

Reurbanisation in Mönchengladbach?

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

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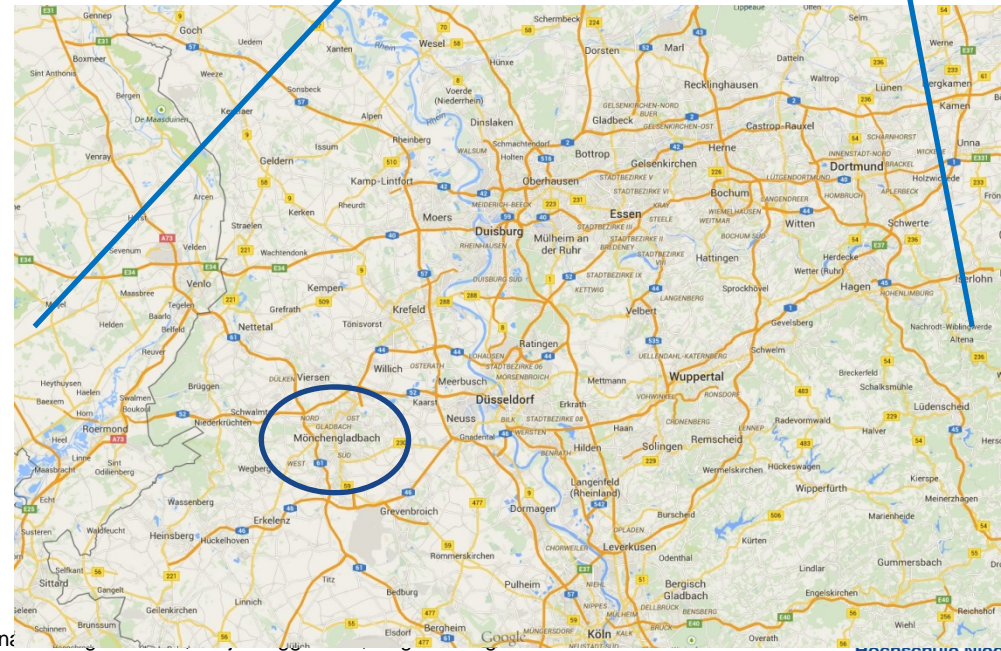
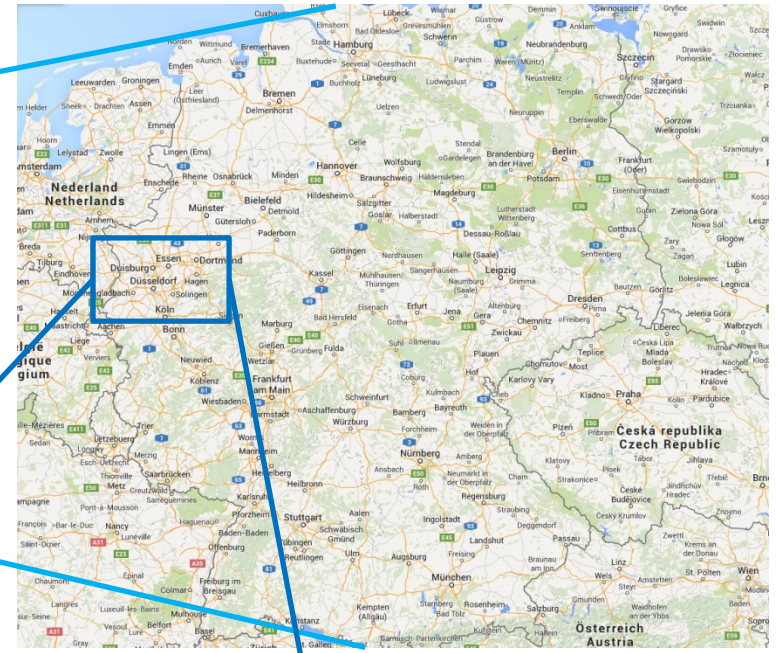
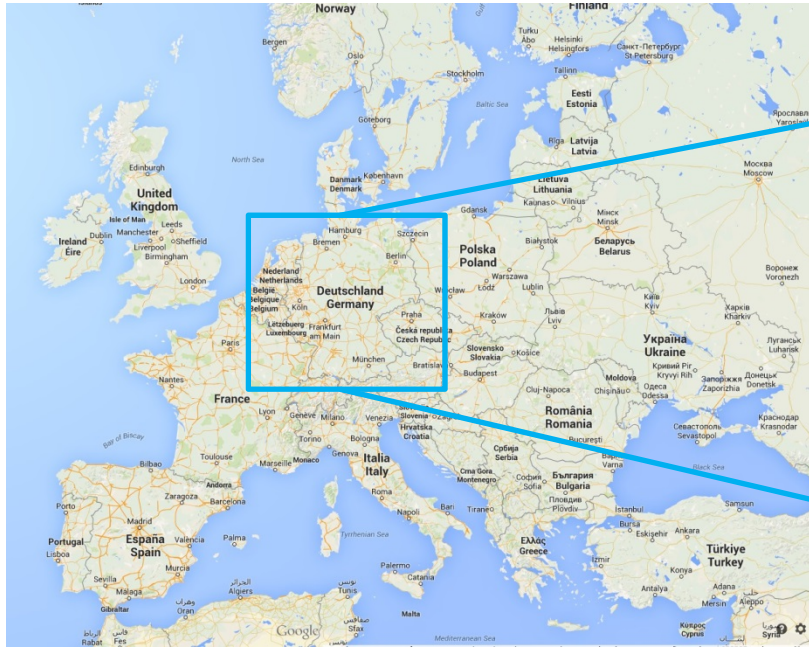
NIERS – Niederrhein Institute for Regional and Structural Research

