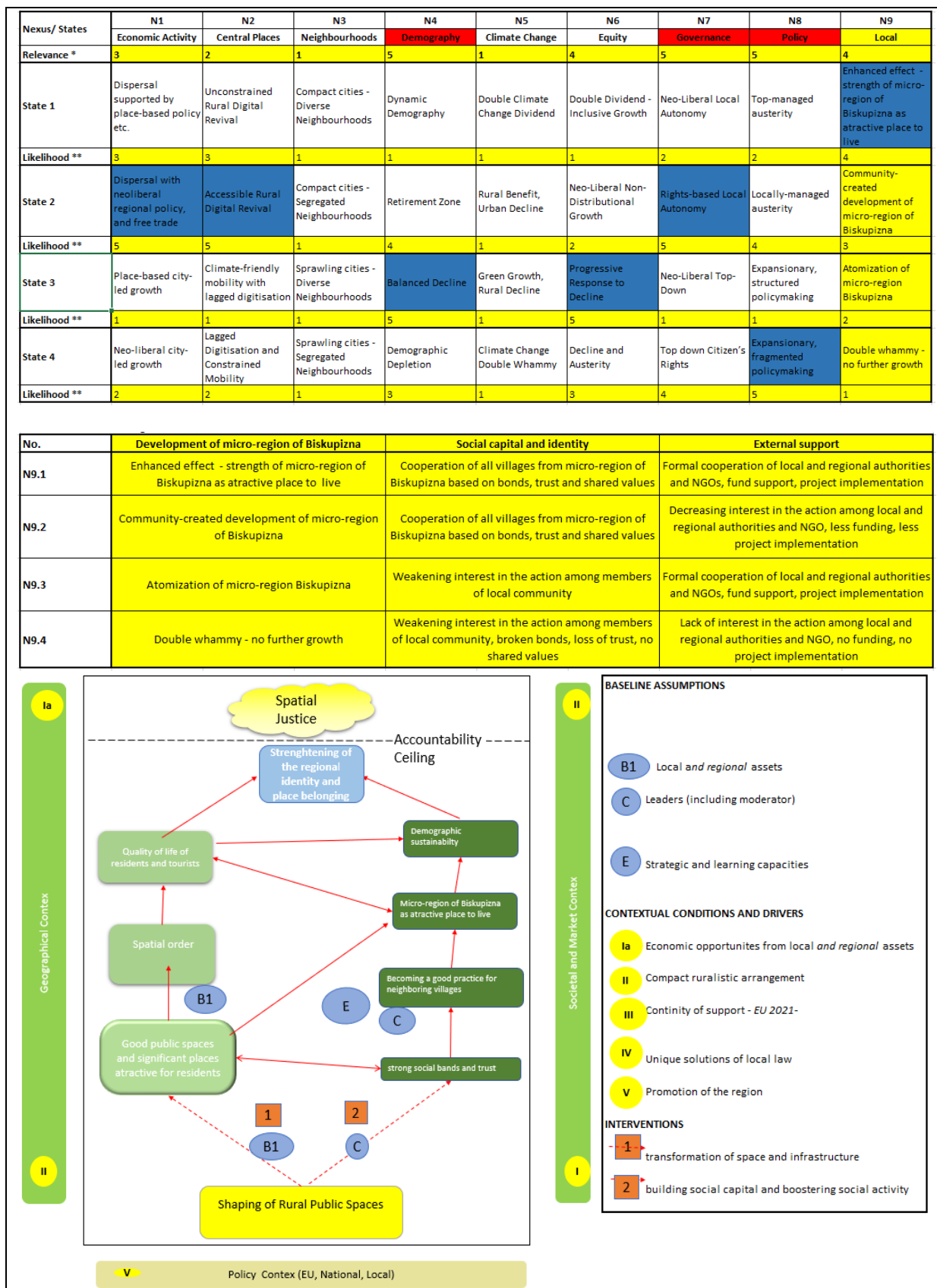


Figure 47. Scenario and mechanism map for case study PL24 Rural Public Space.



Nexus/ States	N1	N2	N3	N4	N5	N6	N7	N8	N9
	Economic Activity	Central Places	Neighbourhoods	Demography	Climate Change	Equity	Governance	Policy	Financialization of housing
Relevance *	5	3	5	4	2	4	5	5	5
State 1	Dispersal supported by place-based policy etc.	Unconstrained Rural Digital Revival	Compact cities - Diverse Neighbourhoods	Dynamic Demography	Double Climate Change Dividend	Double Dividend - Inclusive Growth	Neo-Liberal Local Autonomy	Top-managed austerity	Real estate development transforming housing into a financial asset
Likelihood **	3	N/A	1	5	N/A	2	5	4	5
State 2	Dispersal with neoliberal regional policy, and free trade	Accessible Rural Digital Revival	Compact cities - Segregated Neighbourhoods	Retirement Zone	Rural Benefit, Urban Decline	Neo-Liberal Non-Distributional Growth	Rights-based Local Autonomy	Locally-managed austerity	Investment funds purchase a large housing stock and big landlords accumulate a huge number of homes rented on the market
Likelihood **	4	N/A	3	2	N/A	5	2	5	3
State 3	Place-based city-led growth	Climate-friendly mobility with lagged digitisation	Sprawling cities - Diverse Neighbourhoods	Balanced Decline	Green Growth, Rural Decline	Progressive Response to Decline	Neo-Liberal Top-Down	Expansionary, structured policymaking	Private real estate development completed with significant public investments into social housing
Likelihood **	3	N/A	2	3	N/A	3	4	3	2
State 4	Neo-liberal city-led growth	Lagged Digitisation and Constrained Mobility	Sprawling cities - Segregated Neighbourhoods	Demographic Depletion	Climate Change Double Whammy	Decline and Austerity	Top down Citizen's Rights	Expansionary, fragmented policymaking	The public production of public housing becomes predominant, and contributes to the decrease of the housing market prices
Likelihood **	5	N/A	5	1	N/A	3	3	4	1

