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#### **COVID-19 PANDEMIC:**

# A LEVER FOR A MORE BALANCED AND RESILIENT EU TERRITORY?

NEW INNOVATIVE TERRITORIAL MINDSET FOR POLICY MAKERS

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Territorial Thinkers is an independent platform of experts, highly experienced in European, national, regional and local policy development with a territorial dimension.

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#### A LEVER FOR A MORE BALANCED AND RESILIENT EU TERRITORY?

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- Irrespective of medical and pharmaceutical successes the SARS-CoV 2 virus will be with us for quite a while, and it needs ongoing political and societal answers to cope with it.
- The COVID-19 pandemic has differentiated territorial impacts and affects cities, towns and countryside and their inhabitants in different ways; the political answers to shape post-COVID Europe have to take this territorial differentiation into account.
- The first six months of living with the SARS-CoV-2 virus spawned a large number of real experiments in society, economy, and politics, some of which will remain and bring forward further societal innovation.
- The key overall priority for forward-looking policies should be a more balanced, resilient and polycentric EU territory.

# <u>Social and territorial impacts of the pandemics and counter-</u> <u>measures</u>

No systematic research on the territorial impact of the COVID-19 pandemic exists yet, neither on the risk to get infected and eventually die from the virus nor on the differentiated social and structural implications. We currently do not even know if and when the pandemic will be over. However, based on public data and media information some territorial and urban patterns and aspects seem to emerge:

- No country has avoided the spread of the disease. The quality of government, the rapidity of strategic lockdown responses from authorities, the willingness of people to cooperate and the preparedness of regional and local healthcare facilities seem to be crucial to limit the spread and number of fatalities.
- 2. Local crowding and ,super spreading events' (big parties, religious gatherings, sports events, work in meat processing plants, etc.) and the following distribution along personal social networks seem to be the main source for infection dynamics. The virus can develop anywhere and

will be a continuous substantial threat as long as no effective vaccine or medical treatment is available.

- 3. There are substantial differences in the gravity of the outbreak in different countries, their regions and inside cities. The spread of COVID-19 has created and still creates territorial hotspots. The spread of the disease follows largely a random and unpredictable territorial pattern.
- 4. Even if there would be a vaccine available in 2021 which is anything but certain it will technically not be available at once for the whole European (or even world) population, not to mention the large and growing numbers of anti-vaccinationists. So, the virus will be with us for quite a while, and it needs political and societal answers to cope with it.
- 5. The COVID-19 pandemic will contribute to a further differentiation of societies and conditions of life for: young and old, healthy and pre-diseased, vaccinated and unvaccinated, immune or not immune, careless and cautious; and part of this differentiation will add cumulatively to existing inequalities: affluent and precarious, home and garden owners and tenants of overcrowded flats, urban and rural. Different social groups are affected by the (consequences of) the virus in divergent ways.
- 6. As we know from sociology, people act according to their subjective perceptions rather than some ,objective facts'. So whatever the scientific evidence might be the sheer perception that living in urban agglomerations and cities with relative higher population density and unintentionally encountering many people might be health- and lifethreatening, could lead to avoidance strategies and change the attitude against cities, especially if the pandemic should go on for a longer time.
- 7. But also beyond this fear factor, it is evident that people with generous living and housing conditions are less affected by the consequences of a lockdown or quarantine than people living in small flats, people with a rural life style less than those with an urban life style etc. Urban areas obviously lose attractivity when an urban life-style is prohibited. Different people and places are affected in different ways and need different and place-sensitive counter-measures.

It goes without saying that proper research and studies are needed to fully understand the subtleness and diversity of territorial and urban impacts of the COVID-19 pandemic in Europe. But even the hypothetical approach above highlights important challenges and changes ahead for policy making at different administrative levels, which policy makers should take into consideration already now.

#### Societal changes, challenges and innovation

The first six months of living with COVID-19 spawned a number of real experiments in society, economy, and politics that would not have been performed without the crisis. Nothing of this was new, neither tele-working or e-learning, nor the use of bicycles or ,holidays at home', not even the technics for the ,corona app'. But the coincidence of such an amount of innovative experiments in such short time span was never seen before. Some of these experiments fit into existing trends (of change) and will remain and bring forward further societal innovation. Others will disappear as soon as the crisis is over. Here are some that have a good chance to stay:

# Digitalisation and smart cities

Lockdown of businesses, education facilities and families have accelerated teleworking and the use of digital options from home. Meetings with colleagues and family via the internet as well as tele-working, distant learning in schools, tele-shopping, tele-medicine, internet streaming of film and music for entertainment have increased and changed daily life. Moreover, the increased shopping via the internet has given delivery services and distribution systems a substantive boost.

