## Danish Regional Development During **Economic Crisis**

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Illeris, Sven: Danish Regional Development During Economic Crisis. Geografisk Tidsskrift 84: 53-62. Copenhagen, January

The paper deals with the distribution of population and economic activities during the 1980-83 economic crisis. The decentralisation of the 1970's was weakened, but there was no return to the concentration of former decades. Important reasons seem to be the decline in house-building, and the structural developments (in 1980 crisis in the primary and secondary sectors which are over-represented in peripheral regions and small settlements).

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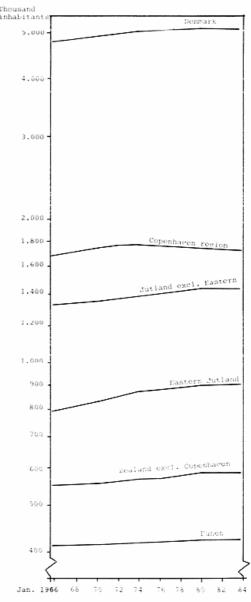
Keywords: Regional development, urban system, core/ring, business cycle, population, economic activities, unemployment.

In Western Europe and North America, population and economic activities have concentrated into major metropolitan areas through many decades. In the 1970's, this trend stopped. In many countries, a decentralisation into peripheral regions and small settlements could even be observed - the so-called migration turnaround (see e.g. Illeris 1979).

In some countries, the turnaround was observed already during the boom of the 1960's and early 70's. In other cases, it was only noticed during the recession which followed the 1973-74 »oil shock«. Some people tried to explain the turnaround as a result of the recession - and argued that it would disappear once the business cycle improved. Others argued the opposite point of view.

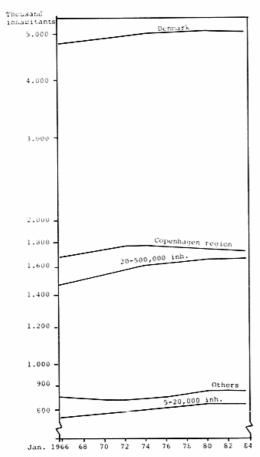
In most West European and North American countries, the economic crisis which followed the second »oil shock« of 1979-80 was much deeper. By analyzing the distribution of population and economic activities during this crisis, it should be possible to improve our understanding of the spatial functioning of modern market-economy societies. This is the purpose of the present paper, which is based on the Danish case. It is not the purpose to forecast long-term regional trends, since this can hardly be done on the basis of an analysis of short-term changes. It should be noted that Denmark in the 1970's served as a typical - maybe rather radical - example of the »turnaround«.

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Figur 1. Folketal i regioner, 1965-83.

Figure 2
Population 1965-83 in size-classes of municipalities, by biggest settlement 1976. Surrounding commuter areas included



Figur 2. Folketal 1965-83 i kommuneklasser efter største by 1976 (incl. omegnskommuner).

In the paper I will describe and discuss the distribution of (a) population and (b) economic activities from 1979 to 1983 – with a view to the preceding period. Three geographical dimensions will be applied: Regions, size classes of settlements, and cores/rings within the urban areas. A special section will be devoted to the interdependences between population and economic activities. Finally, it will be attempted to draw some conclusions.

### POPULATION

The total population of Denmark increased slowly during the 1970's. In 1980, the growth stopped – mainly due to a diminishing number of births. Since then, the total population has decreased by a few thousands.

Figure 1 presents the distribution of population by regions. The Copenhagen region includes the area from which commuters are attracted. The Jutland – excluding Eastern Jutland – region forms the peripheral, traditionally »under-developed« region.

The figure shows that in the late 1960's, the population of the Copenhagen region grew faster than in the rest of Denmark. After 1970, a turnaround happened. Rapid growth took place in the peripheral regions, while the population of the Copenhagen region started decreasing in 1974.

After 1980, the growth in the peripheral regions ceased. But there has been no return to the pre-1970 concentration: The decrease of the total Danish population is due to a decrease in the Copenhagen region. The fact is, however, that all regions have an almost constant population.

Figure 2 shows population development by municipalities according to the size of their largest settlement. Towns with more than 10,000 inhabitants include surrounding municipalities with high out-commuting rates.

