

Conference “Shrinking in Europe: causes, effects and policy strategies”  
(Amsterdam, 16<sup>th</sup>-17<sup>th</sup>, February 2011)

## AVILES (SPAIN): FROM URBAN DECLINE TO THE DEFINITION OF A NEW DEVELOPMENT MODEL

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## OUTLINE

- Asturias: the regional context
- Why the city of Avilés?
- Causes and consequences of Avilés’s shrinkage phenomenon
- From decline to selective recovery
- Keys to urban regeneration: a new institutional *milieu*
- Recent revitalisation initiatives in Avilés
- Concluding remarks

## Asturias: the regional context

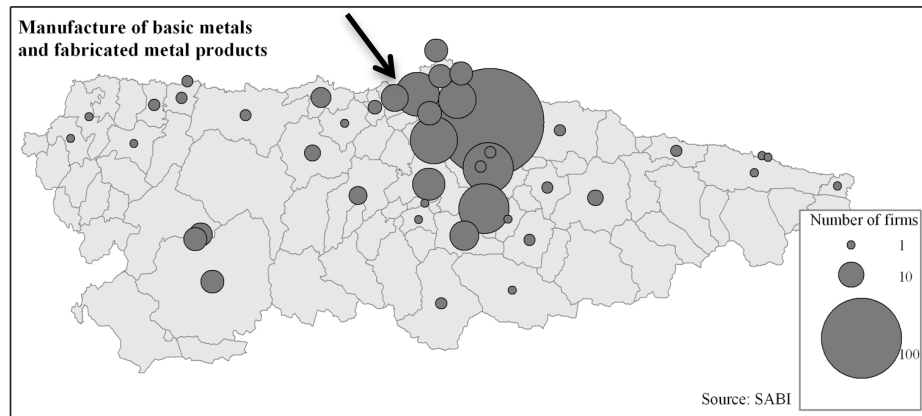


	Asturias	Spain
Population 2007	1,074,862	45,200,737
Cumulative annual growth rate, 2001-2007	-0.01	1.59
Area (km <sup>2</sup> )	10,604	505,987
Population density (inhabitant/km <sup>2</sup> )	101.36	89.33
GDP 2006 (Thousands of euros at current value)	20,952,890	980,954,000

- Asturias region in the north of Spain >1 million of inhabitants
- Low economic growth as the Spanish old-industrial regions most affected by the productive restructuring (>1970s)
- A deep productive reconversion with a great destruction of employment. However, higher values of specialization in industry than the rest of Spain, EU15 or EU27
- Last week: the highest unemployment growth in the country (5,92%) with respect to the previous month.