Reurbanisation in Mönchengladbach? A discussion of uneven urban development, dynamic socio-economic processes and possible policy implications

1. Introduction
2. Defining “reurbanisation”
3. Framework of analysis
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Introduction

- **On-going discussion using keywords like “Reurbanisation”, “Urban Renaissance”, “Resurgence of Cities” or “Urban Rebound” (BERAN et al. 2015, SIEDENTOP 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 behalf of the urban development agency (MGMG)**
- **Data restrictions – only limited data available for cities**



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Source: Own illustration based on Google Maps

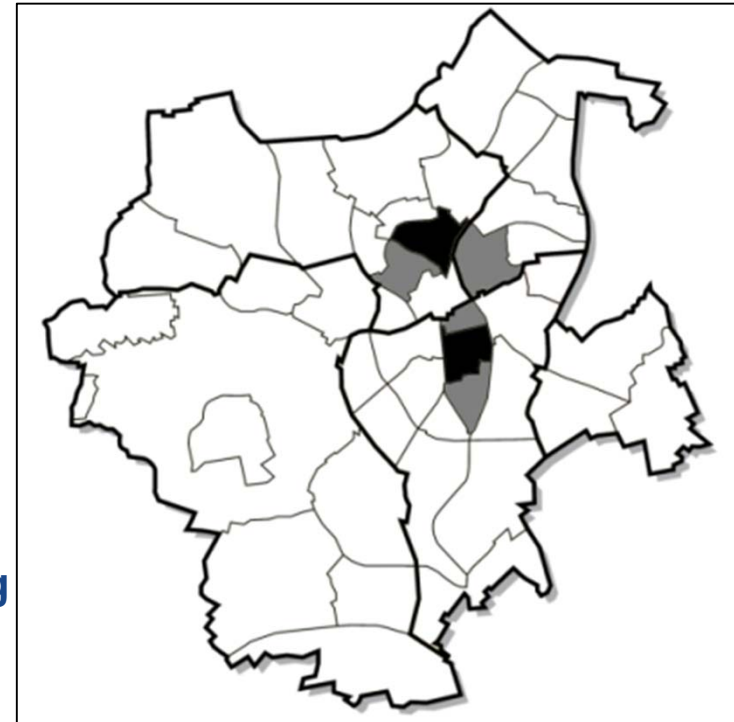
Introduction

Mönchengladbach

- ... 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
- ... meanwhile has become a place of retail and service industries
- ... also is a “biploar” city (Mönchengladbach and Rheydt merged as a result of a local government reform in 1975)
- ... is the only German city with two central railway stations

