

CENTRE OF EXCELLENCE IN
ENERGY EFFICIENCY



How Widespread is Counter-urbanization Amidst Digital Transition and Challenges in Urban Housing Affordability?

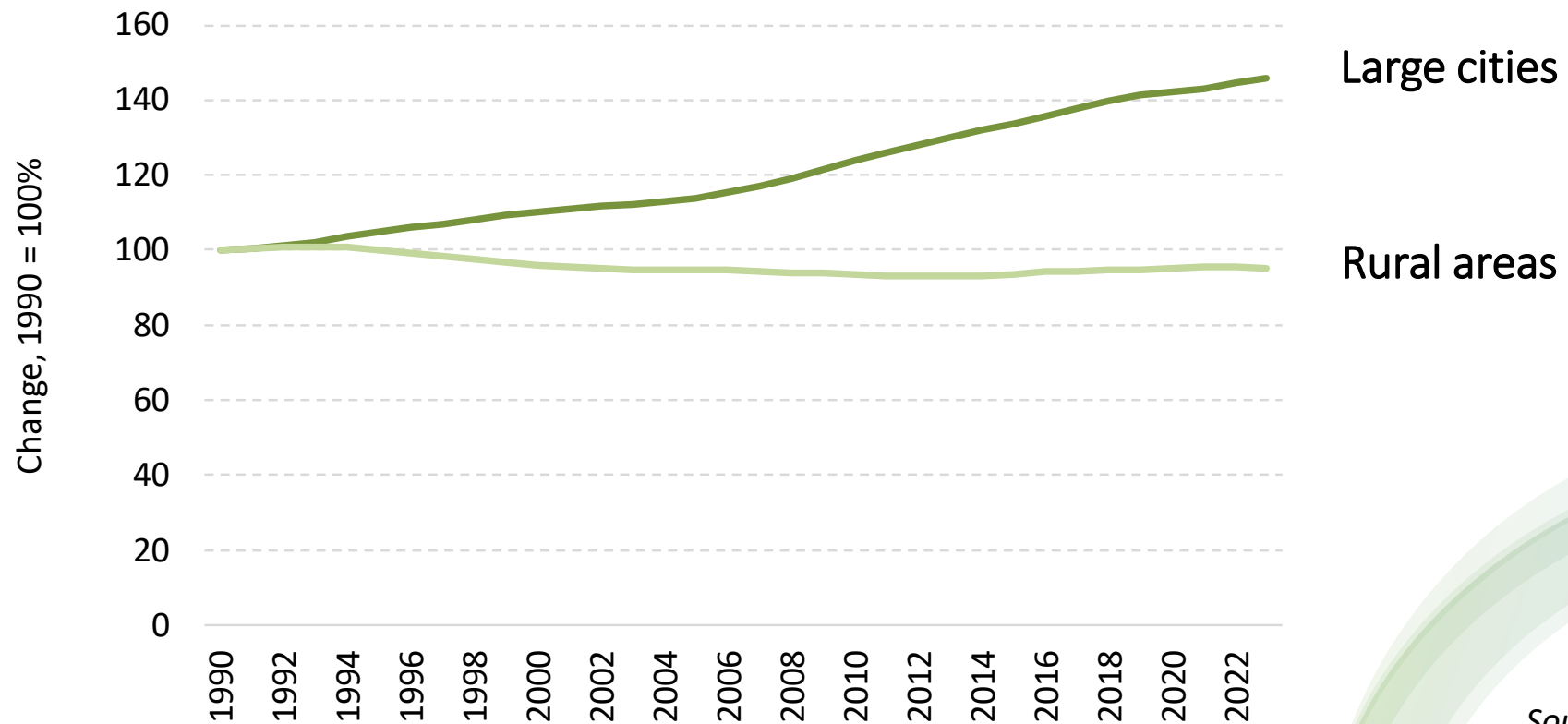
Tiit Tammaru
University of Tartu

9th NoRSA conference
2–3 May 2024, Vilnius, Lithuania

Two stories of regional population change

1. Urbanization and rural depopulation

Population change in Sweden

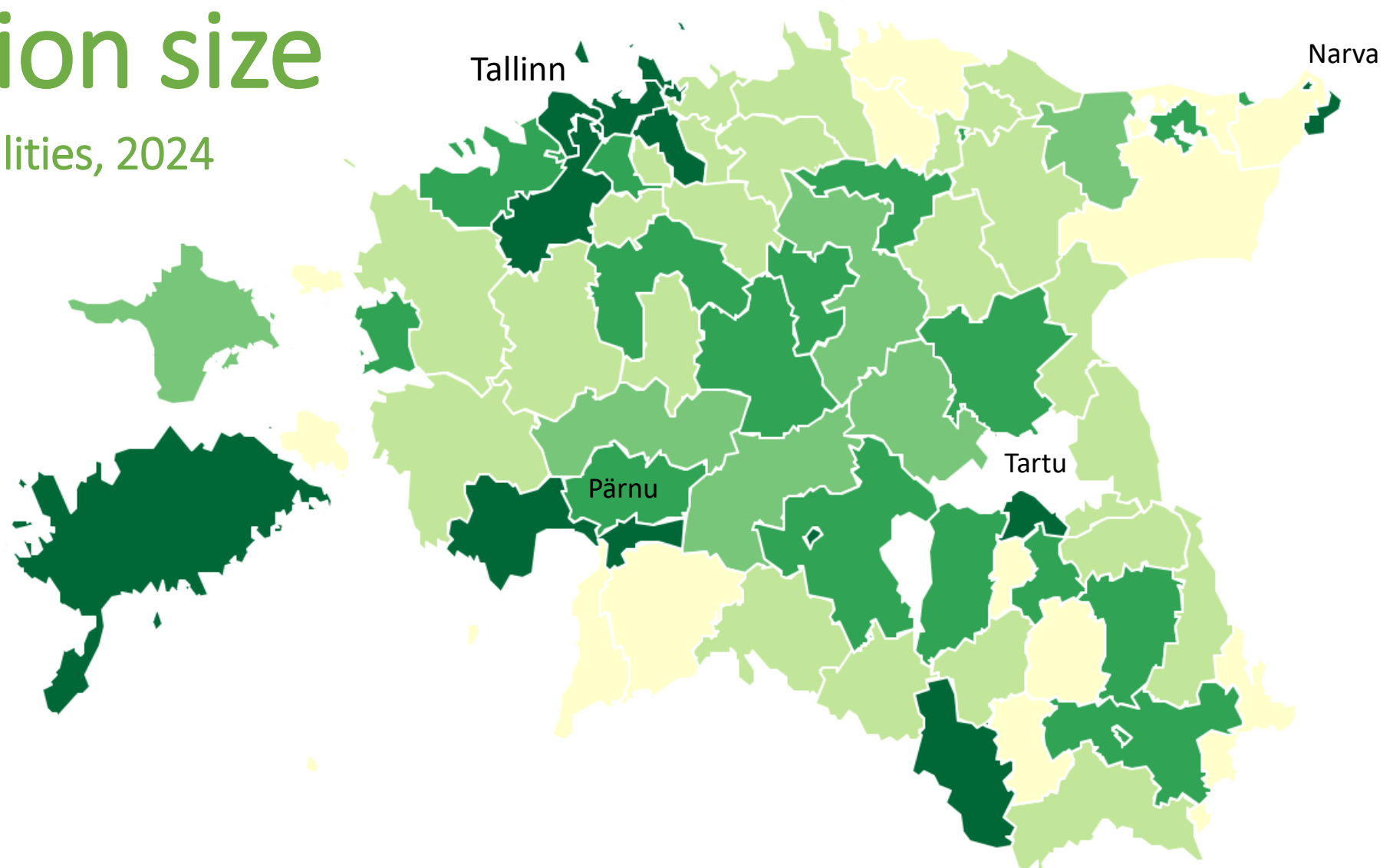
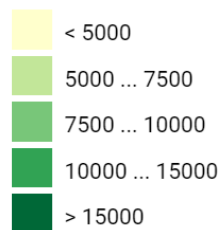