In the 1960's the growth took place in big and medium towns, while the population of municipalities with no town larger than 5,000 inhabitants decreased. In the 70's, the trend was reversed. An amazing growth took place in small settlements – some with less than 500 inhabitants – even in areas far from the major cities.

The 1980's have witnessed a slow-down of this decentralisation, but no return to the concentration of former times. The population of all levels of the urban hierarchy is close to constant.

In figure 3, we turn to the intra-regional population distribution in the urban areas. The Copenhagen region is split into a core, an inner ring (with good public transport to the core), and an outer ring. The major provincial urban areas are divided into central municipalities (including all contiguous suburbs) and surrounding municipalities with substantial out-commuting.

Suburbanisation was rapid in the 1960's. Indeed, in the Copenhagen region, the redistribution of population from the core to the rings had started much earlier. In the early 70's, the redistribution accelerated, and the municipalities surrounding major provincial cities showed high growth-rates.

However, already from the mid-70's, the population growth in the outer ring/surrounding municipalities diminished rapidly. On the other hand, the population of the core/central municipalities stabilized. In the 80's, almost constant population figures can be observed both in cores and rings.

A demographic analysis shows that changes in the migration pattern have been decisive for all the above-mentioned changes in the distribution of population. There have been marked declines in the birth rates in the study period, but they have been more or less parallel in all parts of the country (Christoffersen & Illeris, 1983).

The distribution of population is of course closely connected with the distribution of economic activities. A discussion of these relationships will be taken up in a later section of the paper. However, other factors influence the

distribution of population, too - particularly the distribution within commuting areas, where the place of living is not narrowly connected with the place of working. Let us consider the influence of such factors during the economic crisis.

Among these factors, transport is often mentioned as the most important one. There can be no doubt that the increase in private car-ownership permitted longer distances between home and work. Thus in the post-war decades, the constraints of former times were relaxed. Now the argument is that with rising fuel prices, people want to live closer to their jobs, which in most cases means near the city centre. Or at least they want to live near the better public transport facilities of high-density areas. The distance constraints tighten again.

Rising energy prices also affect different housing types and housing areas differently. It is cheaper to heat a flat in a multi-family building than a detached house, and only high-density areas can economically be provided with cheap district-heating. Once again, this factor tends to pull people back into the high-density urban areas.

Differential cost developments may be more or less compensated by the development of land prices: In distant, low-density settlements, where higher transport and heating costs cause low housing demand, land prices should decrease. This has happened to some degree, but the mechanism is slow.

A growing preference for living in small, low-density settlements could be observed in Western Europe and North America in the 1970's. Now it is argued that preferences are changing in favour of living near city centres, in particular among well-to-do population groups: The so-called gentrification process. The question is how widespread this preference has become. According to the author's impression, the public participation in the preparation of municipal plans in Denmark does not indicate any major change in preferences.

A last factor is the amount and composition of housebuilding. In the 1960's and early 70's, the construction of new dwellings was vigorous. Those who moved into new dwellings left older dwellings behind, into which other people moved, so the general mobility was high.

However, as shown in table 1, the construction of new dwellings decreased rapidly from 1973 to 1975, and again

Construction of new dwellings in Denmark 1973-1981

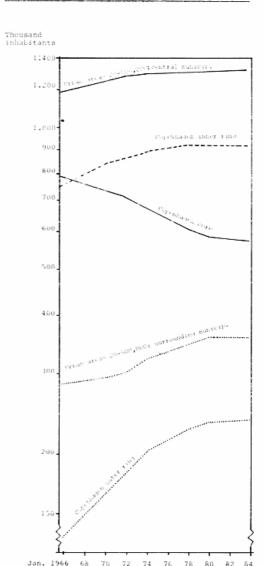
	Total <sup>1)</sup>	Setached	Low, dense	Multi-family
1973	55.600	33.900	4.100	14.300
975	35.500	21.300	4.100	8.900
979	31.100	19.600	6.700	3.900
1981	21.900	7.000	7.700	5.800

Source: Statistisk Tiårsoversict 1983.

1) Including a small number of residences in institutions etc.

Tabel 1. Boligbyggeri i Danmark 1973-1981.

Population in cores and rings of urban areas, 1965-83



Figur 3. Folketal i byområdernes central- og omegnskommuner, 1965-83.

from 1979 to 81. Especially the latter decline hit the construction of owner-occupied detached houses - an obvious effect of the economic crisis (although the growing number of small, childless households also plays a role). On the other hand, there was an increasing construction of rented multi-family buildings and of relatively cheap low, dense housing (terraced houses, atrium-houses, semi-detached houses, etc.).