No.	Local nexus: Financialization of housing	Vector/Direction 1: Displacement of residents	Vector/ Direction 2: Residential segregation
N9.1	Real estate development is transforming housing into a financial asset	Displacement of residents with low income who cannot pay for the increased prices of the housing market	Displaced residents are relocated to segregated (marginal, underdeveloped, stigmatized) urban areas, where the housing costs are low
N9.2	Investment funds purchase a large housing stock and big landlords accumulate a huge number of homes rented through the market	Displacement of small owners from the city, who decide to sell their properties to big landlords	The displaced small owners might leave from the city to several different localities, but it might happen that more of them will reunite in depopulated villages or small towns where life is cheaper
N9.3	Private real estate development completed with significant public investments into social housing	Low number of displacement, the formation of mixed urban residential areas has a potential	Reduced chance of the formation of impoverished segregated urban areas
N9.4	The public production of public housing becomes predominant, and contributes to the decrease of the housing market prices	No displacement is happening	The formation of impoverished segregated urban areas is excluded

**Spatial Justice**

**BASELINE ASSUMPTIONS**

- A General consensus around the need to have a housing component of a project targeting territorial desegregation
- B1 Pata Cluj 2 has a housing component from the very beginning
- C The project's integrated nature function well within the soft measure package via the case management practice
- D1 Housing resettlement and soft services might run in parallel from the very beginning of the project
- E The Cluj-Napoca City Hall did not have any contribution to the project's major goal (ex providing land or buildings to support resettlement from Pata Rat)
- F IDA-CMA implements a further project with the support of Norwegian Funds and continue desegregation
- G The municipality has not changed its housing policies regarding social housing, evictions, homelessness, residential segregation
- H Institutional racism and other exclusionary attitudes the City Hall

**CONTEXTUAL CONDITIONS AND DRIVERS**

- I Cluj-Napoca belongs to the "magnet cities" of Romania, economic development, jobs, higher average salaries, higher housing prices
- II Outsourcing welfare services from governmental bodies to project-based organizations
- III Rescaling governmental responsibilities from cities to metropolitan areas
- IV Mechanisms pushing impoverished people to the city margins or out from the city
- V High prices on the housing market, and low salaries in jobs available to people living in Pata Rat
- VI Stigmatization of people living in Pata Rat
- VII Financialisation of housing
- VIII Lack of inclusive urban development and housing policies
- IX Lack of concrete (short, medium and long-term) plans for the desegregation of Pata Rat
- X Public housing shortage due to national housing politics aiming privatization and marketization
- X Use of discriminatory allocation criteria in the local social housing policies

**INTERVENTIONS**

- 2 Soft measures package
- 1 Desegregation and housing resettlement

Figure 48. Scenario and mechanism map for case study R025 *Pata-Cluj*.

