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NIERS

Institut für Regional-
und Strukturforschung
Institute for Regional-
and Structural Research

Reurbanisation in Mönchengladbach?

A discussion of uneven urban development, dynamic socio-economic processes (and possible policy implications)

6th Halle Forum on Urban Economic Growth, 07.04.2016

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Introduction

On-going discussion using keywords like “Reurbanisation”, “Urban Renaissance”, “Resurgence of Cities” or “Urban Rebound” (BERAN, CZARNETZKI, NUISSL 2015, SIEDENTROP 2008)

Central question: Can one claim the phase of inner cities‘ decline caused by sub- and deurbanisation to be finished and will there be an urban renaissance?

Aim of paper: To analyse signs of a reurbanisation process – using the city of Mönchengladbach as an example

Paper is a byproduct of a research project on the behalf of the urban development agency (MGMG)

Data-restrictions – only limited data available for cities

Introduction

Outline of paper:

1. Defining “reurbanisation”
2. Framework of analysis
3. Empirical analysis
4. Summary of results

Defining “reurbanisation”

Following a model of van den Berg / Klassen (1987) there are four phases of city development

- Urbanisation
- Suburbanisation
- Deurbansiation (counter urbanisation)
- Reurbanisation

Different dimensions of reurbanisation. Siedentop (2008: 194) distinguishes two dimensions:

- Interregional: large-scale reurbanisation favouring agglomerations
- Intraregional: reurbanisation favouring bigger cities

I would like to add a third dimension – as I am dealing with this one

- Intra-City: reurbanisation favouring the inner city centre of bigger cities

Defining “reurbanisation”

Siedentop (2008: 194) also distinguishes between an analytical-quantitative and a qualitative definition of reurbanisation:

- **The analytical-quantitative reurbanisation can be measured by a change of shares and/or numbers of inhabitants and employees**
- **The qualitative approach – often used by social scientists – deals with aspects behind these purely quantitative changes**

Defining “reurbanisation”

Quantitative reurbanisation means absolute and/or relative concentration of population and/or employment.

Aspects of qualitative reurbanisation:

- **Changing employment structures in the inner city (more services, more women, higher share of better qualified people)**
- **International immigration to the inner city centre**
- **Gentrification = upgrading process of inner city supported by modernisation and reconstruction of houses, change of ownership**
- **Increasing attractiveness for high-income households**
- **Increase of population by middle and upper class people**
- **More single-households; more double-income-no-kids-households (DINK)**
- **Change of social structures and way of life**
- **Social neighbourhoods supported by middle-class people**
- **Often supported by an “inner-city-activating” policy**
- **Changing structure of restaurants and retail**
- **Gentrified population replaces low-income population**

Framework of analysis

Mönchengladbach ...

- ... located 30 km to the west of Düsseldorf (capital of federal state of Northrhine-Westphalia)
- ... located between the Rhine and the Dutch-German border
- ... has about 260.000 inhabitants with the role of an Oberzentrum
- ... has been a centre of textile and clothing production in the past but has suffered a severe structural change during the last 50 years
- ... has meanwhile become a place of retail and service industries
- ... is also a “bipolar” city (Mönchengladbach and Rheydt merged as a result of a local government reform in 1975) – though Rheydt has meanwhile lost its function as a second city centre
- ... is the only German city with two central railway stations

Framework of analysis

To analyse reurbanisation on the intra-city-level a differentiation of urban districts is necessary.

MG consists of 44 urban quarters (for administrative purposes), but there is no established spatial subdivision of the city to be used in the context of our question.

For our analysis city centre, inner city and periphery have been distinguished by the use of some secondary statistics:

- **City centre = functional inner city quarter with high concentration of retail, administration and services**
- **Inner city = City centre + some neighbouring quarters (high population density)**
- **Periphery = All other quarters of the city**

Framework of analysis

Own analysis mainly uses quantitative indicators to deal (more or less) with qualitative reurbanisation.