The decreasing supply of new dwellings seems to have contributed to the above-mentioned fact that since 1980, population has been almost constant in all parts of the country: People simply have had to remain in the existing housing stock.

<u>Table 2</u>
Employment structure in different parts of Denmark, November 1981. Percent

Place of living	Agricul- ture	Manufac- turing, construc- tion	Private services	Public 2) services	Total = 100 pct.
Denmark	7.6	25.7	30.9	35.9	2,520,902
Copenhagen region 3)	1.3	21.7	37.0	40.1	904,174
Zealand excl. Copenhagen 4)	10.9	27.0	27.0	35.1	279,759
Funen	9.8	28.5	27.6	34.1	213,218
Eastern Jutland <sup>5)</sup>	7.6	27.6	29.7	35.1	433,659
Jutland excl. Eastern 6)	13.8	28.2	26.3	31.7	690,092
Copenhagen region 3)	1.3	21.7	37.0	40.1	904,174
Municipalities with towns 20-500,000 inh. 7)	6.4	27.6	29.7	36.3	799,151
Municipalities with towns 5-20,000 inh. 7)	11.4	29.9	27.0	32.7	397,121
Other municipalities	19.8	27.5	23.7	29.0	420,456
Copenhagen, core	0.2	19.1	37.5	43.2	271,387
Copenhagen, inner ring	0.9	21.6	38.0	39.5	506,810
Copenhagen, outer ring	5.1	27.5	31.7	35.7	125,977
Urban areas 20-500,000 inh.	:				
central municip.	4.0	27.2	31.1	37.7	623,667
surrounding municip.	14.7	28.9	25.0	31.3	175,484

For exact classification of municipalities, see Christoffersen & Illeris. Town sizes are by 1976.

- 4) Counties of Vestsjælland, Storstrøm, and Bornholm.
- 5) Counties of Vejle and Arhus.
- 6) Counties of Sønderjylland, Ribe, Ringkøbing, Viborg, and Nordjylland.
- 7) Including surrounding municipalities with substantial out-commuting.

Source: Data from Danmarks Statistik.

Tabel 2. Beskæstigelsens sammensætning i forskellige dele af Danmark, november 1981. Procent

Including miscellaneous private services. The public sector in Denmark includes health, educational and social services.

Municipalities of Copenhagen and Frederiksberg, and counties of Copenhagen, Frederiksborg, and Roskilde.

In particular, the lack of population growth in peripheral regions, in small settlements, and in the outer rings of metropolitan areas may partly be explained by the composition of house-building. A shift-share analysis in Christoffersen & Illeris (1983) shows that from 1979 to 81, few changes took place in the geographical distribution of construction of each housing type. Thus those parts of the country, where detached houses dominated, were hit worst by the decline in house-building: The peripheral areas, the small settlements, and the outer rings. On the other hand, those parts of the country where other housing types dominate suffered little from the decline in house-building: The major metropolitan areas, in particular their inner rings and central municipalities.

An analysis of the population development in the core of the Copenhagen region can contribute to the explanation of the recent intra-regional distribution of population (see Illeris 1983). As already mentioned, after a rapid decline in the mid-1970's, the population number stabilized in the early 80's.

The analysis showed that the number of inhabitants has stabilized not only in the areas closest to the city centre (mainly multi-family houses), but everywhere in the existing housing stock. If wishes to reduce transport costs or heating costs or preferences of living near the city centre had been decisive, this distribution would not have been expected.

It was also shown that the stabilization takes place among all age-brackets under 40, including children. However, if changed preferences in favour of living near the city centre had been decisive, one would have expected the stabilization to be most pronounced among childless households.

Thus the analysis of the Copenhagen region supports the conclusion that the decrease in house-building has heavily influenced the distribution of population in the early 1980's.

### ECONOMIC ACTIVITIES

It is not possible to give an accurate and up-to-date description of the location of economic activities. Employment figures are now available from various administrative files, but only with some years' delay. However, the most recent developments can be roughly estimated on the basis of various proxy variables.

The geographical structure of employment in late 1981, which serves as the starting point of our description, is shown in table 2.