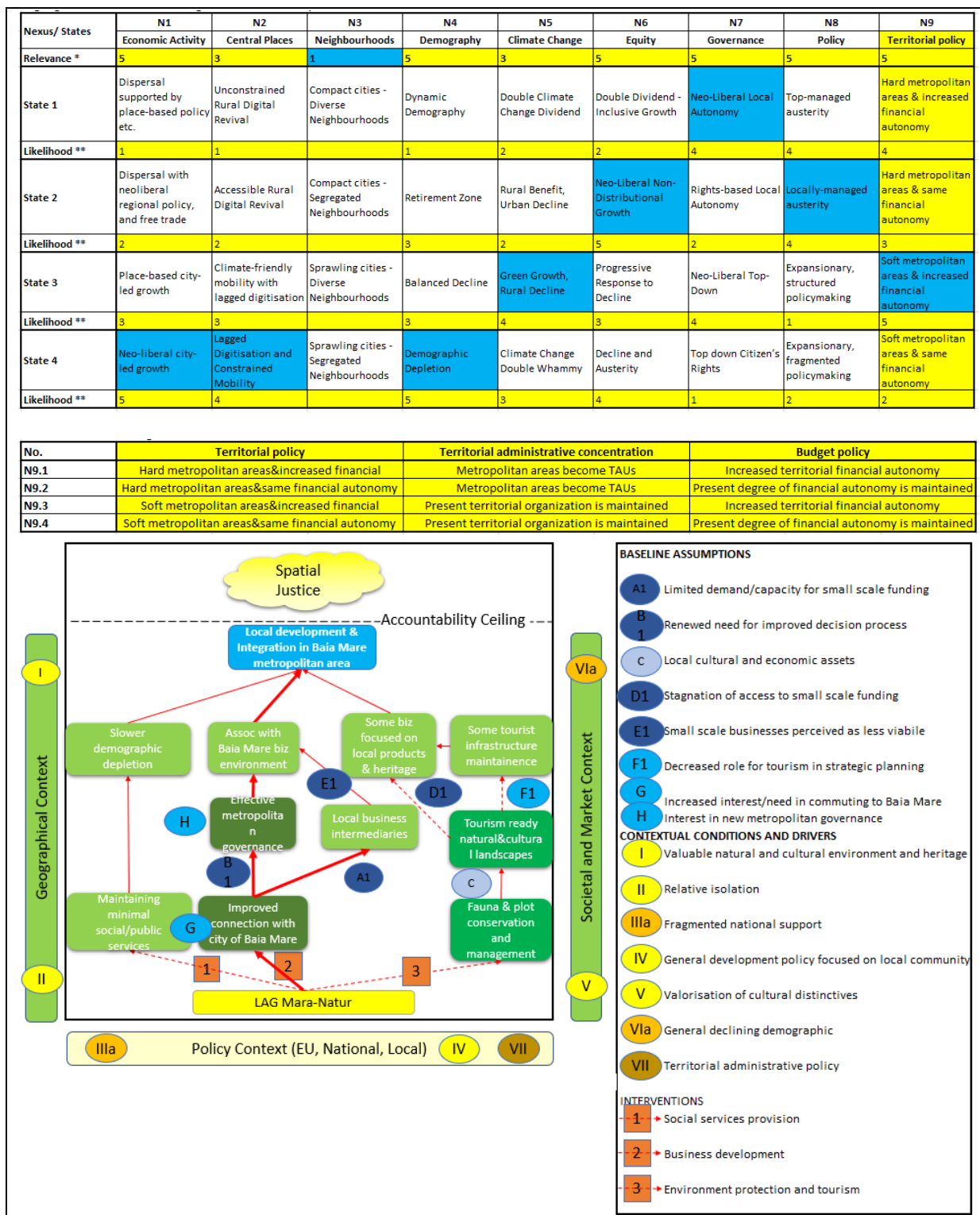


Figure 49. Scenario and mechanism map for case study R026 Mara-Natur.