Four typical characteristics of reurbanisation (Blotevogel 2001; Ley 1996):

- **Two quantitative characteristics:**
 1. **Absolute increase in population or relative positive development of population in comparison to suburbs in the inner city; gains in migration**
 2. **International immigration into the inner city**
- **Two qualitative characteristics:**
 3. **Signs of gentrification processes in the inner city as mentioned before**
 4. **Change of employment structures in the inner city**

Framework of analysis

Data used for empirical analysis

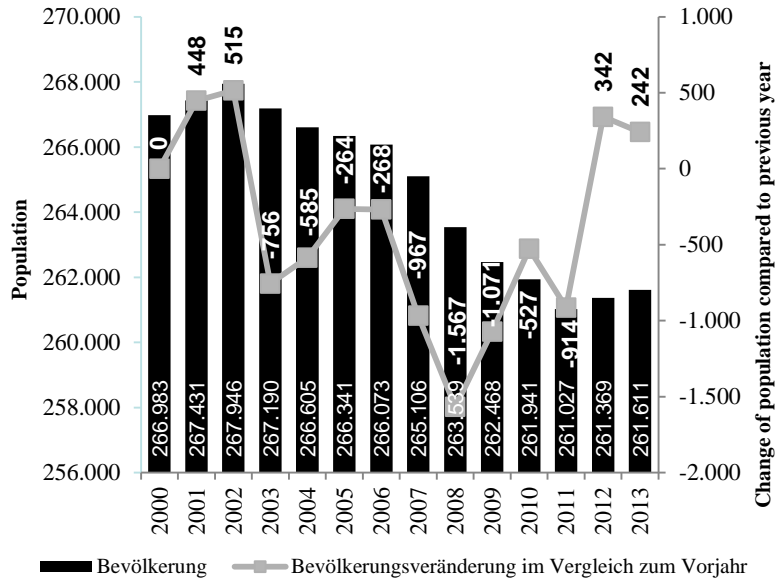
Quantitative aspects

1. Development of population – migration – balance of migration (Mönchengladbach in total, but also city centre, inner city and periphery)
2. Migration by nationality (German and foreign population) across municipal border and across the borders between the three city districts

Qualitative aspects

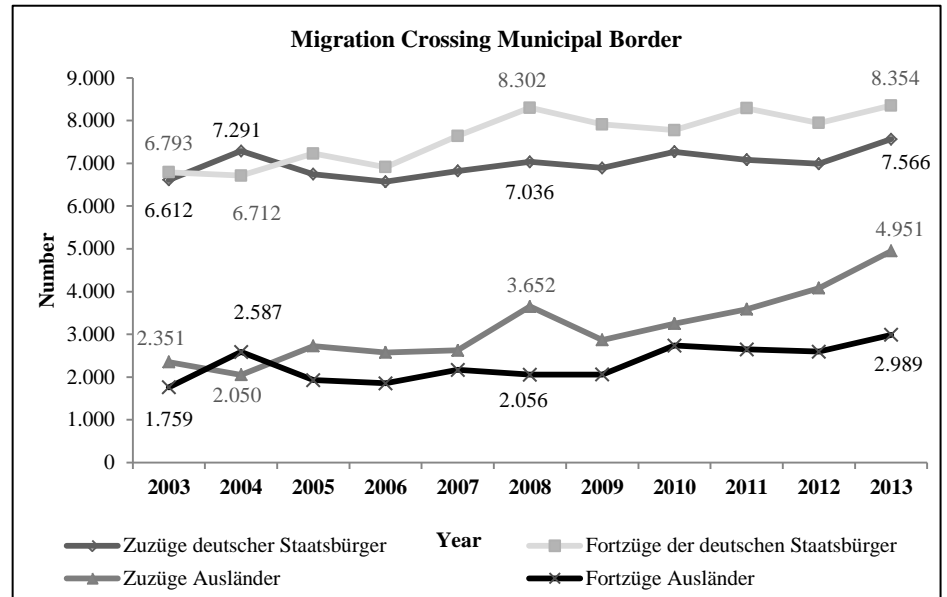
3. Gentrification – change of social structures and way of life
 - Change of household structures – shares of single-, “DINK”-and families-with-kids-households
 - Change of socio-demographic characteristics (e.g. age, social transfers)
 - Change in average per capita income
 - Change in rent prices
4. Change of employment structures in the inner city – omitted due to lacking data

Empirical Analysis



General Development of population in Mönchengladbach:

- Increasing numbers of inhabitants
- and its background



Empirical Analysis

Development of population in the city districts of Mönchengladbach

	2000	2004	2011	2013	Change 2000 - 2013 in %
City Centre	23.643	23.907	23.713	24.087	1,9
Inner City	31.879	31.908	31.405	31.670	-0,7
City Centre and Inner City	55.522	55.815	55.118	55.757	0,4
Periphery	211.461	210.790	205.909	205.854	-2,7

- **Number of inhabitants in the inner city districts (city centre + inner city) has increased.**
- **This stems exclusively from the city centre development.**
- **But in the city centre as well as in the inner city population development has been better than in the periphery.**

Migration Balance (Districts)	2011	2012	2013
City Centre	-101	281	206
Inner City (without City Centre)	-121	73	236
Periphery	-44	178	732
Mönchengladbach	-266	532	1.174
<u>Intracity Migration Balance of City Districts</u>			
City Centre	-129	-10	-107
Inner City (without City Centre)	-9	-44	-23
Periphery	138	54	130
<u>Migration Balance across Municipal Border</u>			
City	28	291	313
Inner City (without City Centre)	-112	117	259
Periphery	-182	124	602

First characteristic of reurbanisation is fulfilled.

Migration Balances

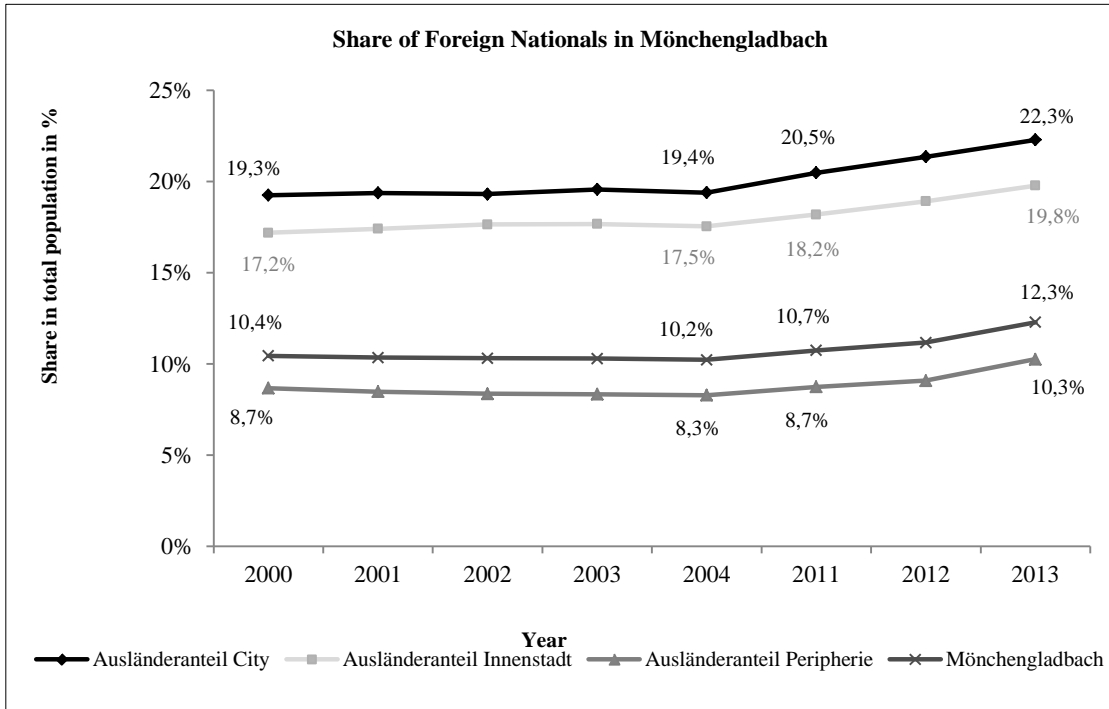
- **2012: migration surplus for MG.**
- **Same holds for the three districts, but net-in-migration is highest for the city centre (in absolute terms and in relation to population).**
- **Similar in 2013.**
- **People moving to MG from outside prefer the city districts while city districts are loosing in the context of intra-city migration → perhaps people, who moved to the city districts try to move to the outskirts in the long run.**

	Migration Balance 2012		Migration Balance 2013	
	Germans	Foreign Nationals	Germans	Foreign Nationals
City Centre	18	271	-156	241
Inner City (without City Centre)	-104	204	-121	286
Periphery	-738	691	-2.438	2.430

Second characteristic of reurbanisation is fulfilled, too.