Source:
Statistics Sweden 2024

Population size

Estonian municipalities, 2024

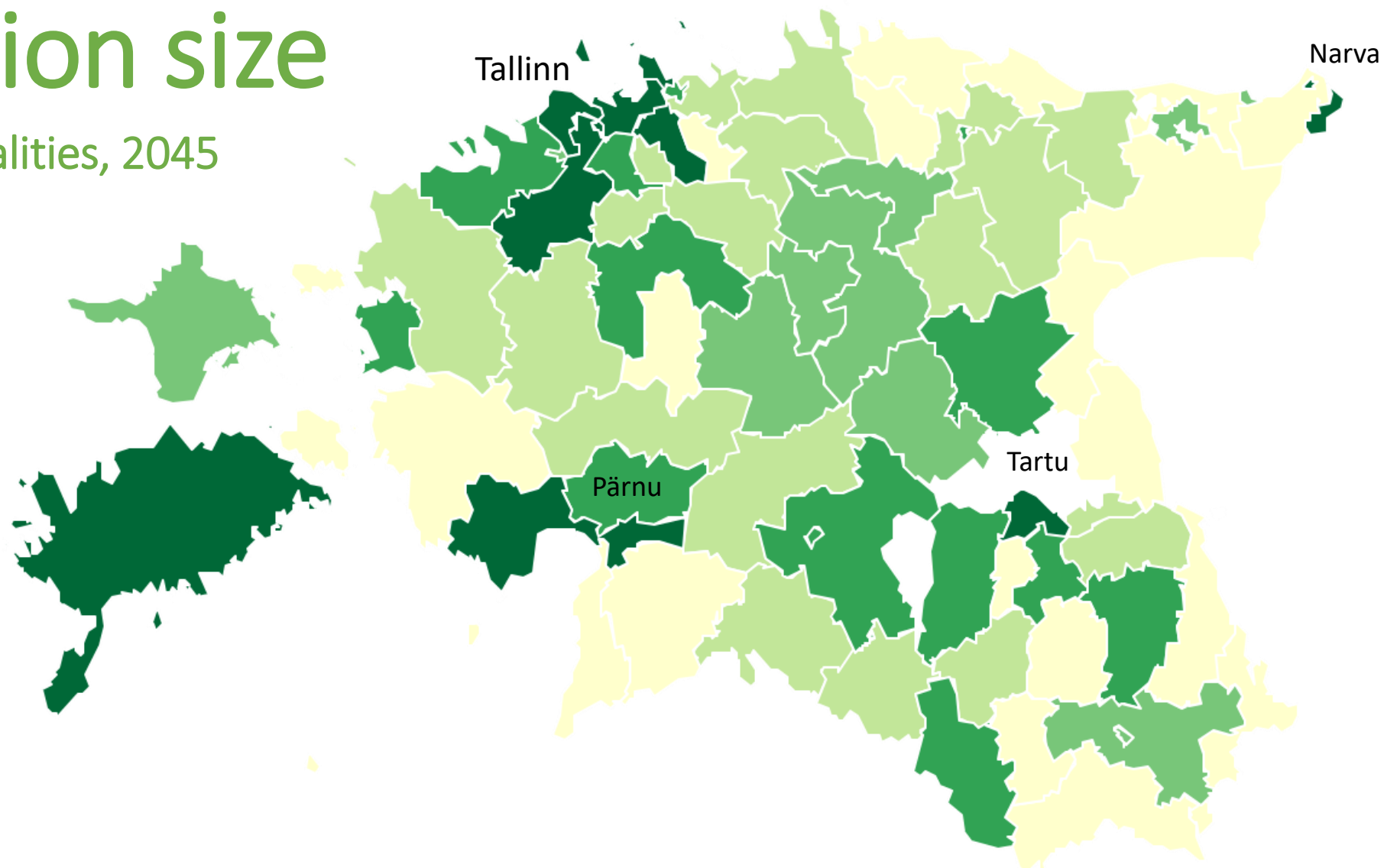
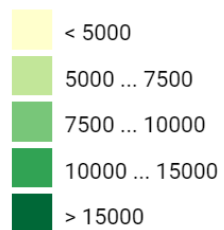
Population size