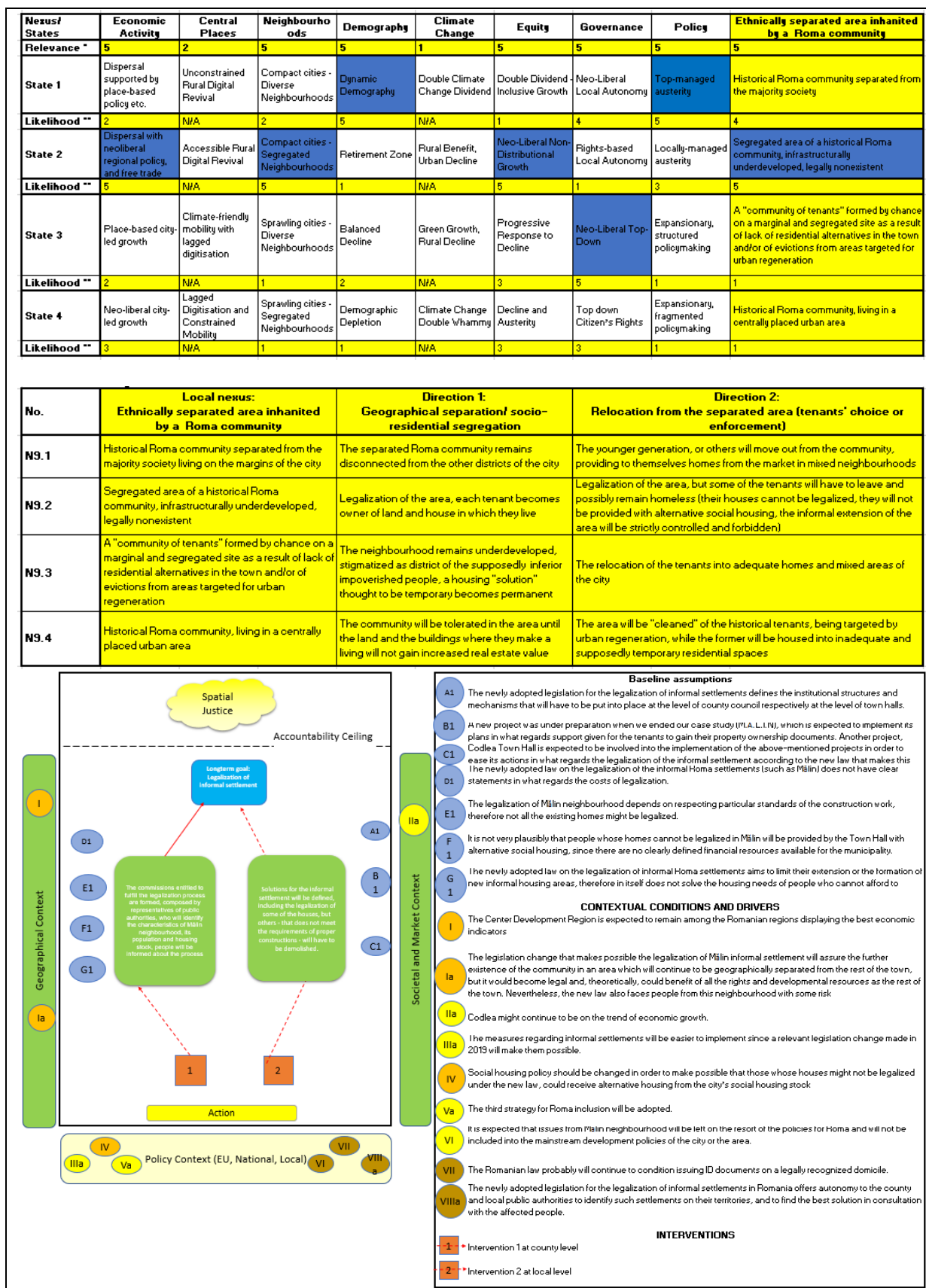


Figure 50. Scenario and mechanism map for case study RO27 Mălin-Codlea.

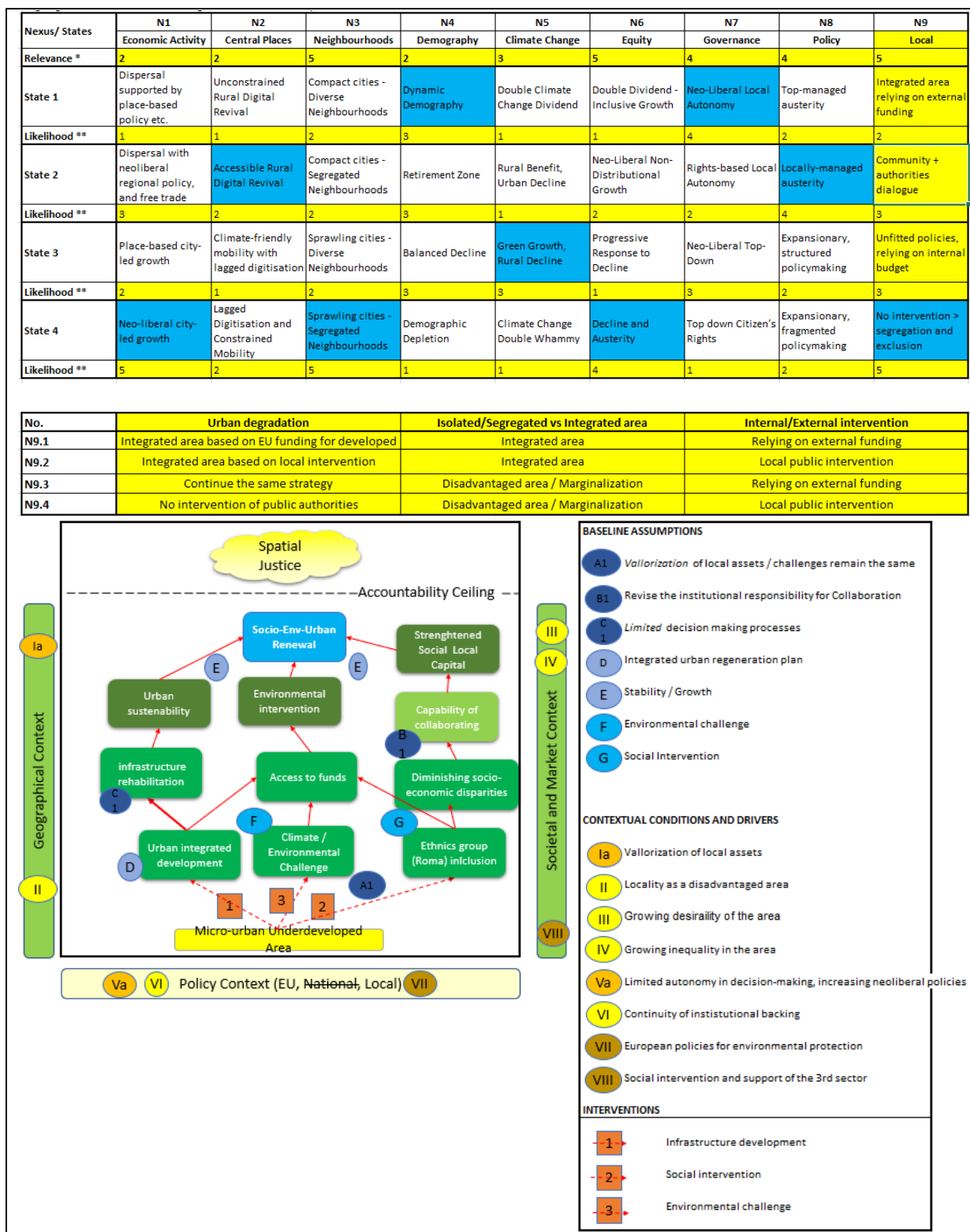


Figure 51. Scenario and mechanism map for case study R028 *Regenerating Plumbuita*.