The table naturally shows that the primary sector only provides employment in those types of municipalities which contain rural areas. The secondary sector as a whole has a rather ubiquitous location pattern. However, it is somewhat over-represented in small and medium towns of provincial Denmark and under-represented in the Copenhagen region. Employment in the tertiary sector - both private and public - is very important in the largest cities, but declines with settlement size. Regionally the tertiary sector is over-represented in the Copenhagen region, and under-represented in the peripheral regions.

The general trend has been a stable increase in the number of employed persons, except in the years 1974-75 and 1980-81. (On the other hand, the number of working hours has decreased, while a growing share of the labour force work in part-time jobs).

There has been a permanent decline in the number of persons working in agriculture. Manufacturing and construction employment reached its peak in the 1960's and early 70's. Severe set-backs too place in 1974-75 and 1980-81, while 1983 has witnessed a stabilization. Employment in private services as a whole has shown a moderate growth. Employment in the public services has increased rapidly throughout the 1970's and early 80's, but has come to a stop in 1983.

The geographical distribution of employment in the late 1970's and around 1980 was submitted to a shiftshare analysis by Christoffersen and Illeris (1982).

In the late 1970's, a considerable shift took place within all sectors from the Copenhagen region towards peripheral regions and smaller settlements. Therefore, total employment increased rapidly in Jutland and slowly in the Copenhagen region - although Copenhagen had a bigger share of the growing tertiary sector and a smaller share of the stagnating primary and secondary sectors.

However, in 1980 the substantial decrease in the primary and secondary sectors became decisive for the geographical development of total employment: These sectors dominate the employment structure outside of Copenhagen - especially in the peripheral regions. Consequently, the latter areas showed a marked decline in employment, while the decrease in the Copenhagen region with a strong tertiary sector - was limited. A certain shift in manufacturing from Copenhagen to other regions still took place, but it was weaker than before.

The 1980 decline in employment especially hit sectors which traditionally employ men. The numerous female jobs in the tertiary sector were less affected by the crisis.

The most up-to-date information about developments in different parts of the country derive from unemployment statistics. These data show the number of unemployed persons who are insured against unemployment, plus persons whom the social security offices refer to the labour exchanges, but who are not given any work. The data are recalculated to show the average number of fulltime unemployed persons, and they refer to place of residence.

It is well known that all unemployment statistics are questionable. In principle, they should show the number of persons who want to take up a job but do not find any.

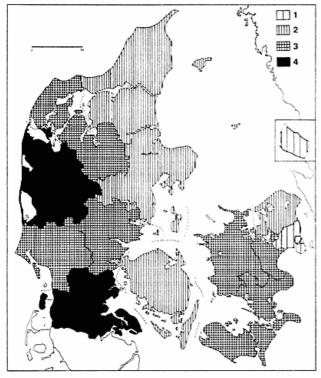


Figure 4. Increase in unemployment, Sept. 1979 - Sept. 1981. Calculated number of unemployed persons, by county of residence.

1. 25-50 pct.

2. 50-75 pct.

3. 75-100 pct.

4. 100-124 pct.

National mean: 66 pct.

Figur 4. Stigning i arbejdsløshed, sept. 1979-sept. 1981.

Some argue that the data underestimate the real number of persons, others that they overestimate it.

Figures 4-6 show the recent regional development in unemployment. In 1979-81, the above-mentioned development in economic activities resulted in a steep growth in unemployment in provincial Denmark, especially in Western and Southern Jutland. On the other hand, the most urbanized counties and especially the Copenhagen region only had a moderate increase in unemployment.

For 1981-83, the picture is more or less reversed. Now unemployment mainly increases in the Copenhagen region, while it has stabilized in Western Denmark. In one county (Ringkøbing), it is actually decreasing.

Figure 7 shows similar data for size-classes of urban areas. In 1979-81, increases in unemployment were higher, the smaller the settlements. In 1981-83, we witness the highest growth in the Copenhagen region, while all other size-classes only show moderate increases.

In figure 8, unemployment in urban areas is divided between cores and rings (according to place of residence). In 1980, unemployment grew more rapidly in rings than in cores. In recent years there are no clear differences.