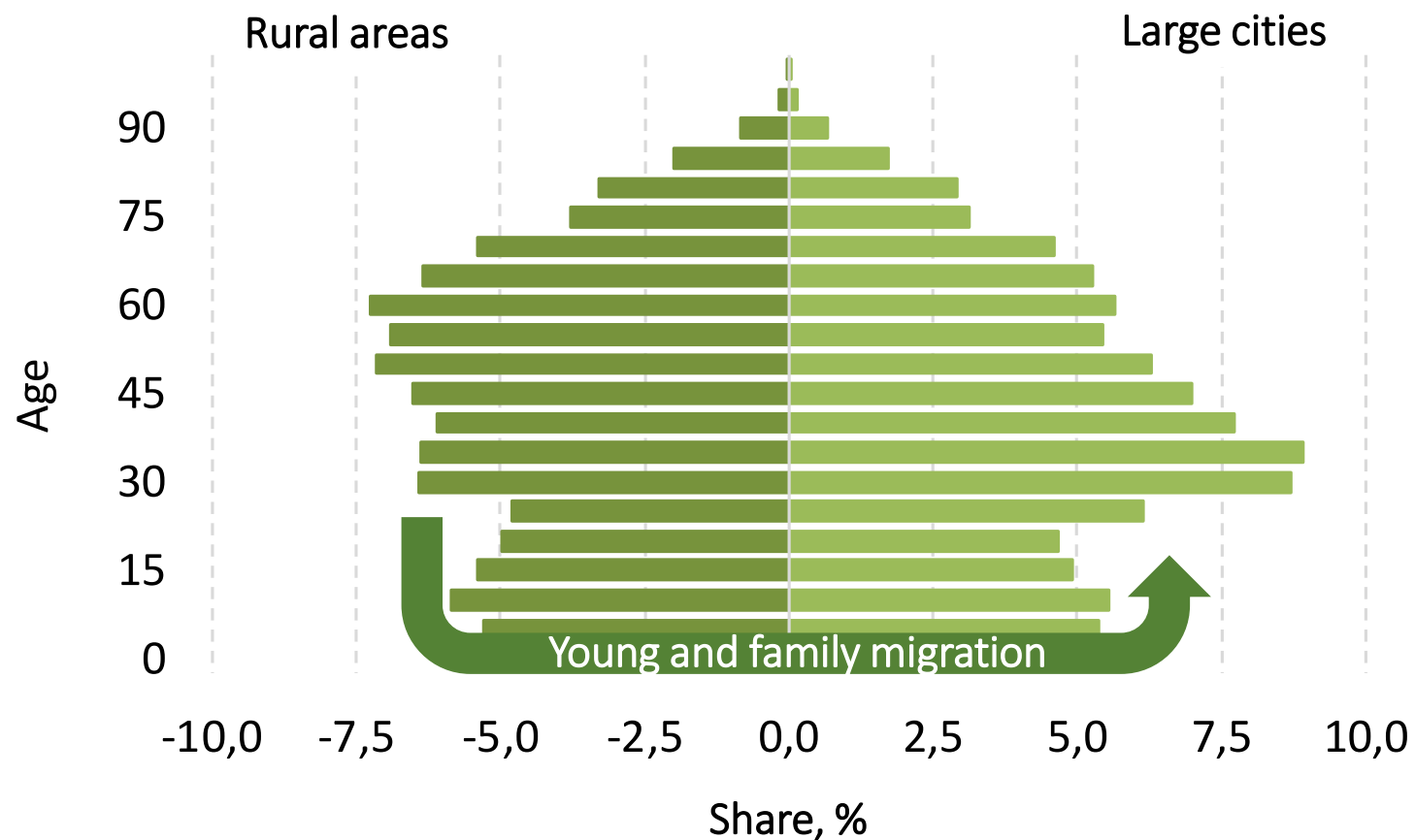
Population size

Estonian municipalities, 2045

Population size

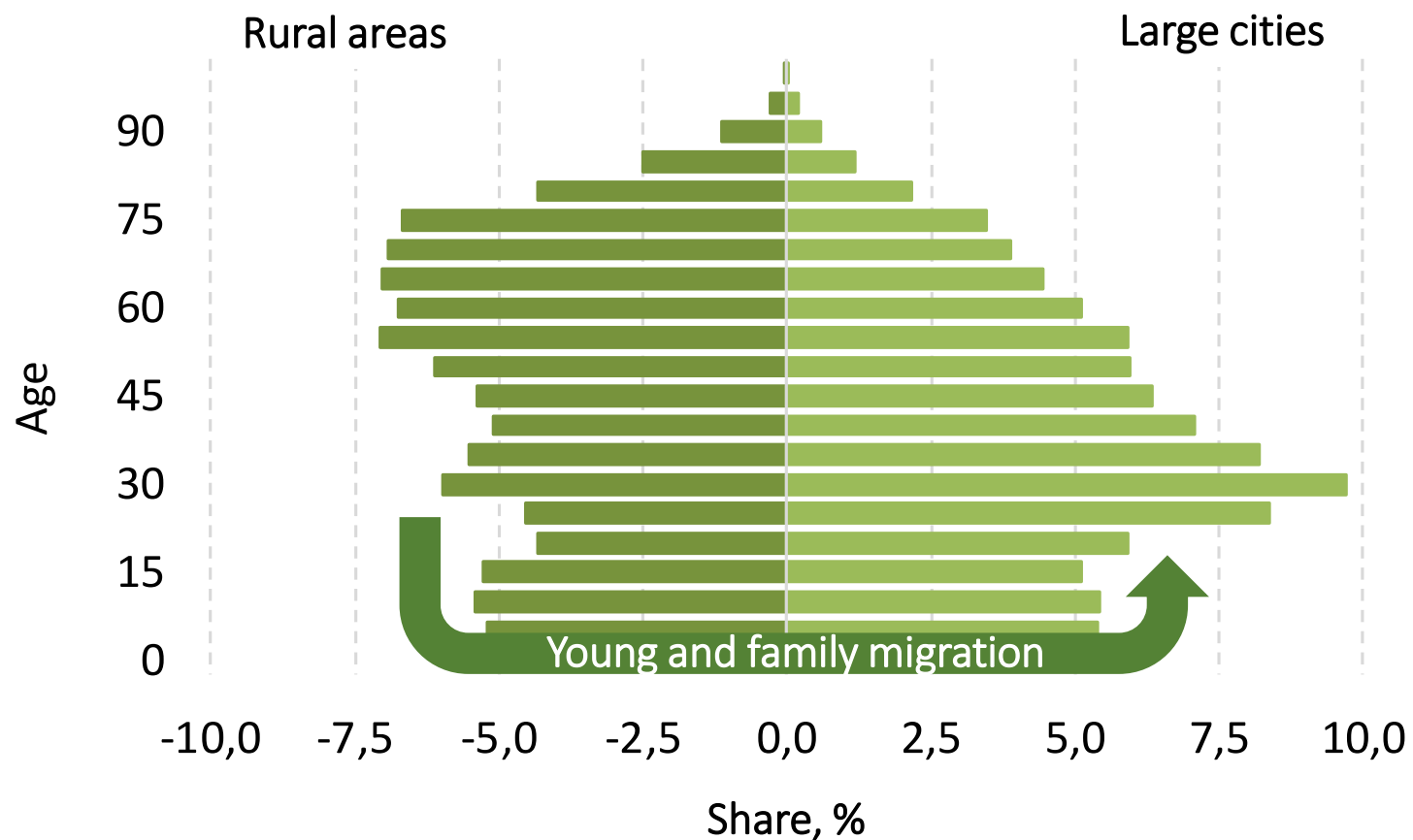


Age composition in large cities and rural Estonia, 2023



Source:
Statistics Estonia 2024

Age composition in large cities and rural Sweden, 2023



Source:
Statistics Sweden 2024

Large cities act as Escalator regions

- ✓ Every new generation is better educated



- ✓ Selection effect: Large cities offer opportunities and attract ambition



- ✓ Elevator effect: Large cities facilitate productivity, interactions and income gains



Regional policy response

People → Jobs



The story through migration lens

Jobs



People



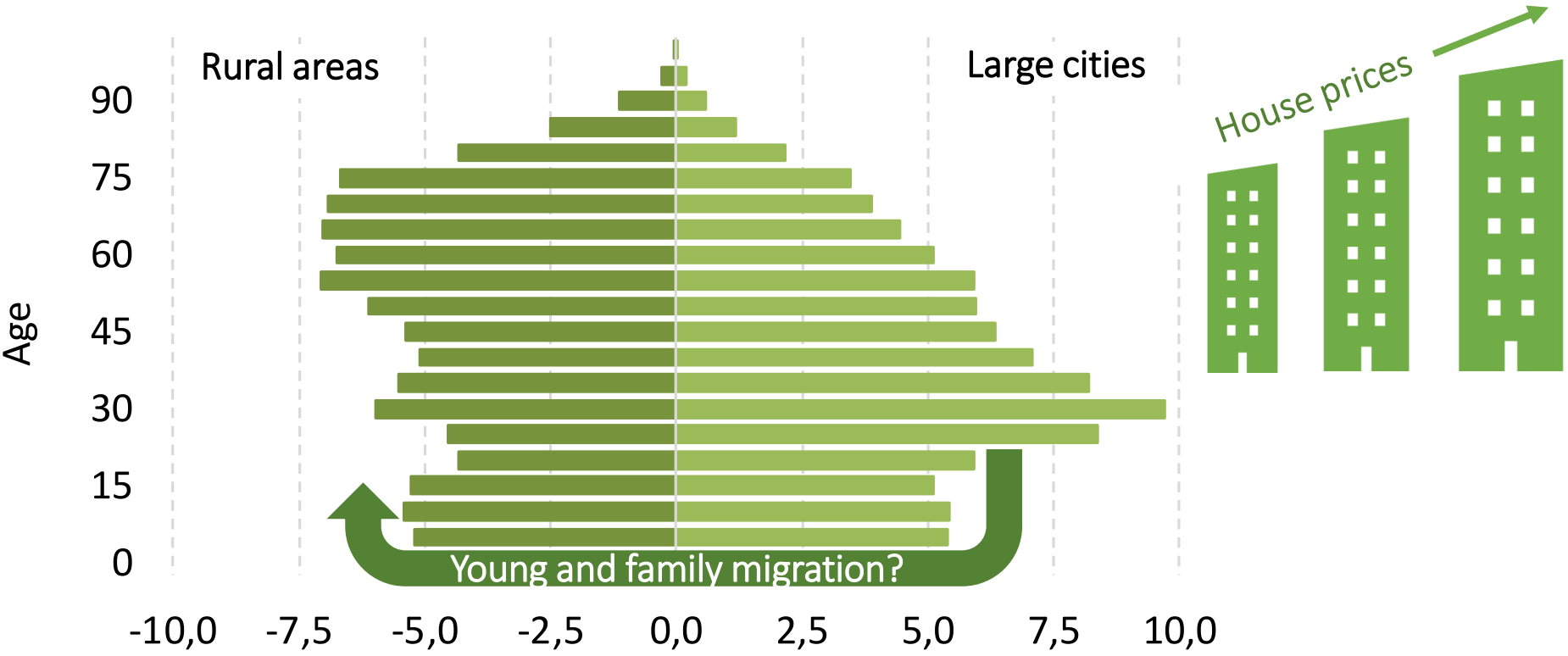
Two stories of regional population change