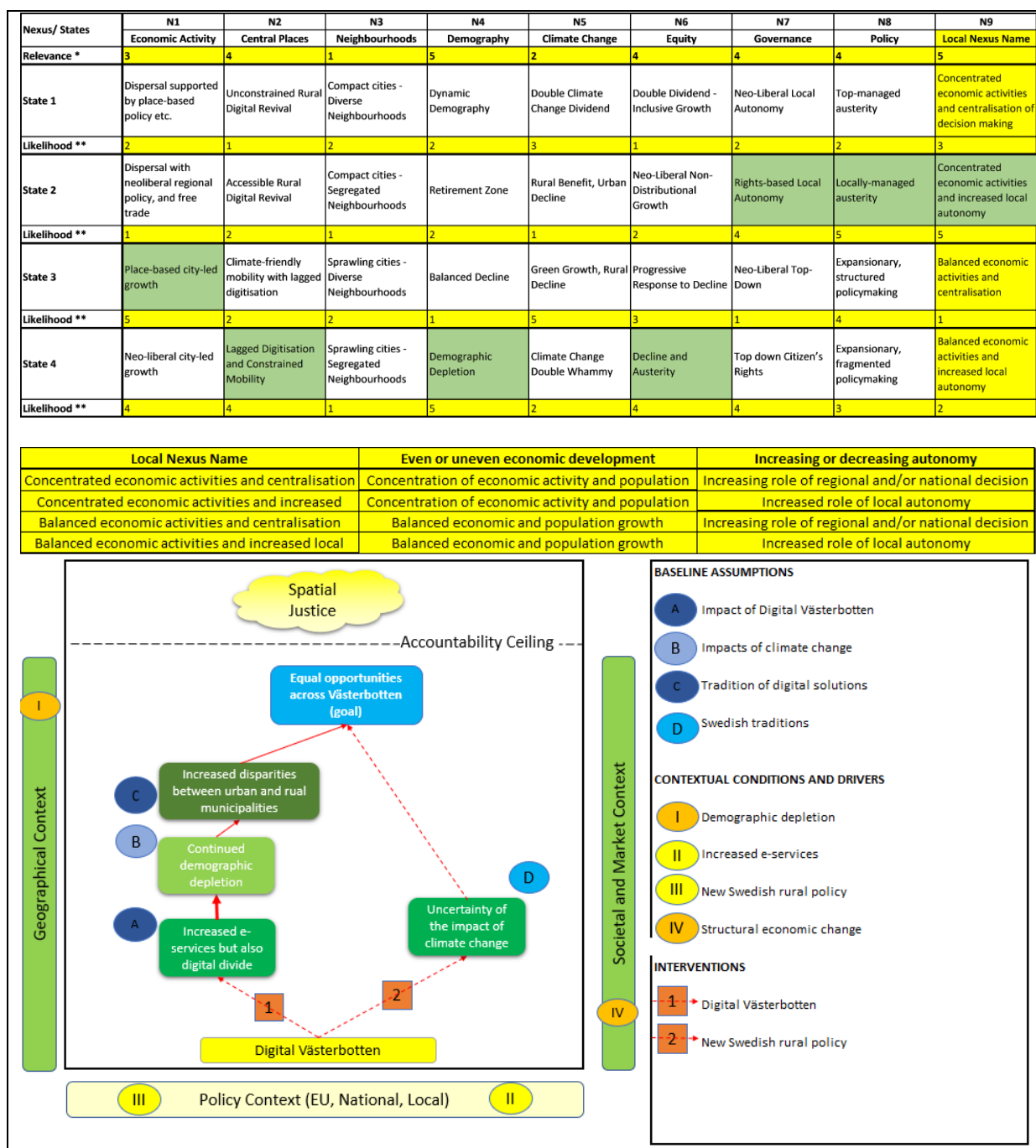


Figure 52. Scenario and mechanism map for case study SE29 *Digital Västerbotten*.