To sum up: the recent development in economic activities – especially in 1983 – seems to be the opposite of the 1980 case: Western Denmark performs better than Eastern Denmark, especially than the Copenhagen region. The reason is that developments favour the primary and secondary sectors which are over-represented in the former area. On the other hand, the cut-backs in the public sector mainly hit the Copenhagen region where this sector is over-represented. But there are also indications of renewed geographical shifts from Eastern to Western Denmark within most sectors.

There is no doubt that the 1983 development has meant a growth in male jobs and a stagnation in female jobs.

Thus the structural developments in the economic sectors have important repercussions on the distribution of employment, since the different sectors have different weights in different parts of the country.

However, geographical shifts within the individual sectors also influence the total distribution of employment. These locational shifts depend to some degree on the distribution of population - as labour-force and as customers of services. The interrelation between economic activities and population will be discussed later. But there are also other factors which may help explain the locational shifts of economic activities during the crisis years. Let us briefly look at the most important ones, and in particular discuss the influence of the economic crisis on them (for more thorough treatment, see Illeris & Pedersen, 1984):

One set of factors concern interdependences between the sectors. Thus the crisis in agriculture has influenced many manufacturing branches which are suppliers to agriculture - mainly in Jutland where the agricultural sector is relatively heavy.

Structural developments within the main sectors can also be observed. Thus within manufacturing, growing sub-sectors may by over-represented in one part of a country, declining subsectors in other parts. Thus in Denmark, the more recent production machinery forms an advantage of peripheral regions and smaller settlements compared to the large cities. However, this factor may be more influential in other countries than in Denmark where geographical shifts within most sub-sectors are important (Hartoft-Nielsen, 1980, and Illeris, 1980).

The growing segregation between head offices (with growing employment - usually located in big cities) and sheer production factories (with declining employment often located elsewhere) is another structural factor. It clearly favours big cities, but obviously has been less influential than factors pulling in the opposite direction.

Economies of scale may be of importance, too. There is evidence that in recent years, small manufacturing plants (over-represented in small settlements) have performed better than large ones (over-represented in big cities). One

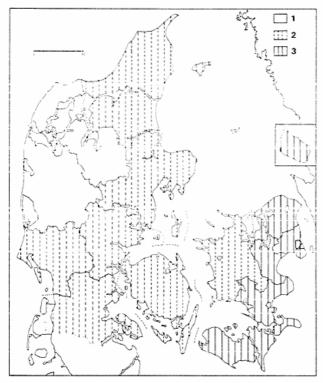


Figure 5. Increase in unemployment, Sept. 1981 - Sept. 1983. Calculated number of full-time unemployed persons, by county of residence.

1. - 5 - + 5 pct.

2. + 5 - + 25 pct.

3. + 25 - + 50 pct.

National mean: + 18 pct.

Figur 5. Stigning i arbejdsløshed, sept. 1981-sept. 1983.

aspect of this tendency is the divisionalisation (also into physically separate units) of big firms. This question certainly merits closer attention than it has received until now.

Within the tertiary sector, structural changes also take place. Especially in the public sector, the production of local low-order services has increased more than the production of concentrated high-order services. The 1970 local government reform established an organizational framework which proved to be favourable to the production of municipal services, and public policies have aimed at a decentralized service pattern. On the other hand, the 1983 stop for public sector increases will probably hit the big cities less than the smaller settlements - where the bulk of the last decade's growth was located.

In some private sub-sectors - e.g. retailing - the opposite development has happened: Economies of scale have caused a concentration into fewer and bigger settlements.

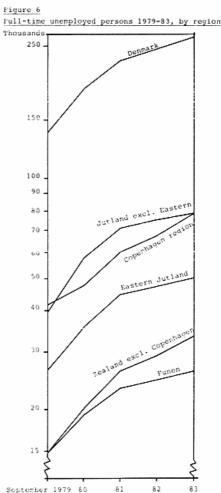
An important factor, especially within manufacturing, seems to be diminishing advantages of agglomeration. It

is well known that transport costs have declined radically compared to other costs. The progress of aviation has also eased personal contacts between distant business partners. The recent increase in fuel costs has not changed these developments radically: Distance constraints are still declining. Technological progress in data-transmission seems to be working in the same direction.

Rational lay-out of plants demands more and more space. This factor contributes to the disappearance of manufacturing from the dense cores of urban areas.