The accelerated use of digitalisation is a crucial innovation. People's new personal habits and preferences point towards a new private/work balance, new learning arrangements, new shopping habits, etc. Also, for the enterprises the changes imposed by COVID-19 will provide new business opportunities in terms of sales, distribution and services. The public sector should as well be better placed to enhance digital communication with citizens.

All this will bring a boost for "smart city" strategies, but this has to be politically steered and shaped. Opportunities for urban and rural territories need to be explored and new urban-rural divides have to be countered.

# **Economy and globalisation**

The economy has in places been severely hit by the lockdown of societies. Even though financial support, furlough schemes, etc. have been established it seems that many businesses have trouble ensuring employment at the pre-crisis level. Some sectors seem to be hit harder than others, in particular retail, hospitality, holiday and travel, culture and art, wellness and leisure have many small businesses suffering from several months of lockdown. Bigger companies within the car industry and the

airline industry have been supported by state aids and guarantees and have started implementing structural adaptations to the changed market reality resulting in major lay-off of staff, often with severe impacts on local communities and small businesses in their supply chain.

Especially trade in inner cities has suffered from the lock-down, and new integrated urban development strategies and efforts are needed to keep inner cities alive.

The ambitious paradigm shift at EU level towards a more mindful globalisation should carefully learn from the pandemic which has revealed the vulnerability of global supply chains and shown the benefits of regional circular economies.

#### **Environment**

The environment has - at least locally and temporarily - benefitted from enforced lockdowns as pollution in general have fallen resulting in much improved air quality. In particular in bigger cities, apart from the lockdown, the promotion of mobility by bicycles and walking have contributed to this. On the other hand, public transport has suffered and people switched over to private cars for reasons of social distancing and health risk reduction. To avoid negative learning in this case, administrations have to be inventive to boost public transport and green mobility, in cities and in rural regions.

Due to the economic standstill and international travel restrictions global CO<sub>2</sub> emissions have dropped; with the ,restart' this environmental gain will discontinue, unless politics take special efforts to transform the (global) economy and bring it towards a more climate friendly path.

### Private and public social life

Lockdown, social distancing and quarantine measures has shifted our lives from the public towards the private sphere. Lucky those who have a job that can be done from home, who have a private garden or terrasse, who are not molested by noisy street traffic and bad air.

People will remember this and will put more emphasis on private (or public neighbourhood) green in their home or - the affluent middle class - in their second home, in the city or in the suburbs, or even in their holiday regions. This might well go ahead with a renewed attractivity for suburban areas and well-connected smaller towns and villages.

Politics has to shape these new processes by safeguarding the concept of compact cities and avoiding sprawl and dispersion.

A major lesson learned is that there is a clear correlation between poverty and risk of infection, and that social inequalities should be given more attention, also with the aim of building resilience against pandemics. Another is that the gain achieved when it comes to environmental quality needs to be saved for consumers, producers, tourism and future generations.

Many voices believe that the COVID-19 pandemic and the measures taken would lead to irreversible changes and innovations in the way society functions and people conduct their lives and work, and how they take care of their fellow-citizens and neighbours. However, it still remains to be seen whether benefits from the pandemic will remain after the recovery.

# **Administrative capacities**

The last months have also shown that governments who do a good (and firm) crisis management can (re-) gain the support and trust of their citizens. The crisis is not over yet, and good governance and innovative political ideas are needed to shape a new future. This can only be done in a context of cooperation among all levels of government, and adequate and sufficient resources at all levels. It is reason to worry that - despite programmes involving billions at EU and national levels - many towns and cities are suffering hard under the lockdown consequences, and it must be secured that the local budgets are sufficient to implement the important recovery strategies that are now needed for our European regions, cities, and towns.

# <u>New overall politics of balanced and resilient territorial</u> <u>development</u>

The European Commission, member states, regions and cities are all currently challenged with the immense task of rebuilding their societies and economies following the impacts of the COVID-19 pandemic. The political moment is there to innovate policy and introduce new lines in policy development.