2. Large city exodus

Population push from large cities

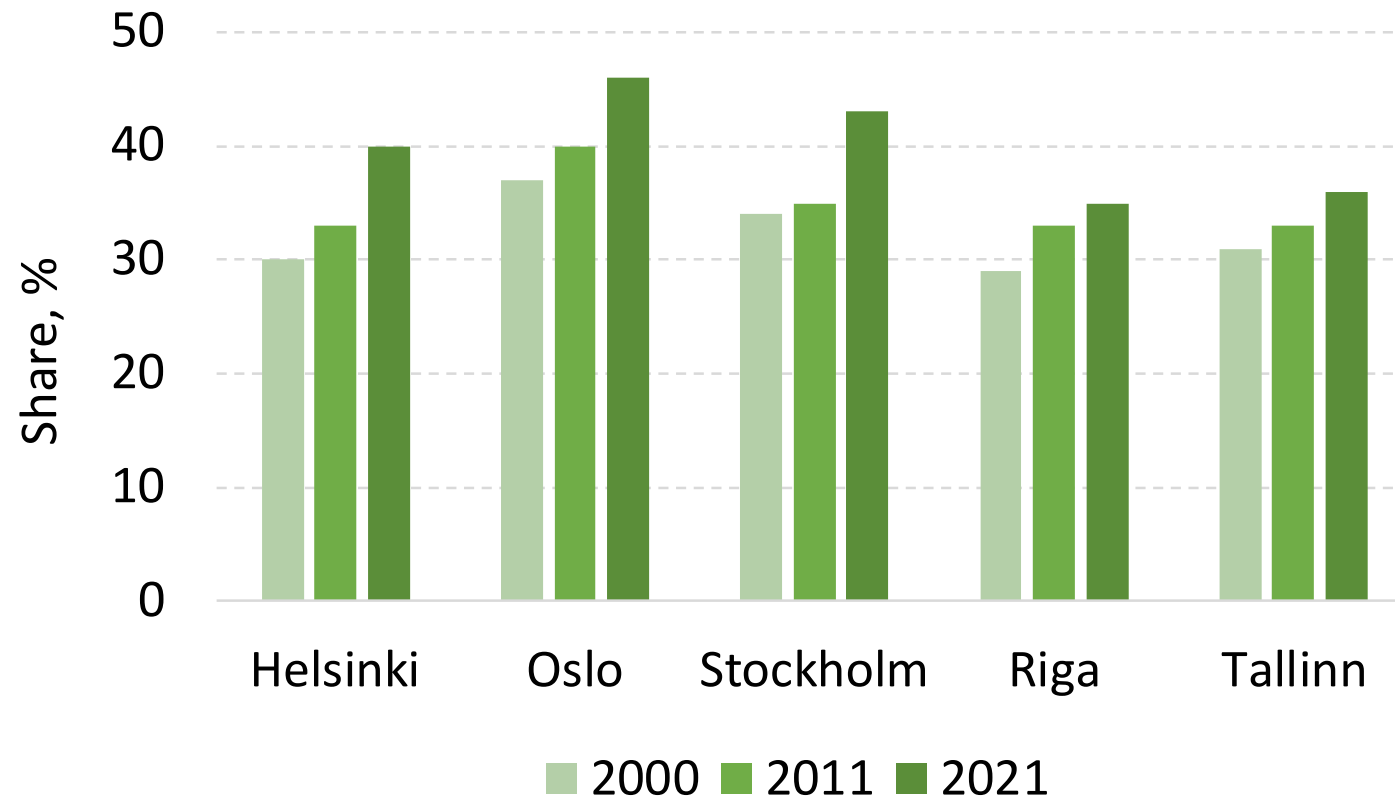
- ✓ Environmental concerns
- ✓ Demographic shifts and life course migration
- ✓ Urban gentrification and the exodus of the poor
- ✓ Crises related residential relocations