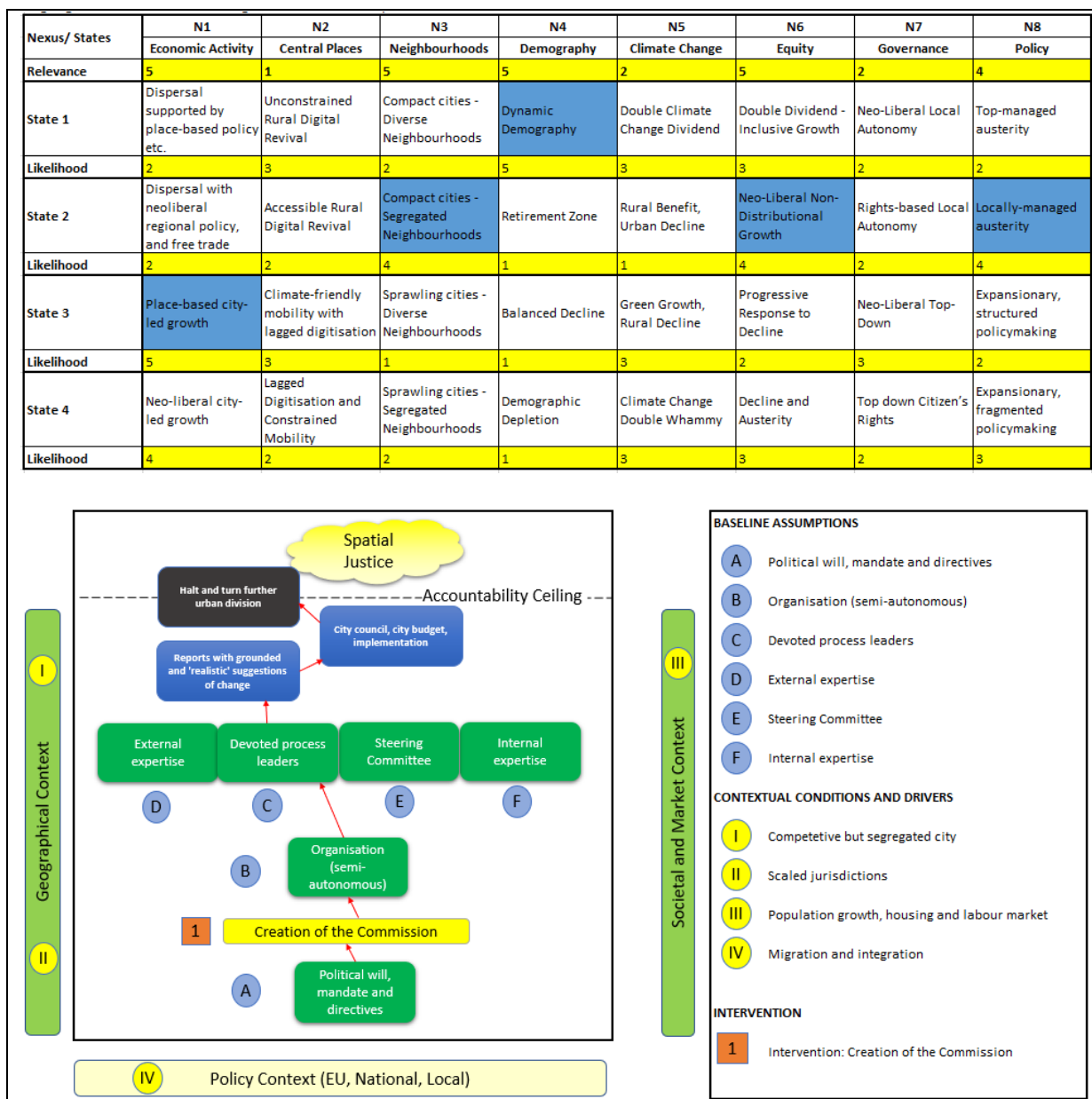


Figure 53. Scenario and mechanism map for case study SE29 *Stockholm*.