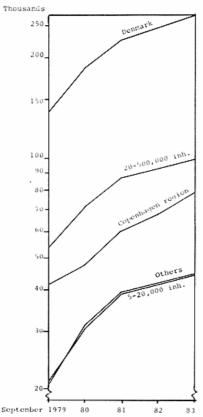
Public influences are exerted on the location of the private sector in several ways. The national government offers subsidies to manufacturing firms in peripheral regions. Local governments are also increasingly active in the promotion of economic activities, especially in peripheral regions. On the other hand, the largest metropolitan municipalities are more passive. If their urban renewal policies give priority to total demolitions and rebuilding, a side effect may be to wipe out viable firms.

Finally, the increased costs of energy supply should be mentioned. Industries with large energy demands may be



Figur 6. Fuldtidsledige 1979-83 i regioner.

liqure 7 Full-time unemployed persons 1979-83. Sizeclasses of municipalities, by biggest settlement 1976. Surrounding commuter areas included



Figur 7. Fuldtidsledige 1979-83 i kommuneklasser efter største by 1976 (incl. omegnskommuner).

attracted to cheap sources, e.g. natural gas pipelines. But for most Danish manufacturing, this factor will probably be negligeable.

The economic crisis since 1980 does not clearly seem to have changed the locational forces of the last decade in one direction or the other.

## INTERDEPENDENCES BETWEEN POPULATION AND ECONOMIC ACTIVITIES

As already mentioned, the distribution of most of the population depends on the distribution of economic activities: People have to find a job. On the other hand: Economic activities depend on population. (We now except the distribution of population and economic activities within urban areas, where transport between homes and jobs is relatively easy).

Private and public services - especially local ones - depend on population as customers. If services grew more in peripheral regions than in the Copenhagen region in the 1970's, one important reason was the growth in the population basis.

A more intricate problem is the dependence of economic activities on people as labour force. The traditional notion is that the main dependence is the other way round: The man has to move to the job.

However, for several reasons the geographical mobility of the labour force seems to be decreasing - and not only during the heavy unemployment of the early 1980's, where there often has been no job to move to anywhere. One reason is that an increasing number of households has two bread-winners, and the household cannot easily follow the job-opportunities of just one of them. Other reasons are to be found in the mechanisms of the housing market, still others in the social security system.

On the other hand, the dependence of firms on their labour-force seems rather to be increasing. Even in a period of widespread unemployment, it seems to be crucial to find the right staff. This may be explained by several factors: The above-mentioned declining importance of distance constraints makes other factors relatively more important (Maskell 1983). The general tendency for West European-North American firms to compete on know-how and quality rather than on cheap mass-production turns the labour-force into the most important production factor. Paradoxically, the very high capital costs in some manufacturing branches also make it crucial to avoid production stops and thus make the labour-force a key factor.

These last words suggest that different kinds of economic activities demand different kinds of labour. Attempting to avoid over-simplifications, we may try a few generalisations about labour-force demands:

Up to 1960, a lot of unskilled labour migrated to the cities. But in the 1960's, the branches which needed cheap man-power were the first ones to shift from major cities to peripheral areas, where the wage-level was lower because of the ample supply of formerly agricultural labour. The »social qualifications« - e.g. the readiness to work at fixed hours - were low, but quite fast people became accustomed to the needs of manufacturing jobs.

Other firms needed skilled man-power. This they could find in towns and cities with traditions of education and training. Technicians were often a bottleneck for the expansion of economic activities in small settlements, where it was difficult to attract qualified staff who preferred big city facilities and labour markets.

Thus, already in the 1960's, the job sometimes came to or staved near the man.

In the 1970's, locational shifts from big cities to peripheral regions happened not only among economic activities in need of cheap, unskilled man-power, but also among activities which needed a more qualified labour-force. One reason was that the educational system had been improved in peripheral regions. Another reason probably was a change in the residential preferences of qualified staff-members in favour of the small-settlement environment. But maybe the most important factor was the growing importance of such »social qualifications« as motivation, stability, and co-operation. Such qualifications were more widespread in the peripheral regions than in Copenhagen - as e.g. witnessed by the different rates of absenteeism. Another social qualification in peripheral regions was a higher degree of »entrepreneurship« - the number of people starting their own firms (Wickmann & Birch, 1983) per 10,000 inhabitants is highest here.

The above-mentioned interdependences between population and economic activities seem to have persisted through the economic crisis. But of course they are not necessarily permanent. If the demand for labour continues to shift from big cities to peripheral regions, the labour-force may turn more »motivated« in big cities and more militant in peripheral regions.