Urban housing affordability as a trigger of population dispersal



Source: Statistics Sweden 2024

Share of professionals in the workforce



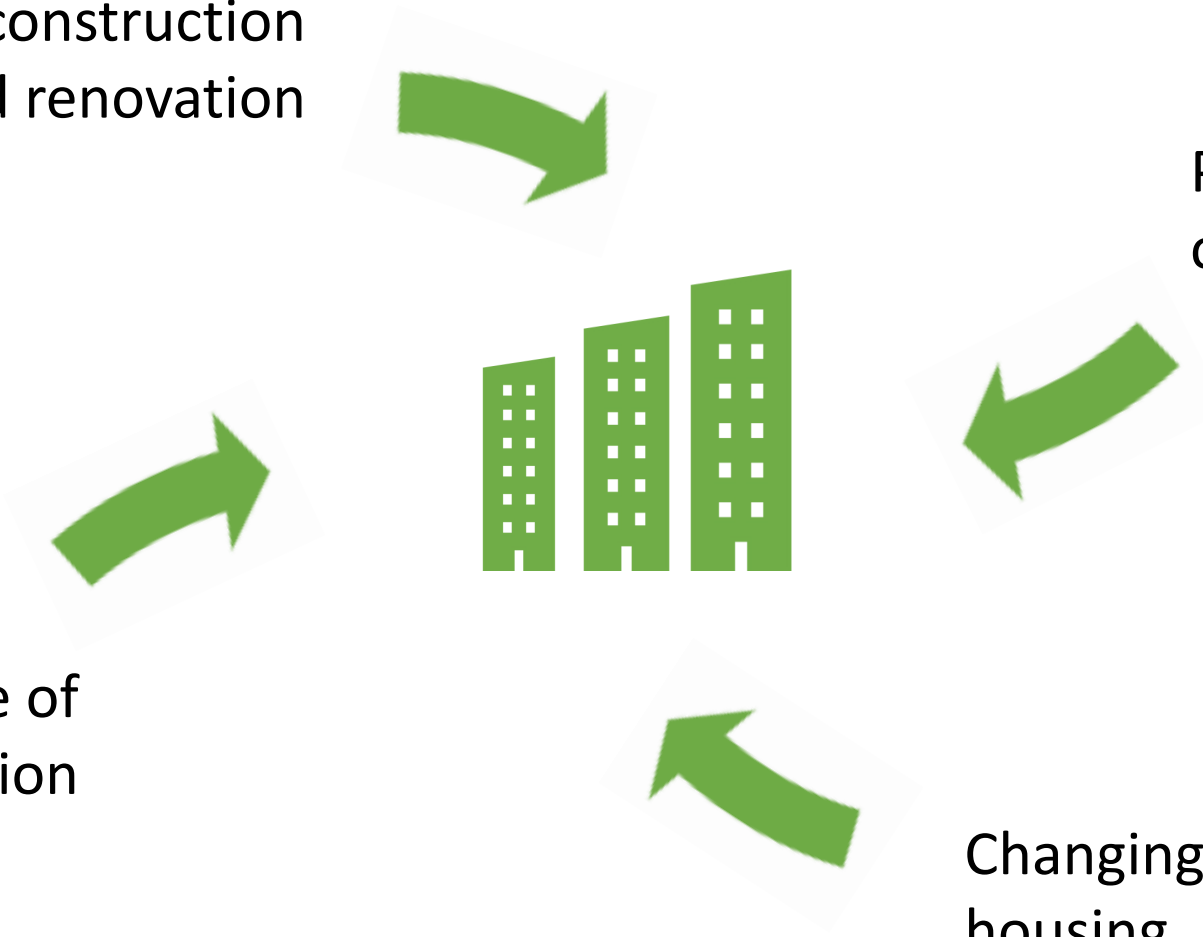
Rising urban houses prices and rents

Costs of housing construction
and renovation

Professionalization
of workforce

Immigration and rise of
temporary population

Changing role of urban
housing

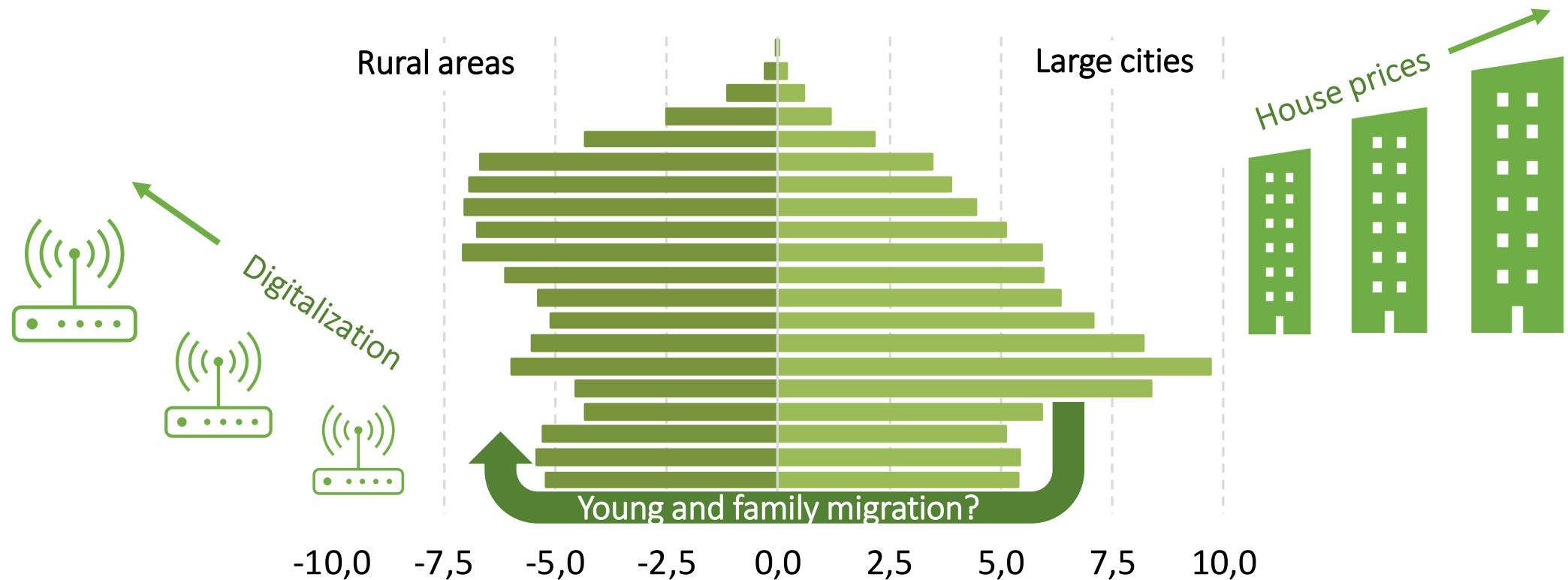


Changes of regional attraction

- ✓ Multilocality and changing lifestyles
- ✓ Increased diversification and differentiation
- ✓ Rural transition from places of production to places of consumption and residence
- ✓ Spread of remote working



Digital transition as a trigger of population dispersal



Source: Statistics Sweden 2024



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Did the pandemic bring new features to counter-urbanisation? Evidence from Estonia

Tiit Tammaru^{a c}  , Jaak Kliimask^b, Kadi Kalm^a, Jānis Zālīte^a

Highlights

- Analysis of counter-urbanization over the past three decades
- Pandemic has reinforced many long-term trends in counter-urban moves
- Counter-urban moves improve the demographic profile of rural areas