Introduction

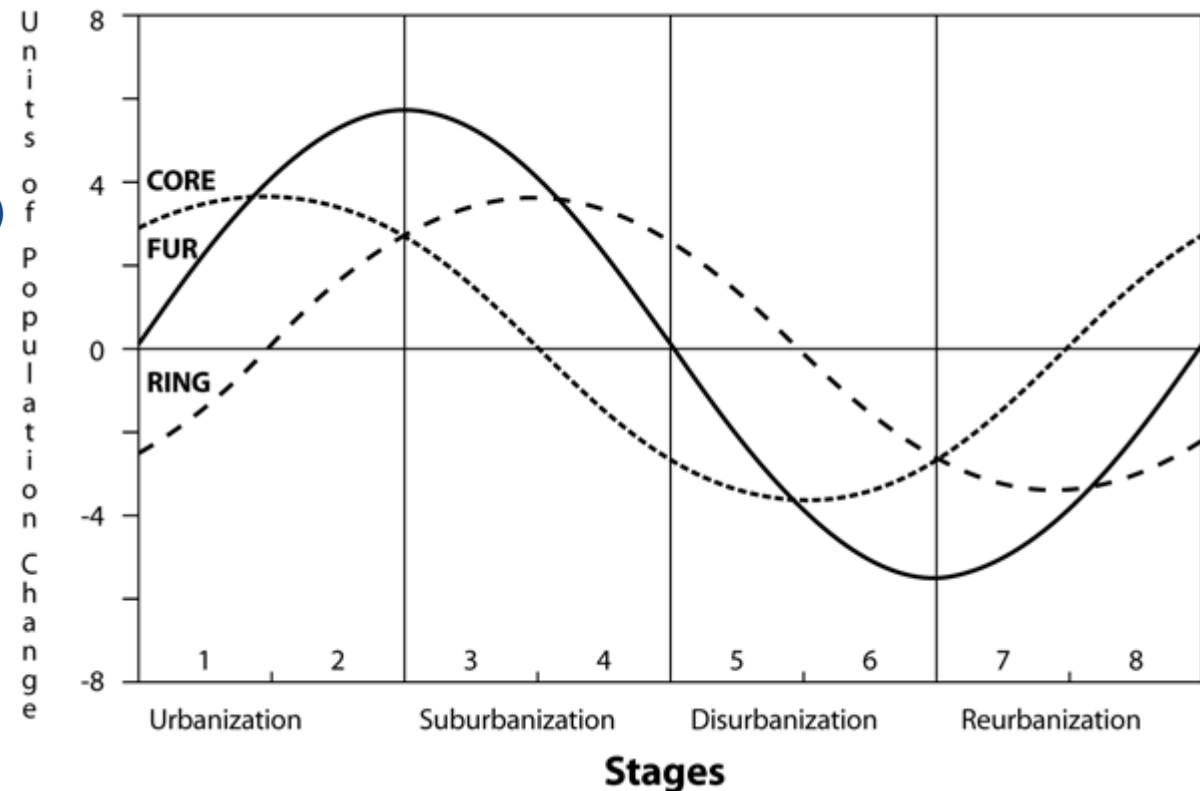
- To analyse reurbanisation on the intra-city-level a differentiation of urban districts is necessary
- MG consists of 44 urban quarters (for administrative purposes), but there is no established spatial subdivision of the city to be used in the context of our question
- For our analysis city centre, 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



Source: Own illustration based on data supplied by the city of Mönchengladbach

Defining “reurbanisation”

- Following the “stages of urban development” model (VAN DEN BERG et al. 1982) there are four phases of city development
 - Urbanisation
 - Suburbanisation
 - Deurbanisation (counter urbanisation)
 - Reurbanisation



Source: VAN DEN BERG et al. 1982

Defining “reurbanisation”

- **Quantitative reurbanisation means absolute and/or relative concentration of population and/or employment**
- **Aspects of qualitative reurbanisation (s. FRANZ 2015: 55, BLOTEVOGEL 2001: 5):**
 - **Increase of population by middle and upper class people**
 - **Changing employment structures in the inner city (more services, more women, higher share of better qualified people)**
 - **Upgrading process of inner city supported by modernisation and reconstruction of houses, change of ownership (Gentrification)**
 - **International immigration to the inner city centre**
 - **Increasing attractiveness for high-income households**
 - **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

- **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 a gentrification process 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 capital income**
 - **Change in housing prices**
 4. **Change of employment structures in the inner city – omitted because of lacking data**

Empirical Analysis

General development of population in Mönchengladbach:



Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

First characteristic of reurbanisation is fulfilled.