International immigration into the inner city

- Net out-migration of Germans from all three city districts in 2013
- Net in-migration of foreign nationals to all three city districts
- Not only in 2013 but for many years: Net in-migration of foreign nationals, net out-migration of German population (with increasing intensity)



Last result directly leads to third characteristic “change of social structures” because ...

- ... migration of Germans and foreign nationals in the last years has led to a first remarkable change of social structures, namely ...
 - ... an increase of shares of foreign nationals in all parts of the city.
 - ... that the share of foreign nationals in the city centre is more than twice of that of the periphery.

Empirical Analysis

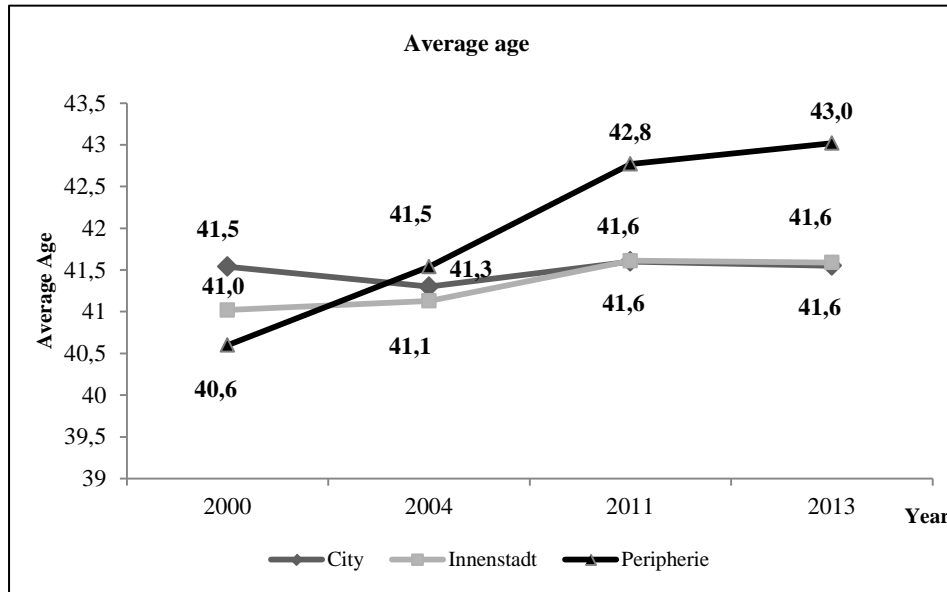
Other characteristics of a change of social structures:

Average age, structure of households, share of social welfare recipients, average income and rent prices are considered to understand social structures and to find signs of a possible gentrification process.

Empirical Analysis

Characteristics of a change of social structures:

1. Average Age

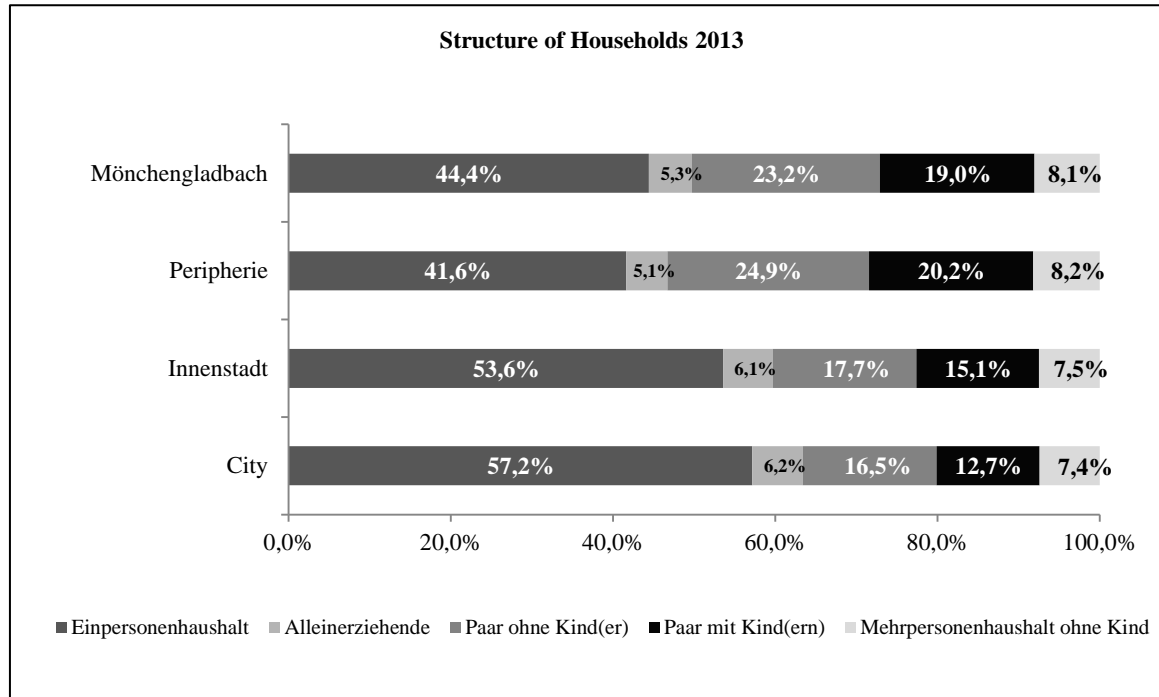


- **Stable in the inner city districts**
- **Remarkable increase in the periphery**
- **Relative young population in the inner city districts**

Empirical Analysis

Characteristics of a change of social structures:

2. Structure of households

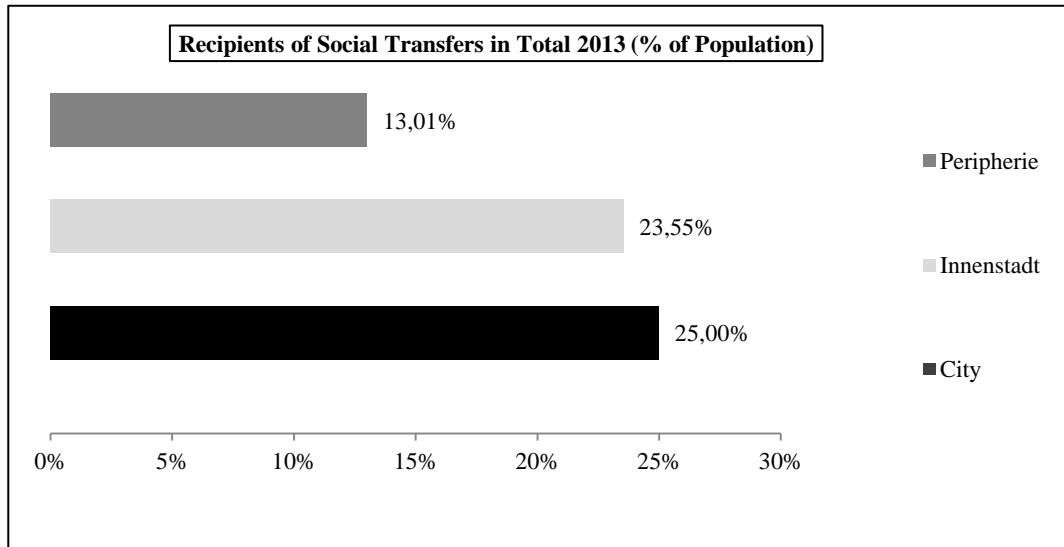


- **More single households in the inner city and city centre (57,2% or 53,6% compared to 41,6%)**
- **Higher shares of family-households without and with kids**

Empirical Analysis

Characteristics of a change of social structures:

3. Recipients of social welfare

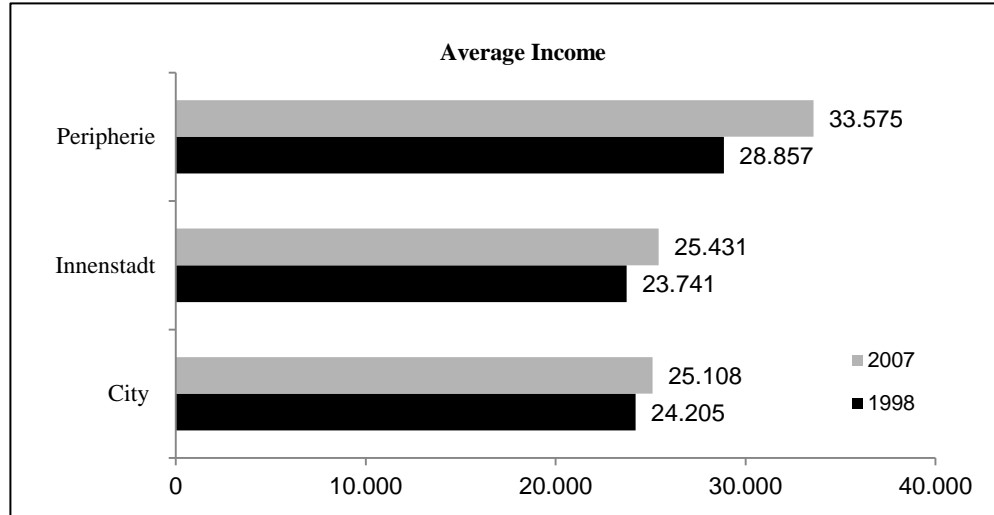


- **Social welfare recipients = SGB II (unemployed) or SGB III (grant for active work)**
- **Shares in inner city districts are twice as high as in the rest of Mönchengladbach**

Empirical Analysis

Characteristics of a change of social structures:

4. Recipients of social welfare



- Unfortunately, we only had older data – 1998 and 2007!
- Average incomes are higher in the periphery – 33.600 € compared to 25.400 € in the inner city and 25.100 € in the city centre
- Increasing income gap between periphery and inner city districts (increase of 3,7% and 7,1% compared to 16,4%)
- Average income of „city inhabitants“ is three quarters of the average income of the rest (2007)

Empirical Analysis

Characteristics of a change of social structures:

5. House prices and prices of tenant-owned flats, rent prices

- Price per m² in 2015 in the city centre: 1.150 €, in the periphery 1.441 €
- Similar differences for the house prices
- One can also expect similar differences for rent prices

Summary

1. **The first (quantitative) characteristic of urbanisation is fulfilled in MG:**
 - **Population increases in the city centre**
 - **Development of population is more favourable than in the periphery**
 - **In-migrants prefer the city centre.**
 - **But: Inner city districts loose inhabitants to the periphery and that creates doubt in an also qualitative reurbanisation.**
2. **Internationalisation of city centre – the second characteristic of reurbanisation – is also fulfilled.**
 - **But: Internationalisation is the result of a long-lasting process**
 - **Non-German population in the inner city districts is twice as high in the periphery**
 - **Doubts in qualitative reurbanisation increase: Opportunity of a multicultural city centre or risk for integration problems?**

Summary

3. Third (qualitative) characteristic? In the city centre of MG ...

- ... population is relative young
- ... share of non-German residents is higher and increasing quickly
- ... fluctuation of inhabitants is relatively high
- ... share of single households is higher, share of couples with and without children lower
- ... share of recipients of social welfare is noticeably higher
- ... average incomes are significantly lower and increase more slowly
- ... house and rent prices are lower.

Summary

These results do not really fit the expectations of qualitative reurbanisation:

- Single-households do not seem to be well-earning yuppies
- Result of suburbanisation in the city centre: 4 “A’s” (arm, alt, arbeitslos, Ausländer – poor, old, unemployed, foreign)
- MG: low income, social welfare (therefore supposedly unemployed) with non-German passports – that means three “A’s” are fulfilled (exception: young population)
- Migration to periphery is also typical for suburbanisation; city centre is not the preferred place to live
- No signs of gentrification or of a crowding-out of low income earners by wealthier middle class people

In MG we have quantitative **without** qualitative reurbanisation

And only if the city of MG succeeds in increasing the attractiveness for staying in the city in terms of shopping and living and for integrating residents with migration backgrounds, will there be a chance for quantitative **and** qualitative reurbanisation.

Literature

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Thanks for your attention