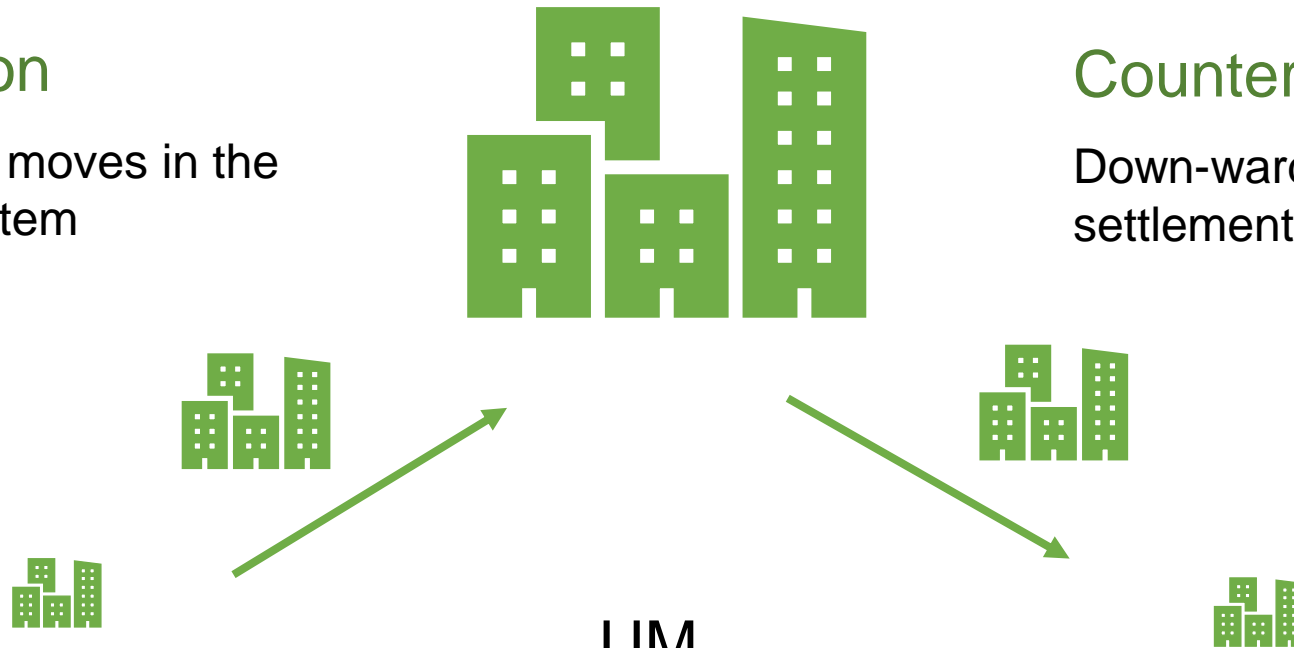
Migration Concentration Index MCI

Urbanization

Up-ward (UM) moves in the settlement system

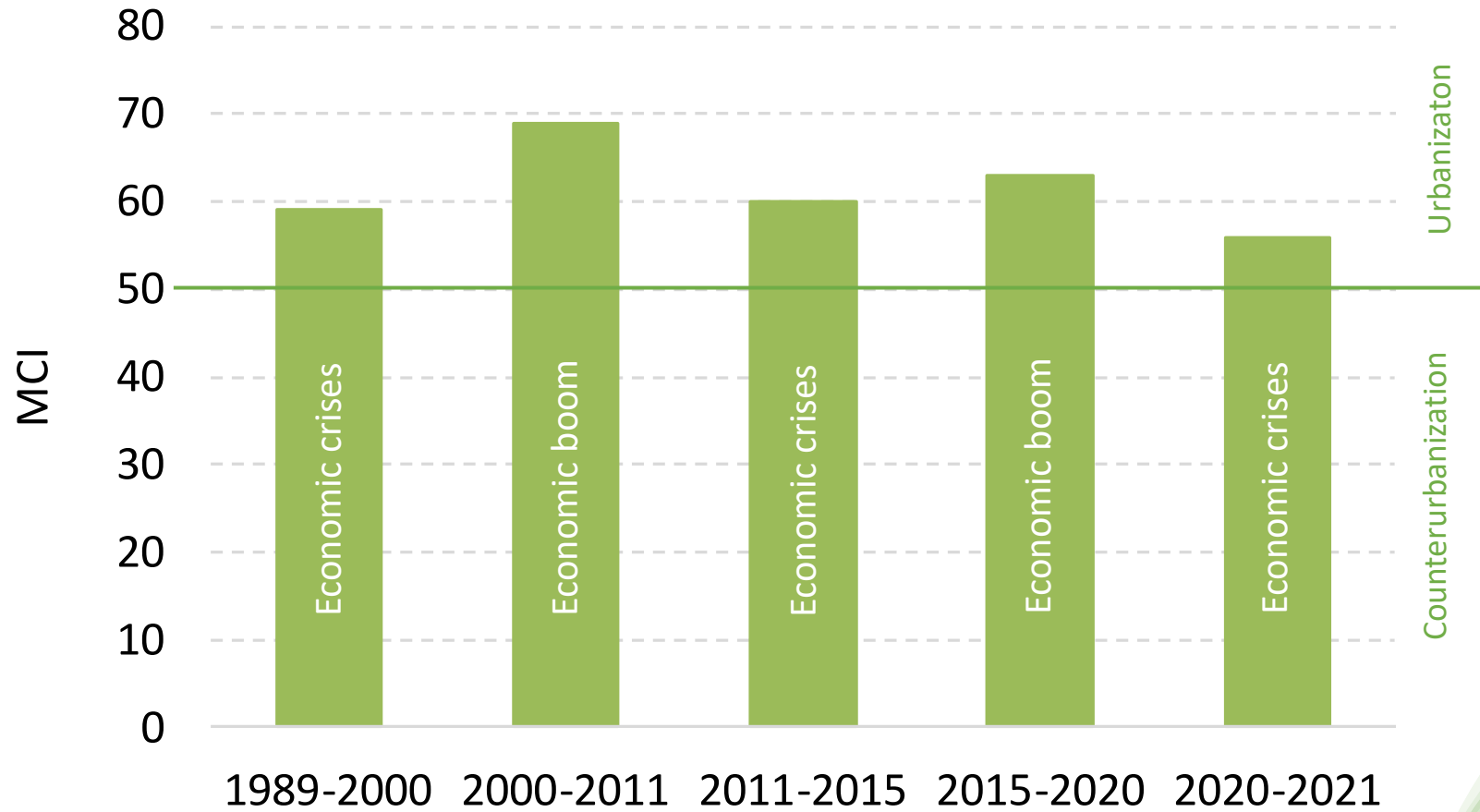
Counter-urbanization

Down-ward (DM) moves in the settlement system



$$\text{MCI} = \frac{\text{UM}}{\text{UM} + \text{DM}} \times 100$$

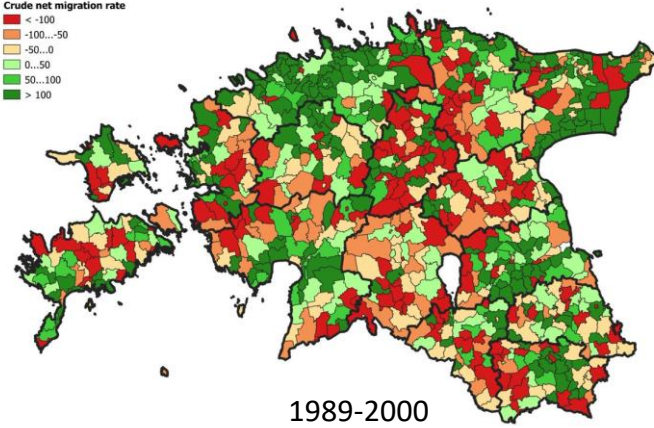
Migration Concentration Index in Estonia



Net migration rate in Estonian localities

Crude net migration rate

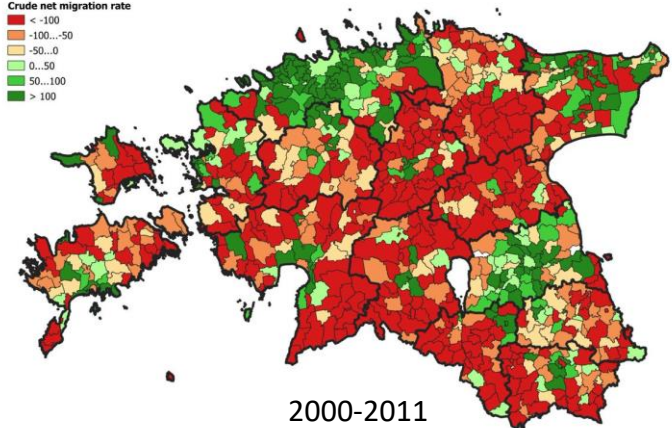
- < -100
- 100...-50
- 50...0
- 0...50
- 50...100
- > 100



Societal transformation

Crude net migration rate

- < -100
- 100...-50
- 50...0
- 0...50
- 50...100
- > 100



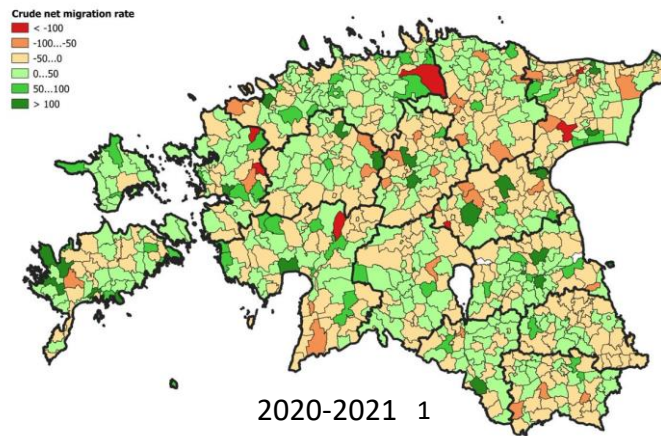
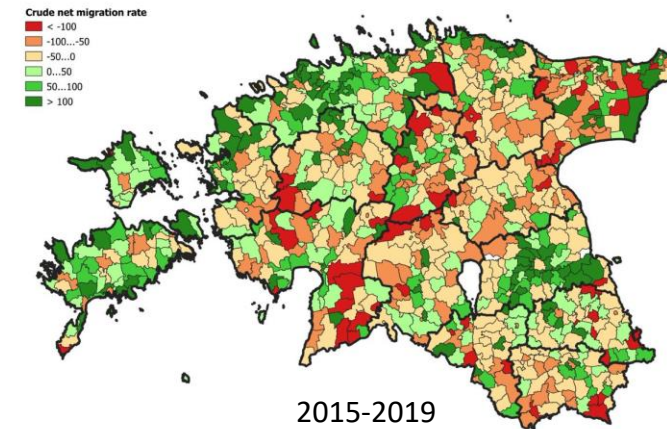
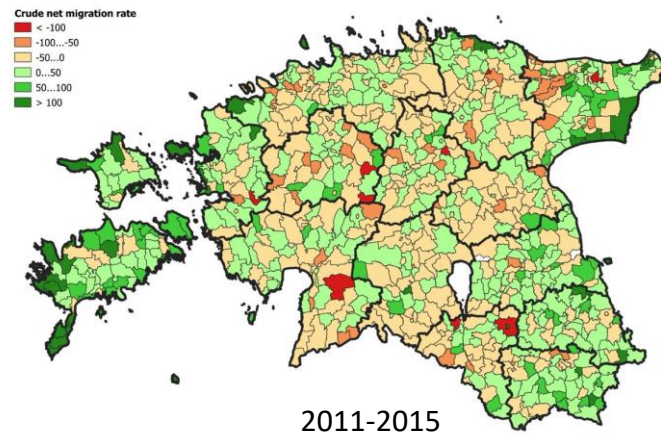
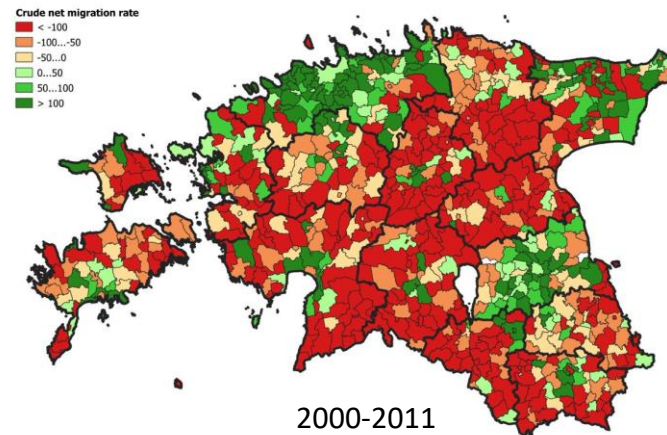
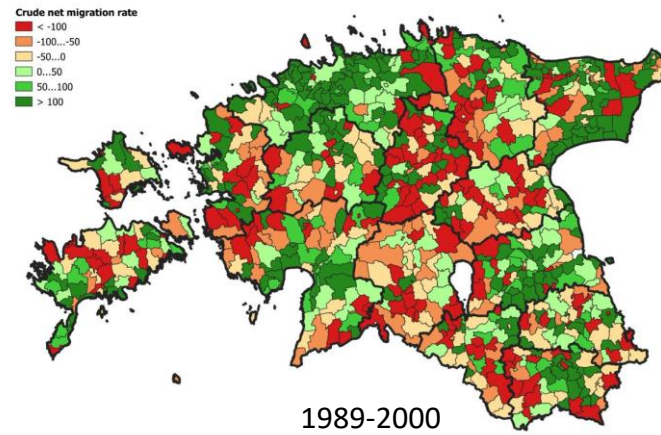
Regional transformation