Development of population in the city districts of Mönchengladbach:

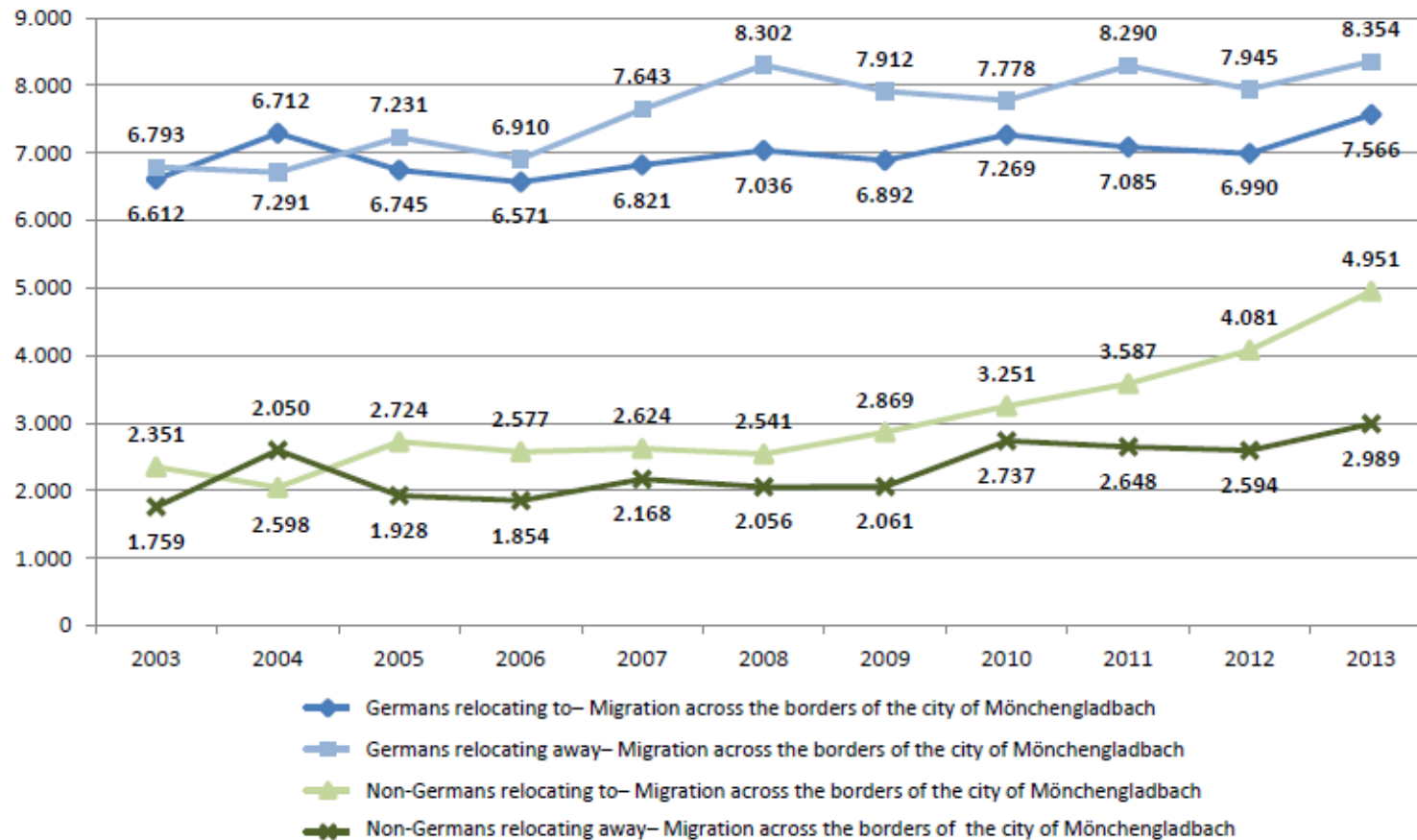
	2000	2004	2011	2013	Change 2000 - 2013 in %
City Centre	23.643	23.907	23.713	24.087	1,9
Inner City	31.879	31.908	31.405	31.670	-0,7
City Centre and Inner City	55.522	55.815	55.118	55.757	0,4
Periphery	211.461	210.790	205.909	205.854	-2,7

Source: Own illustration based on data supplied by the city of Mönchengladbach

- **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**
- **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 went to the city districts try to move to the outskirts in the long run**

Empirical Analysis

General development of population in Mönchengladbach:



Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

Second characteristic of reurbanisation is fulfilled.