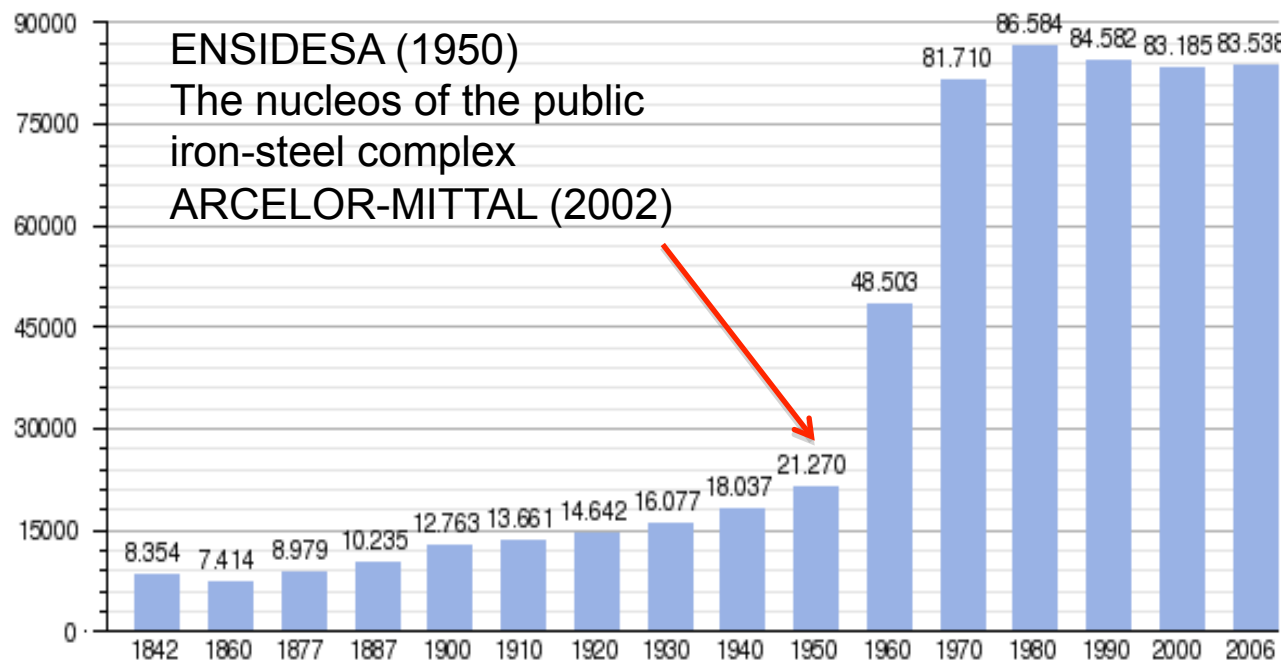
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## Asturias: the regional context



## Why city of Avilés?

	1981	1991	2001	2009	Growth 1981-01	Growth 2001-09
City of Aviles	86,584	84,582	83,185	84,242	-3.93%	1.27%
Aviles Region	126,753	124,159	122,679	124,100	-3.21%	1.16%
Asturias	1,127,007	1,098,725	1,062,998	1,085,289	-5.68	2.10



- 3<sup>rd</sup> position within urban system
- ENSIDESA impact on growth dynamic (13.000 employees; 42% of AP)
- on subsequent shrinkage (deindustrialization)
- 1981-01: only -3.000 inhab. But, general country context of growth (immigration)



## Why city of Avilés?



In summary, Aviles as:

- a **shrinking cities** (in the past) affected by a desindustrialization process
- also a “**resilient city**”. Good practices of economic revitalization and urban regeneration strategies

## Causes

- The crisis in the seventies and the restructuring policy the Spanish Government in the following decade: deindustrialisation
- Situation repeated in many other European old-industry regions and cities (Rühr, Nord-Pas Calais)
- A new production context: new, flexible ways of organising productive activity and a change in the companies' competitive strategies (technological innovation, segmentation, delocalisation...)



ENSIDESA  
before the crisis



## Processes

- Restructuring process delayed with respect to initiatives undertaken in Europe
- Spanish authorities restructure the iron and steel industry in two phases between 1984 and 1997, affecting Aviles and Bilbao (paradigmatic example of industrial restructuring and revitalisation strategies)
- Restructuring results in the sanitation, resizing and privatisation of ENSIDESA, integrated in 2002 into the multinational ARCELOR-MITTAL



Manifestations  
against the  
restructuring  
process



## Consequences (I – Industry and economy)

- Declining competitiveness, adjustments and company closings immediately followed by job destruction and increased unemployment. During the nineties, Aviles loses some 6,700 industry jobs
- Number of unemployed individuals from this sectors reached 12,000 workers in 1997 (unemployment rate around 18%), 16% of all unemployed workers in Asturias

### Total employment in Avilés

1950	7.447
1960	16.626
1970	27.094
1974	28.259
1991	24.796
2001	28.562
2007	32.294

## Consequences (II – Social and territorial)

- Progressive aging of the population, especially in workers' neighbourhoods
- Discouragement and discontent among the local population, unravelling the network associative fabric inherited from the ENSIDESA period and fuelling social problems like alcoholism, drug use and prostitution
- Fragmentation inlet industrial-port complex, given the obsolescence of the production infrastructures and the proliferation of industrial vacuums and ruins
- Presence of marginal slums in the urban outskirts