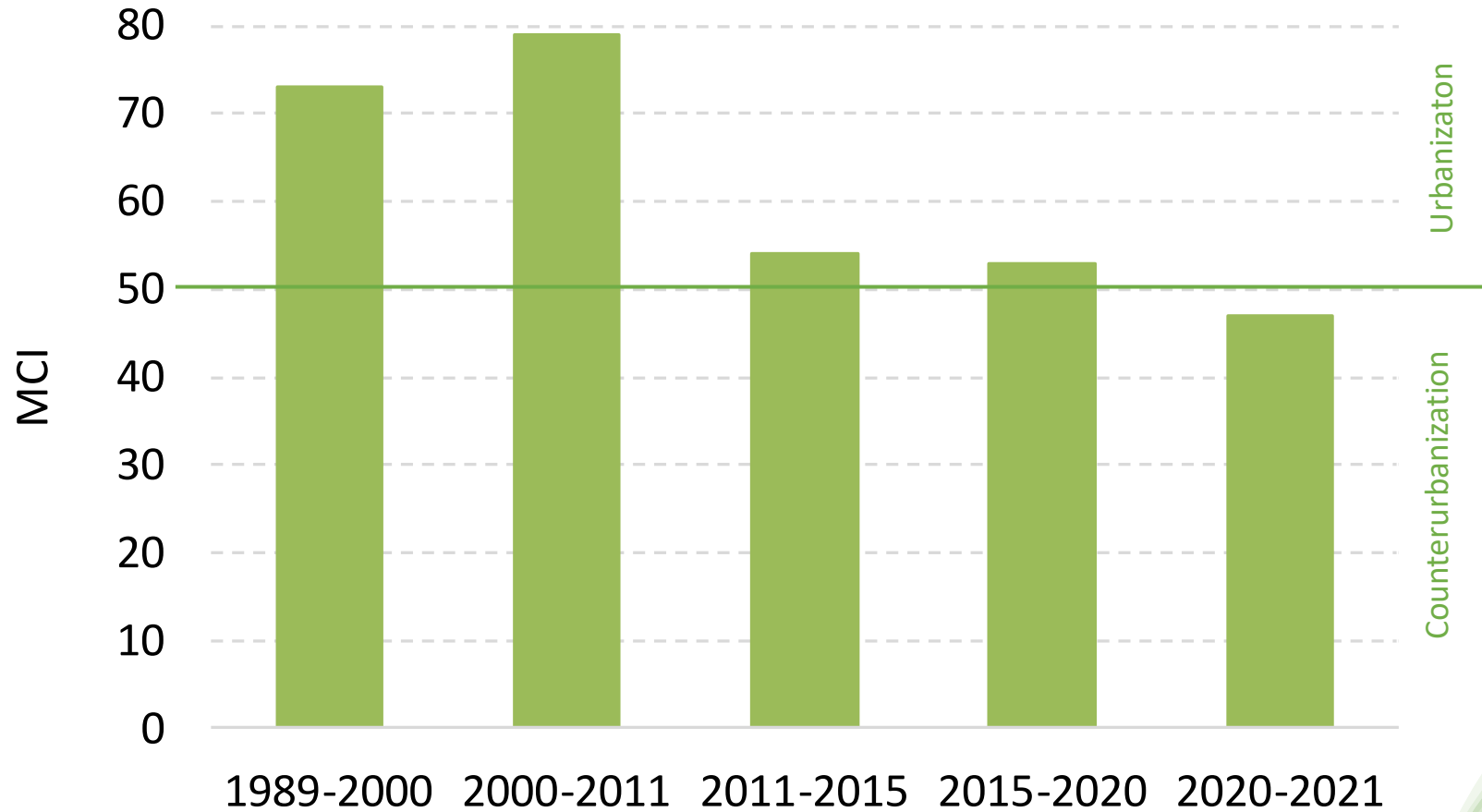
Time-lag



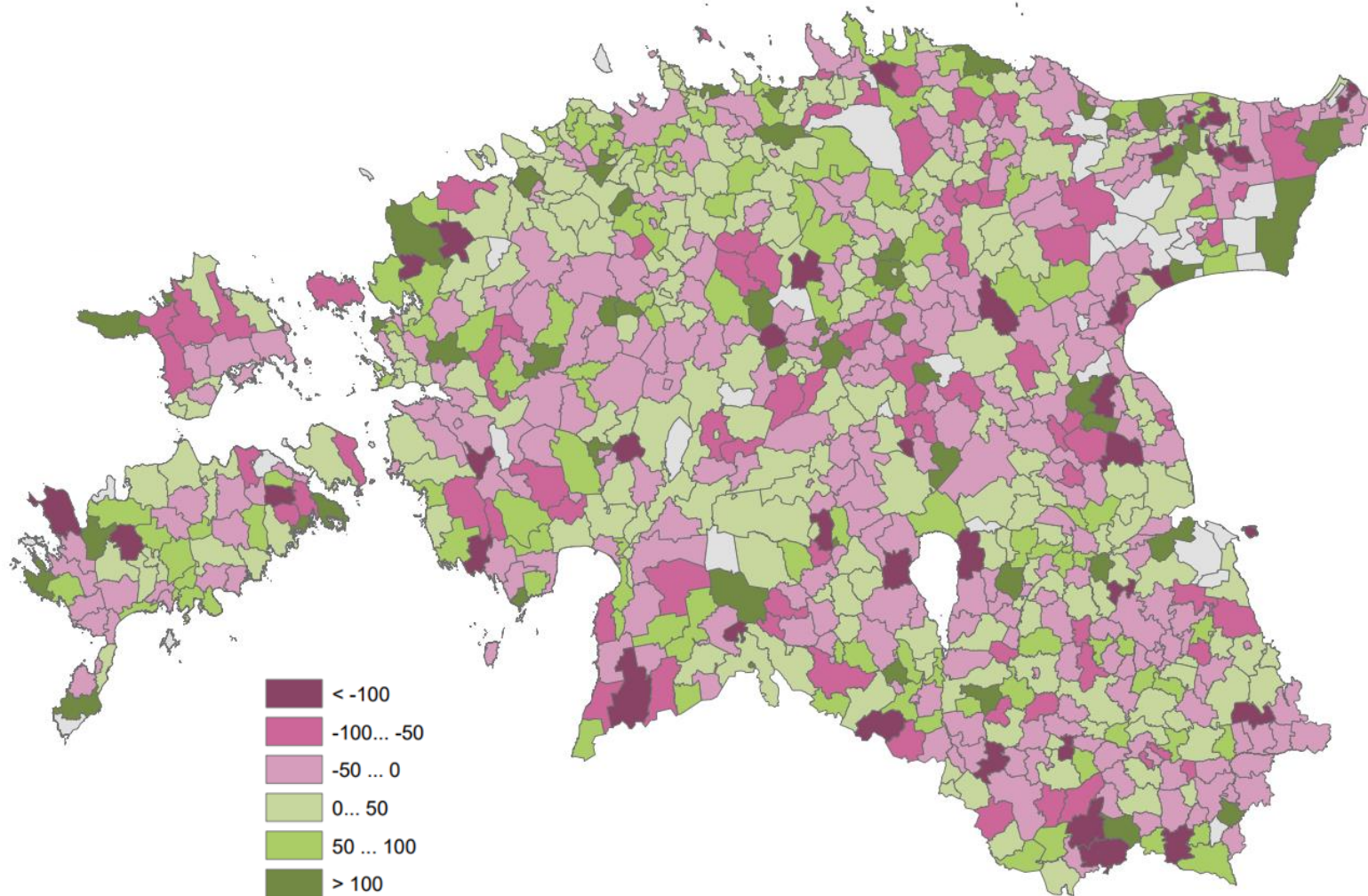
Net migration rate in Estonian localities