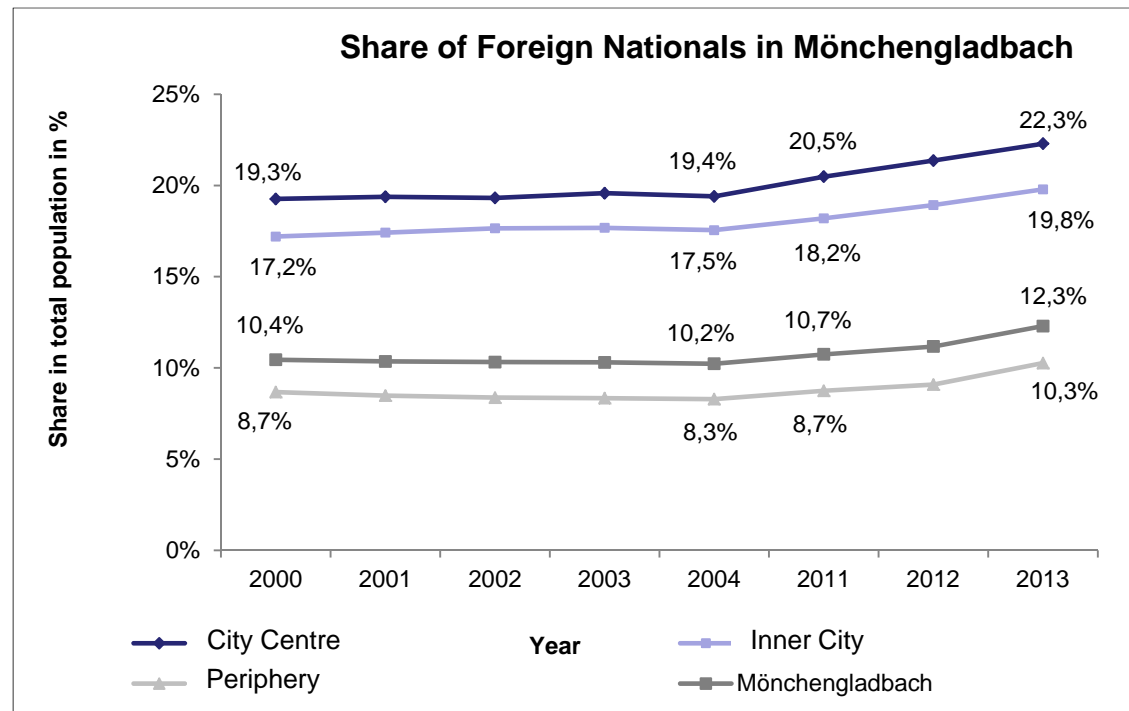
	Migration Balance 2012		Migration Balance 2013	
	Germans	Foreign Nationals	Germans	Foreign Nationals
City Centre	18	271	-156	241
Inner City (without City Centre)	-104	204	-121	286
Periphery	-738	691	-2.438	2.430

Source: Own illustration based on data supplied by the city of Mönchengladbach

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)**

Empirical Analysis



Source: Own illustration based on data supplied by the city of Mönchengladbach

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 as high than in the periphery.

Empirical Analysis

Other characteristics of a change of social structures:

- **Average age,**
- **structure of households,**
- **share of social transfer recipients,**
- **average income and**
- **housing prices**