Europe needs a more balanced development of its territory with high quality of life and good living conditions, provision against risks and coverage of basic needs including jobs and basic infrastructure in all parts and places. To achieve this, we need policies that are closely adapted to the needs of diverse local and regional places and new innovative organisational models to deliver. As examples, green mobility and public parks for the larger cities, basic school and medical infrastructure in smaller towns and rural

areas, and innovative models (e.g. ,flying doctors', tele-medicine, e-learning, e-delivery services) for more remote and peripheral regions.

The key overall political priority or vision for Europe should be a more balanced, resilient and polycentric EU territory that in a logic of structural change, economic development, reduced inequalities and improved pandemic resilience should involve a concerted effort of several policy areas and follow three main tracks:

- (1) Taking deliberate and concrete steps towards complementing the bigger cities with networks of smaller cities.
- (2) Empowering dense and derelict urban neighbourhoods, creating public spaces and securing affordable housing rents to improve conditions for social distancing and reducing high population density.
- (3) Improving living conditions in less dense urban, rural and remote surroundings by enhancing their attractiveness, connectivity and densities.

Such a priority would contribute to decreasing the current level of territorial inequalities, work for a better-balanced and more accepted EU for its citizens, reduce carbon emission and provide for a greener lifestyle. In parallel, it would provide new business opportunities making use of experiences and societal changes from the COVID-19 pandemic.

It fits well with the EU policy ambitions of digitalisation, a green deal (including a medical part), a more circular economy, and probably many more national, regional and sub-regional priorities.

The challenge for policy makers at European, national, regional and local/sub-regional levels is to capture the current opportunity in a coordinated manner when shaping post-COVID-19 policies and deciding strategies for re-opening societies and the economies at all levels. And in doing so, keeping the overall goal of a balanced and resilient and polycentric EU territory in mind.

### Road map for policy makers

In summary, policy makers are encouraged to innovate policies and apply the following mindset in upcoming policy processes:

- A more balanced, resilient and polycentric EU territory should be the new vision in policy considerations post-COVID-19.

- Urban and territorial aspects and actors play a substantial role for coping with a virus like COVID-19.
- Citizen's future preferences for places to live may be more open than ever following the life-style changes experienced during the pandemic.
- Better balance and less inequality in living conditions between places, between urban areas, inside large urban areas and in rural regions should be a priority in support of a more polycentric European territory.
- Networks of well-connected second tier cities, such as regional centres, market towns, etc., as well as rural and remote settings, provide an appealing option and sustainable complement to bigger cities that should be harvested, especially when near to bigger cities.
- Dense and derelict urban neighbourhoods in crisis should be given special attention in creating more resilience and quality of life when faced with social mobility restrictions and overcrowding issues.
- Sparsely populated areas in the European periphery can gain social and economic attractivity through innovative models of adapted digital and infrastructure provisions.
- Extended use of digitalisation in homeworking, government-services, distant learning, tele-medicine, e-shopping, entertainment-streaming, etc. support more decentralised location of businesses and people.
- New distribution services and systems make it feasible to serve more places than today to the benefit of people and the local economy.
- Better territorial balance can help reduce carbon footprints and contribute to a greener EU.
- EU Structural and Investment policy should innovate the policy thinking and clearly support the overall priority towards a balanced and polycentric EU territory by implementing the above mindset.
- Cities and regions that suffered particularly severely from the COVID virus and its impacts need special support and solidarity from the EU. The territorial diversity of such needs cannot be pictured by GDP indicators (from pre-COVID times) alone; the EU needs to complement existing indicators to better reflect territorial needs and diversity in regional policies.

- The Territorial Agenda 2030 and the new Leipzig Charter, to be adopted by the EU Ministers responsible for urban and territorial development in December 2020 in Leipzig, and their related measures of implementation should express political support to the mindset outlined above and to the vision of a balanced and resilient EU territory ensuring more resilience of cities, towns and regions against external risks, especially climate and health related, and promoting more quality of life in town and countryside, including but not limited to economic welfare.

May upcoming policy debates on the rebuilding of the EU, its member states, regions and sub-regions after this year's COVID-19 crisis lead to decisions recognising that territory matters and that a golden opportunity for synergy exists in shifting the paradigm in favour of lesser territorial inequalities and better territorial balance within the Union!