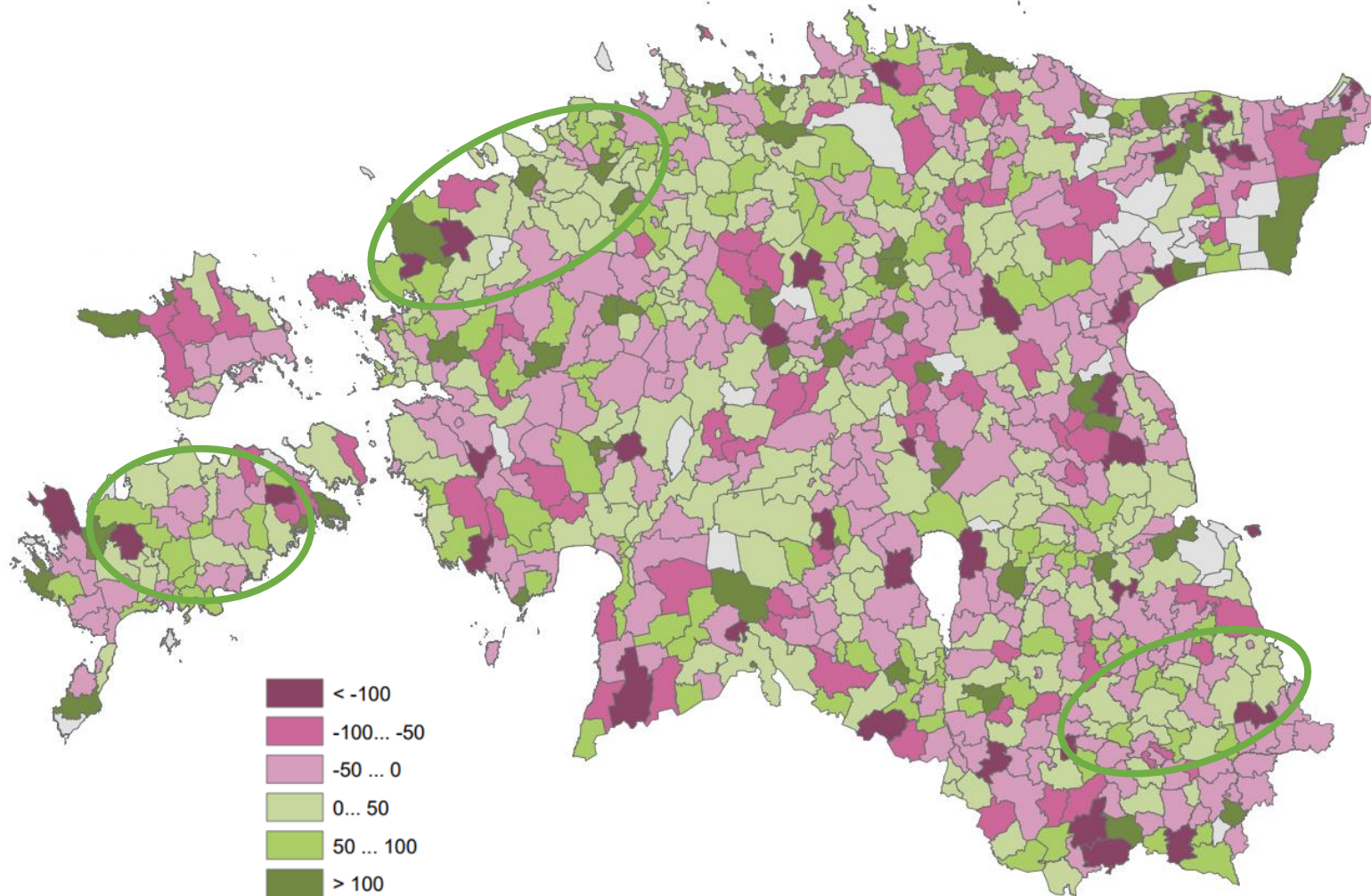
Migration Concentration Index of families



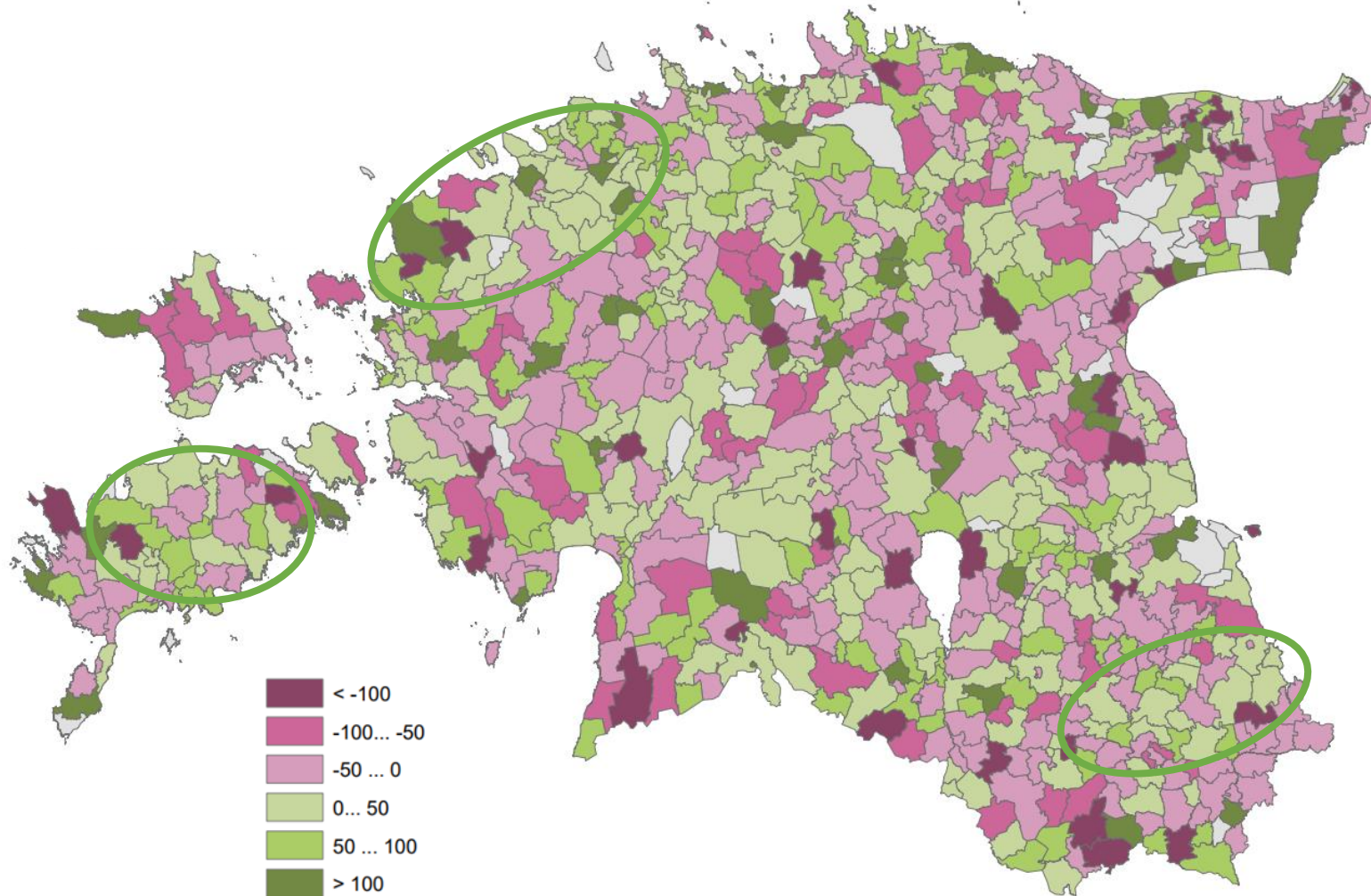
Net migration rate of families



Rural gentrification?



Rural gentrification?



Concluding remarks

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