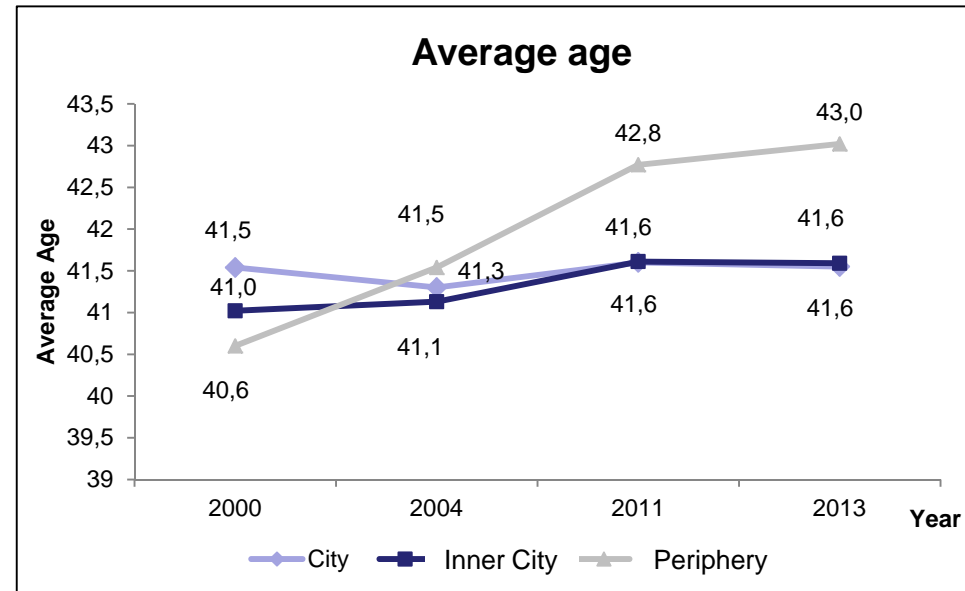
... are considered to understand social structures and to find signs of a possible gentrification process.

Empirical Analysis

Characteristics of a change of social structures:

1. Average Age

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



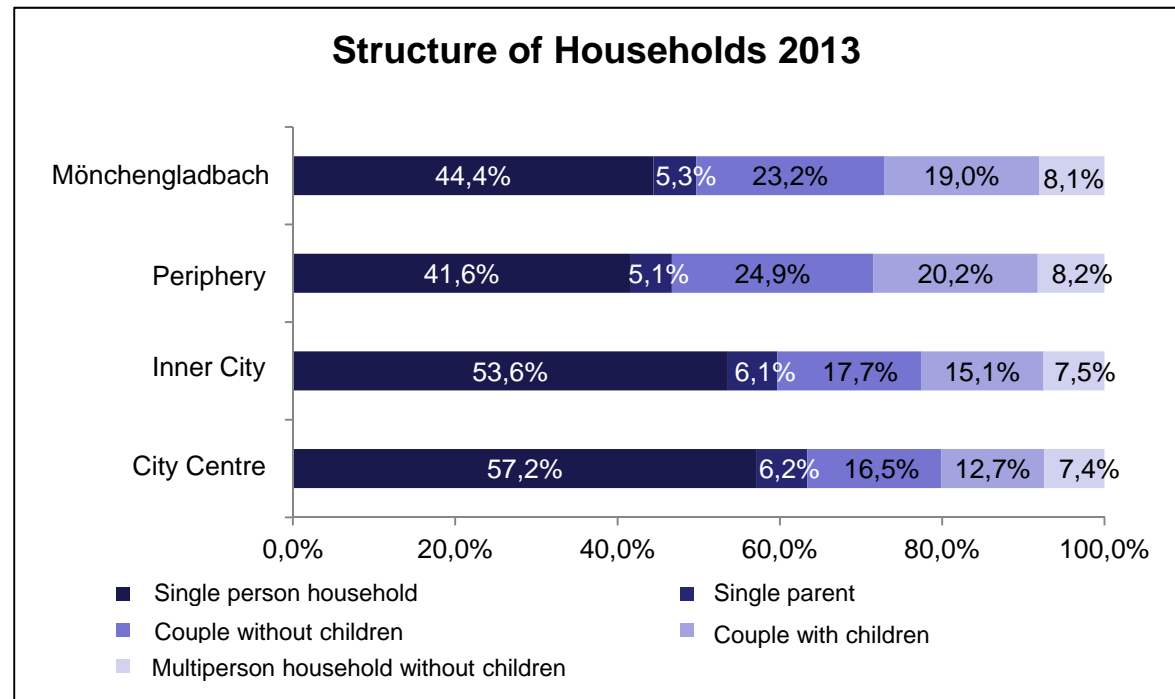
Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