### CONCLUSIONS

During the 1980-83 economic crisis, the decentralisation of the 1970's from major metropolitan areas to peripheral regions and smaller settlements ceased. The concentration of former decades was not revived, however. The distribution of population remained close to constant. This seems partly to be due to the low rate of new housebuilding. But it is also linked with the distribution of jobs.

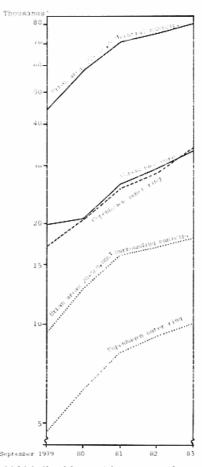
As regards the location of economic activities, the previous shifts within most sectors, from the Copenhagen region to peripheral regions, decelerated in 1980-81. More important, employment was hit worst in the primary and secondary sectors, which are over-represented outside of Copenhagen, especially in peripheral regions - whereas the tertiary sector, where employment continued to grow, is over-represented in the Copenhagen region.

In 1983 the opposite structural developments are observed: Revival in the secondary sector, and therefore in Jutland – stagnation in the public sector, and therefore in the Copenhagen region. At the same time, centrifugal shifts seem to operate again within most sectors.

A number of factors may have contributed to the decentralisation of jobs in the 1970's, among them some related to the population, e.g. the »social qualifications« of the labour-force and the entrepreneurial spirit «. On the whole, the locational factors of the 1970's still seem to work. Therefore, the distribution of economic activities to a considerable degree still depends on the distribution of population.

In brief, the major factors behind the weakening of the regional decentralisation during the economic crisis seem to be: First, on the population side, the decline in housebuilding. Second, on the job side, the structural development. And third, the interdependence between the distribution of population and of economic activities.

Full-time unemployed persons in cores and rings of urban areas 1979-83



Figur 8. Fuldtidsledige i byområdernes central- og omegnskommuner, 1979-83.

Within the urban areas, decentralisation of population reached its peak in the mid-70's, and stopped completely in 1980. A number of factors may be responsible, most of them connected with the recession from 1974-75 and the crisis from 1980. The decline of new house-building, in particular in the construction of detached houses, seems to be the most important one - people have to stay in the existing housing stock.

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#### Resumé

I artiklen beskrives og diskuteres den danske geografiske befolknings- og erhvervsfordeling under den økonomiske krise i 1980-83. Der anvendes 3 dimensioner, nemlig regioner, bystørrelser og - inden for byområderne - central/omegnskommuner.

1970'ernes decentralisering af befolkningen ophørte omkring 1980. Tidligere årtiers koncentration genopstod imidlertid ikke, folketallet blev næsten konstant i alle dele af landet. En væsentlig årsag hertil synes nedgangen i boligbyggeriet at være - folk har måttet forblive i den eksisterende boligmasse.

Også decentraliseringen af arbejdspladserne svækkedes i 1980. Afgørende var det, at krisen især ramte de primære og sekundære erhverv, som er overrepræsenteret i udkantregioner og i mindre byer og landdistrikter. Derimod øgedes beskæftigelsen fortsat i den tertiære sektor, som er overrepræsenteret i de største byer.

I 1983 synes der at ske det modsatte. Arbejdsløshedens udvikling tyder på beskæftigelsesvækst vest for Storebælt og stagnation i Hovedstadsregionen, som præges af en stor offentlig sektor.

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# Unemployment and economic activities in

Bue Nielsen

Nielsen, Bue: Employment and economic activities in the EC. Geografisk Tidsskrift 84: 62-69. Copenhagen January 1984.

Regional disparities in unemployment and economic activities in the EC in the late 1970'es. Various concepts of unemployment are discussed. The performance of regions and countries using different concepts are illustrated.

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### LABOUR FORCE SURVEYS

EUROSTAT's distributions of population by categories of activity, published in the so-called Labour Force Surveys, give, however, a uniform material for a more detailed description of unemployment (EUROSTAT, 1977, 1981). Some results from an investigation based on these data will be presented in the following.