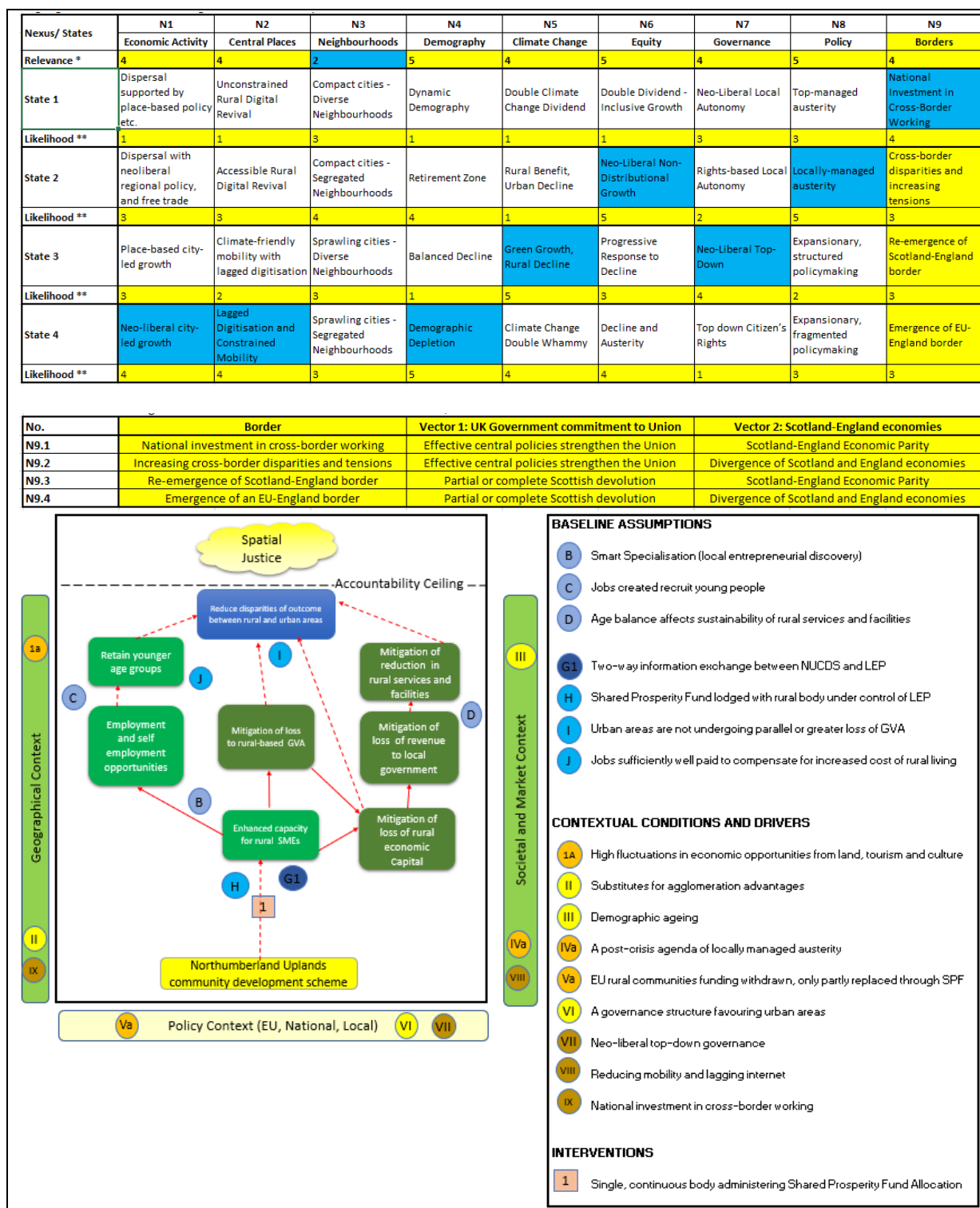


Figure 54. Scenario and mechanism map for case study UK31 NULAG.