Other 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 in the periphery**



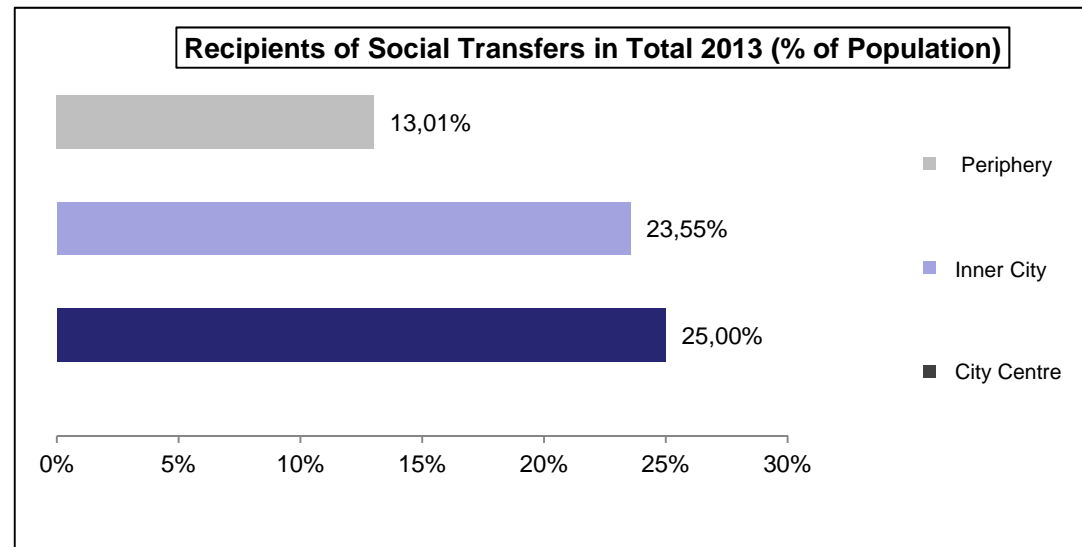
Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

Other characteristics of a change of social structures:

3. Recipients of social transfers

- **Social transfer 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**



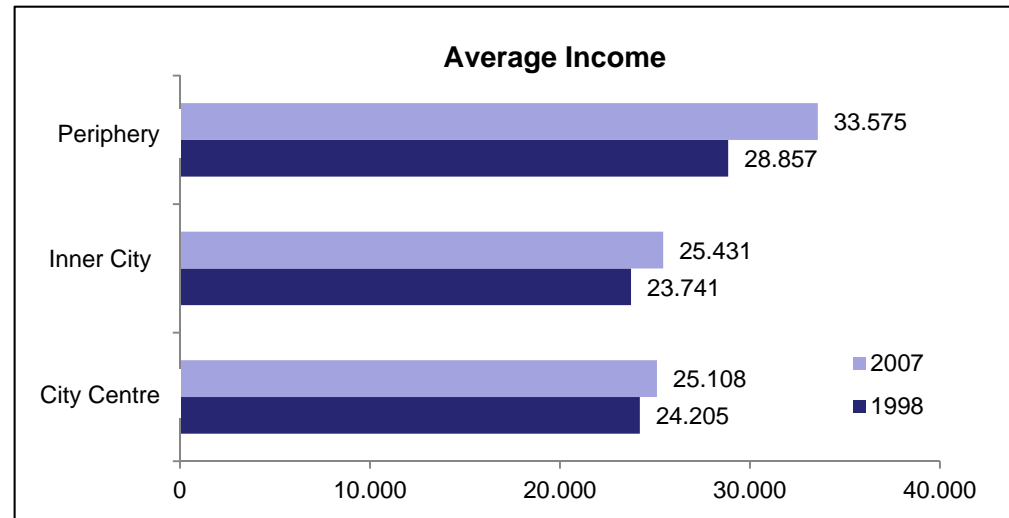
Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

Other characteristics of a change of social structures:

4. Average income

- Unfortunately we only had old 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 people“ is three quarters of average income of the rest (2007)



Source: Own illustration based on data supplied by the city of Mönchengladbach

Empirical Analysis

Other characteristics of a change of social structures:

5. Prices of houses and owned flats

- **Price per m² in 2015 in the city centre: 1.150€, in the periphery 1.441€**
- **Similar differences for the price for houses**

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 of integration problems?**

Summary

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

- ... population is relatively 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 transfers is noticeably higher.
- ... average incomes are significantly lower and increase slower.
- ... housing 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, foreigners)
- MG: low income, social transfers (therefore supposed to be unemployed) with non-German passports – that means three “A’s” are fulfilled (exception: young population)
- Migration to periphery, too, is 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.

Only if the city of MG succeeds in rising the attractiveness of the city centre for staying, shopping and living and to integrate residents with migration background there will be a chance for quantitative **and** qualitative reurbanisation.

Thank you for your attention!

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Further Information:

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