The publications from the Labour Force Surveys distribute the population into different groups with varying contacts to the labour market: persons with a main occupation, unemployed (in the strict sense), persons with occasional employment, seeking employment, housewives, children under 14 years of age, pupils, pensioners and other non-active persons. In this paper the total population, children and pensioners excluded, is called working population, and the paper studies the division of the working population in occupied and non-occupied.

The reasons for including pupils and housewives in the working population might be discussed. The housewives are, however, well-known as a labour reserve. A change in their number is an important indicator of the state of the

proved in peripheral regions. Another reason probably was a change in the residential preferences of qualified staff-members in favour of the small-settlement environment. But maybe the most important factor was the growing importance of such »social qualifications« as motivation, stability, and co-operation. Such qualifications were more widespread in the peripheral regions than in Copenhagen - as e.g. witnessed by the different rates of absenteeism. Another social qualification in peripheral regions was a higher degree of »entrepreneurship« - the number of people starting their own firms (Wickmann & Birch, 1983) per 10,000 inhabitants is highest here.

The above-mentioned interdependences between population and economic activities seem to have persisted through the economic crisis. But of course they are not necessarily permanent. If the demand for labour continues to shift from big cities to peripheral regions, the labour-force may turn more »motivated« in big cities and more militant in peripheral regions.

### CONCLUSIONS

During the 1980-83 economic crisis, the decentralisation of the 1970's from major metropolitan areas to peripheral regions and smaller settlements ceased. The concentration of former decades was not revived, however. The distribution of population remained close to constant. This seems partly to be due to the low rate of new housebuilding. But it is also linked with the distribution of jobs.

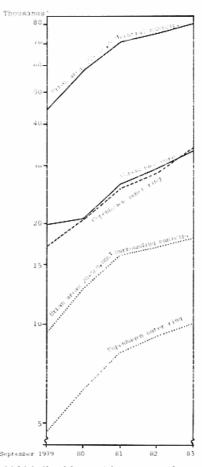
As regards the location of economic activities, the previous shifts within most sectors, from the Copenhagen region to peripheral regions, decelerated in 1980-81. More important, employment was hit worst in the primary and secondary sectors, which are over-represented outside of Copenhagen, especially in peripheral regions - whereas the tertiary sector, where employment continued to grow, is over-represented in the Copenhagen region.

In 1983 the opposite structural developments are observed: Revival in the secondary sector, and therefore in Jutland – stagnation in the public sector, and therefore in the Copenhagen region. At the same time, centrifugal shifts seem to operate again within most sectors.

A number of factors may have contributed to the decentralisation of jobs in the 1970's, among them some related to the population, e.g. the »social qualifications« of the labour-force and the entrepreneurial spirit «. On the whole, the locational factors of the 1970's still seem to work. Therefore, the distribution of economic activities to a considerable degree still depends on the distribution of population.

In brief, the major factors behind the weakening of the regional decentralisation during the economic crisis seem to be: First, on the population side, the decline in housebuilding. Second, on the job side, the structural development. And third, the interdependence between the distribution of population and of economic activities.

Full-time unemployed persons in cores and rings of urban areas 1979-83



Figur 8. Fuldtidsledige i byområdernes central- og omegnskommuner, 1979-83.

Within the urban areas, decentralisation of population reached its peak in the mid-70's, and stopped completely in 1980. A number of factors may be responsible, most of them connected with the recession from 1974-75 and the crisis from 1980. The decline of new house-building, in particular in the construction of detached houses, seems to be the most important one - people have to stay in the existing housing stock.

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#### Resumé

I artiklen beskrives og diskuteres den danske geografiske befolknings- og erhvervsfordeling under den økonomiske krise i 1980-83. Der anvendes 3 dimensioner, nemlig regioner, bystørrelser og - inden for byområderne - central/omegnskommuner.

1970'ernes decentralisering af befolkningen ophørte omkring 1980. Tidligere årtiers koncentration genopstod imidlertid ikke, folketallet blev næsten konstant i alle dele af landet. En væsentlig årsag hertil synes nedgangen i boligbyggeriet at være - folk har måttet forblive i den eksisterende boligmasse.

Også decentraliseringen af arbejdspladserne svækkedes i 1980. Afgørende var det, at krisen især ramte de primære og sekundære erhverv, som er overrepræsenteret i udkantregioner og i mindre byer og landdistrikter. Derimod øgedes beskæftigelsen fortsat i den tertiære sektor, som er overrepræsenteret i de største byer.

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