Industrial wastelands  
of ENSIDESA

## From decline to selective recovery

### A recent dynamism

- Following two decades of depopulation, with a decrease of 3,400 inhabitants between 1981-2001, the city recorded modest increases in recent years
- A reversal in activity due to the iron and steel cluster restructuring, company and employment numbers also displayed positive net growth between the beginning of the decade and the onset of economic crisis in 2007
- This same trend is reflected by the number of unemployed. In 2001 this number came to 4,800. It then dropped to 4,500 in 2008

### Some inherited problems

- Dynamism of Avilés is lower than in the other big Asturian cities. Influence of inherited structures on a local trajectory that transforms slowly
- Inherited disadvantages that limit its capacity to become a city with a knowledge-based economy

## Keys to urban regeneration: the construction of a new institutional *milieu*

Recovered dynamism  
(Hypothesis)



structural processes,  
functional specialization,  
accessibility

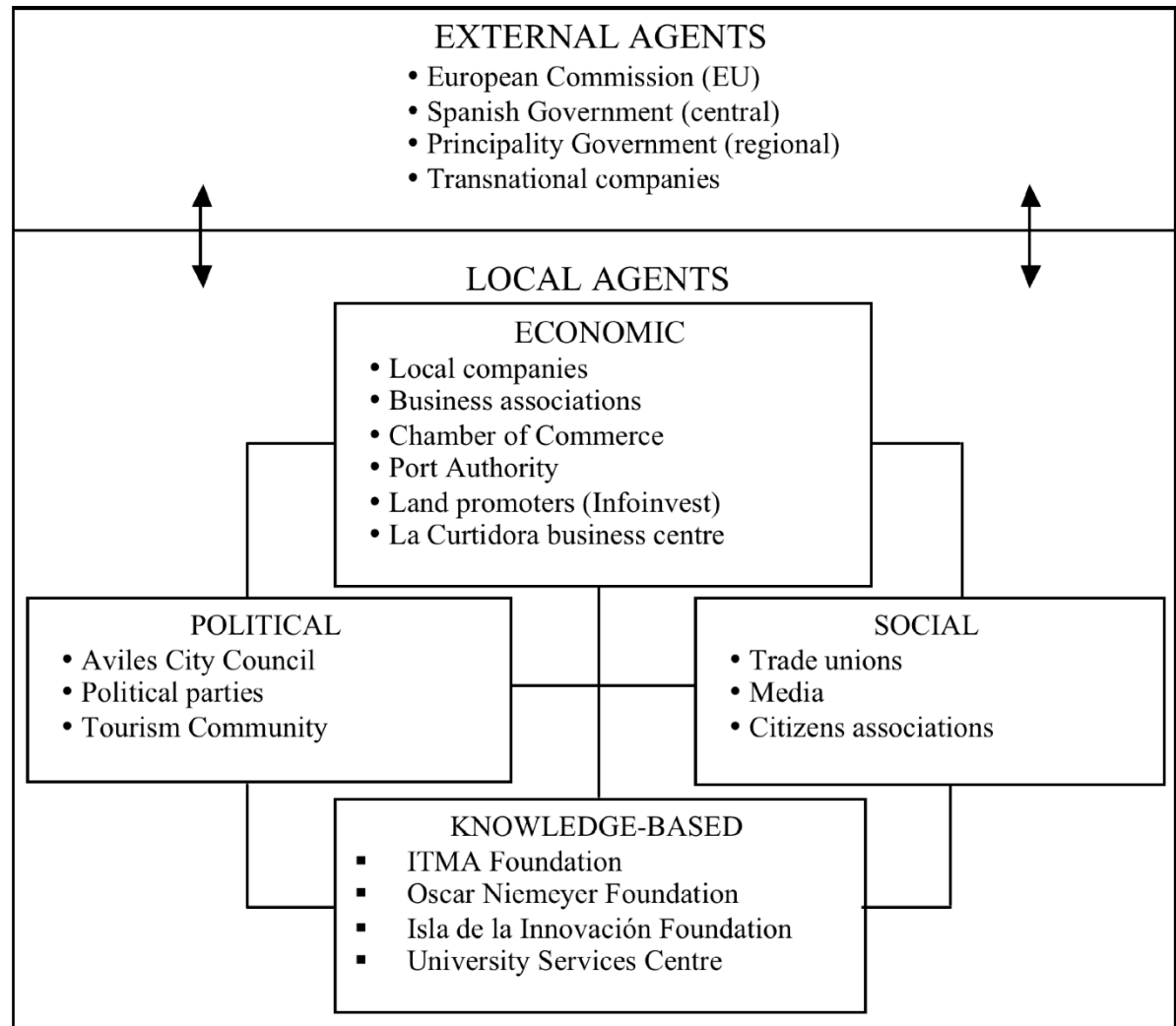
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internal keys of resurgence:

- Local agents
- Specific resources
- Institutional framework
- Socio-economic networks

+

conditioned by the economic  
and territorial inherited  
structure





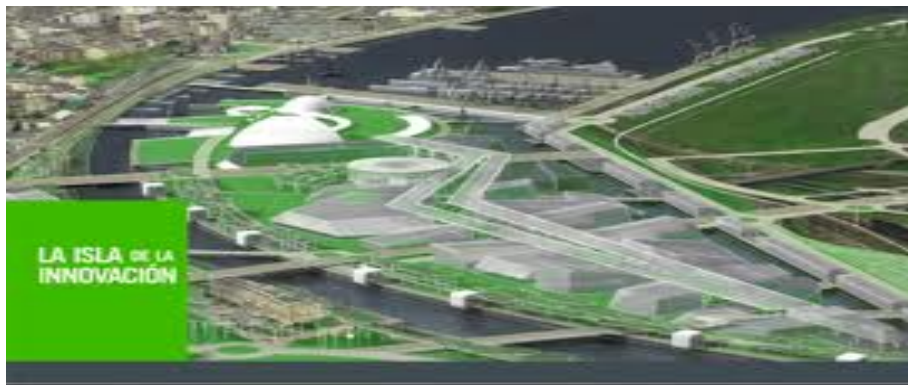
## Recent revitalisation initiatives in the city of Aviles

- Economic promotion and employment, looking to create a competitive city  
i.e: extending the city's port , *Principality of Asturias Industrial Park (PEPA)*...
- The promotion of innovation and culture, fostering an intelligent city  
i.e.: entrepreneurial local capacity, Oscar Niemeyer International Cultural Centre
- Quality of life & environment, the quest for a more inhabitable city.  
i.e.: Environmental restoration of river, neighbourhood policy, cultural facilities...
- Fostering a stronger local system in order to implement a city with a project  
i.e: The consensus around New Aviles Urban Development Master Plan



## Recent revitalisation initiatives in the city of Aviles

- Two flagship projects within the Master Plan:
- *Oscar Niemeyer International Cultural Centre*, designed by architect Oscar Niemeyer (Prince of Asturias Award for the Arts in 1989).
- “Innovation Island”. A wasteland area (200,000 m<sup>2</sup>) from the former ENSIDESA. Complex operation to land uses renewal: KIBS, incubators, cultural services, housing...
- Aggressive city marketing strategies (celebrities)



## CONCLUDING REMARKS

The analysis demonstrates a **trend shift**:

1. Reverse demographic dynamics, thanks to a positive migratory balance (after two decades of demographic decrease)
2. Economic perspective: recovery in jobs plus clear diversification of economy
3. Substitution of apathy of stakeholders by a number of local initiatives: a new city project crystallized in the new Master Plan

Also **weaknesses and challenges**:

4. The environmental and visual impact of certain industrial infrastructures
6. Towards a post-industrial city?
7. Joining the knowledge society
8. Inter-city competition