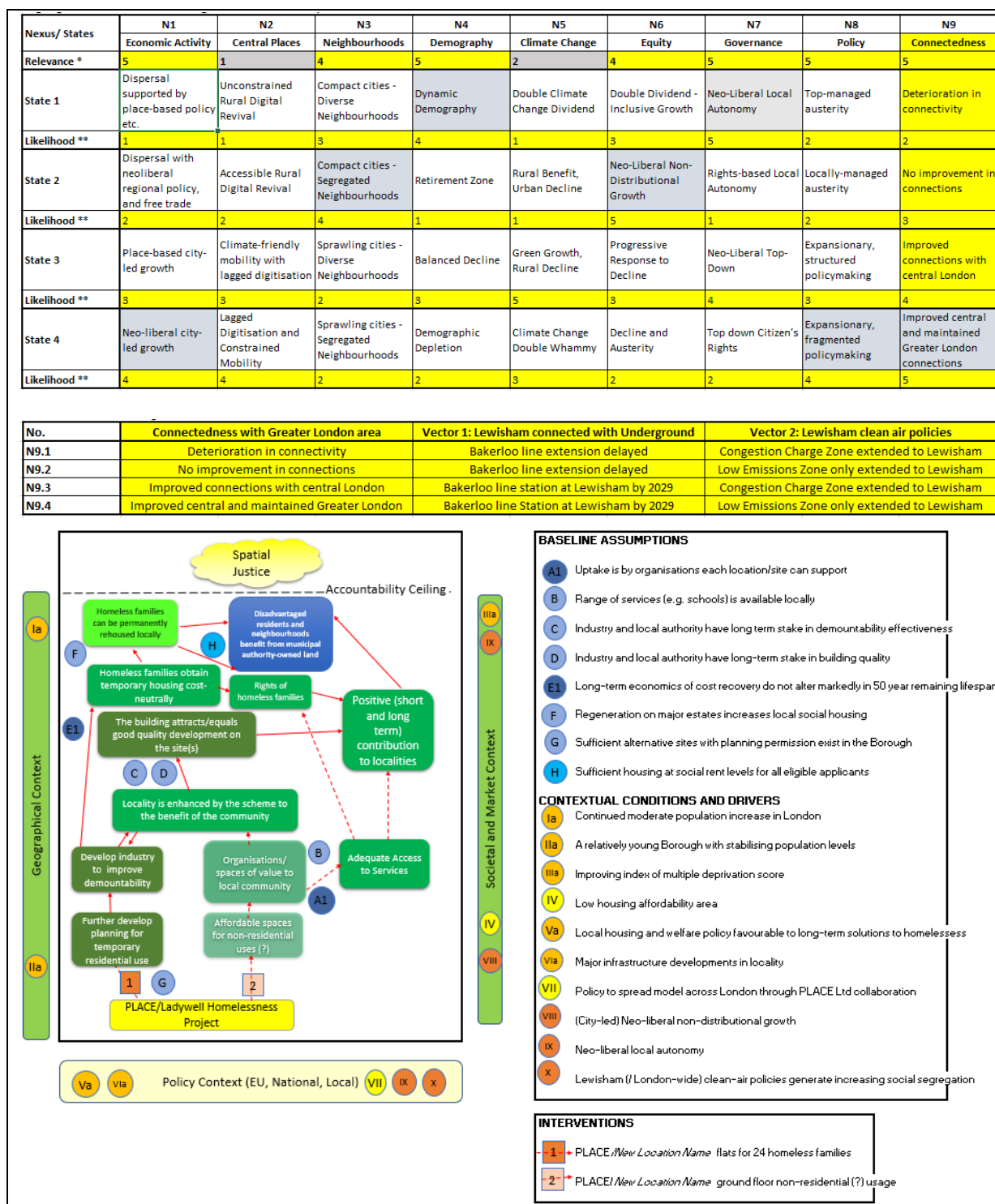


Figure 55. Scenario and mechanism map for case study UK32 Lewisham.

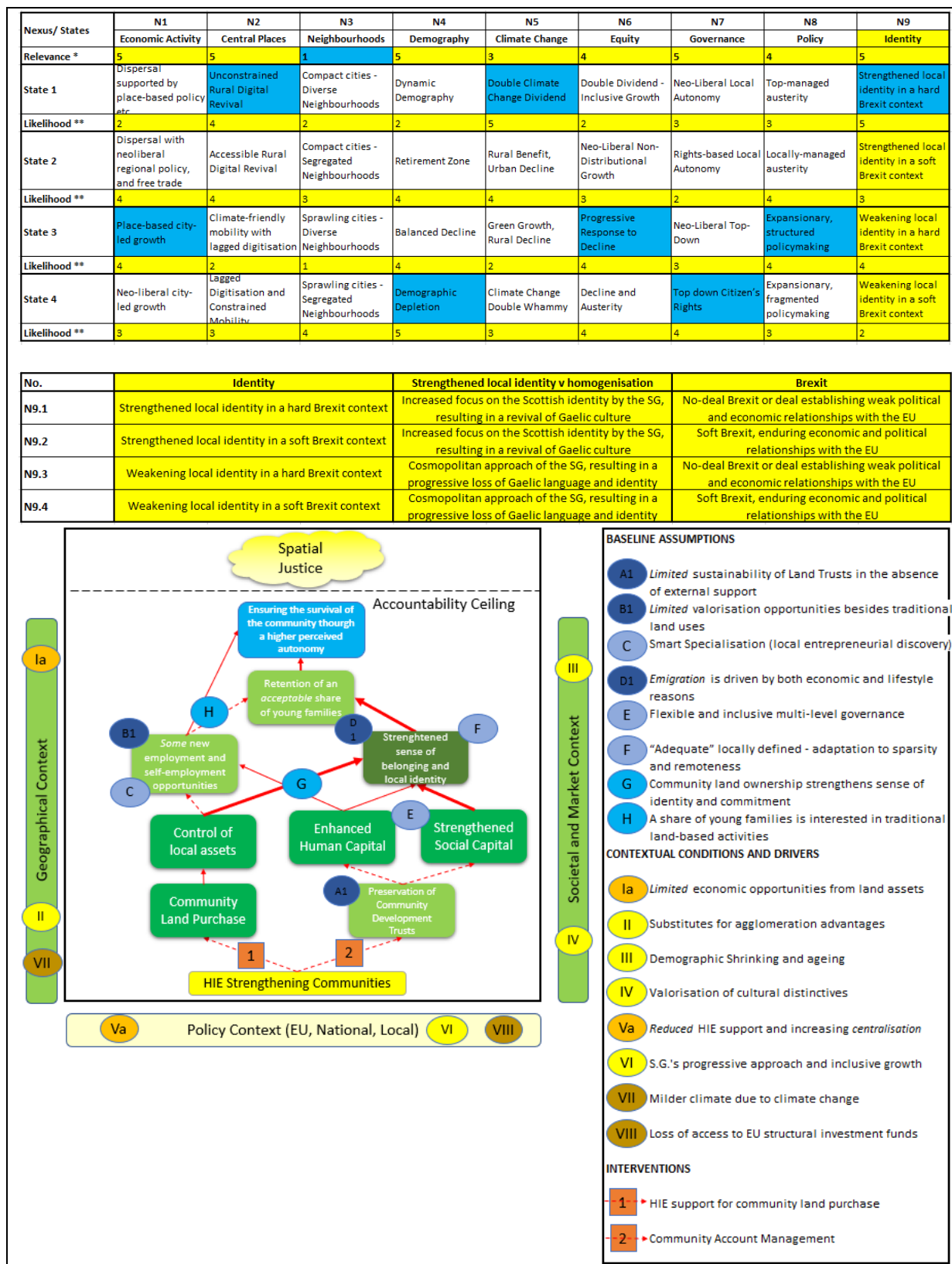


Figure 56. Scenario and mechanism map for case study UK33 *Isle of Lewis*.