

## **PATRAS: SUSTAINABLE DEVELOPMENT PROSPECTS OF A LARGE GREEK REGIONAL CENTER**

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### **Abstract**

*The paper examines the evolution of Patras, a large Greek regional center, before the crisis and during the crisis, to result in alternative future development prospects of the city and appropriate recommendations for its sustainable development. The following topics are examined successively: (a) The process of decrease of territorial cohesion of the cities / regional centers themselves as well as of the surrounding areas of influence (b) The causes that lead to the need for the national and local / regional authorities to propose new and sustainable answers to the problems of cities (c) The role of Patras in the frame of the Greek urban system (d) The economic sectors where mainly exist considerable city growth potentials, which remain largely unexploited and the appropriate strategy and objective of the smart exploitation of the potentials to contribute to the exit of the city and the wider area of influence of the crisis.*

*Keywords: Regional centers, cities, crisis, Greece, sustainable development*

### **Introduction**

Topic of this paper is to analyze the transformation of a large Greek regional center, the case of Patras, before the crisis and during the crisis in order to formulate substantiated alternative prospects for the city development in the future and appropriate recommendations for its sustainable development. Although Patras is not a “representative” case of the group of large Greek regional centers, this analysis identifies some first shapes of the types of development as well as the development prospects of the major Greek regional centers. These shapes could be a good starting point to further investigate the development of all the major Greek regional centers. It should be noted that Patras is the third largest Greek regional center after Athens and Thessaloniki, followed, in order of size, by the bi-pole (twin pole) of Larissa - Volos and the city of Heraklion of Crete.

### **1. The crisis decreases the territorial cohesion of the cities regional centers themselves - but also of their wider areas of influence**

We need firstly identify the main problems of cities in the period of crisis at international and European level. The crisis took on Greece a form extremely strong and long term, although we must not forget that the crisis of 2008 affected all European cities, such as those of North America, and thus intensified very significantly the discussion on the "resilience" of cities in periods of crisis as well as on the policies to be adopted by the cities in order to make them more "resilient" to economic crises (see, among other: ESPON 2013 Programme / TPG ECR2, 2014 and EU / URBACT, 2010).

In times of crisis, cities - regional centers face major problems, both economic and social as well as environmental: problems of overall economic shrinking, poverty and general social degradation, as well as intensification of economic and social disparities between the

different neighborhoods, namely territorial cohesion problems. The closure of a large number of businesses creates an abandonment image together with a significant fall in property prices. This leads somehow "spontaneously" to considering environmental issues and general quality of life issues by local authorities but also by residents as secondary (see, among other: Angelidis, 2016 and Hadjikyriakou, 2016)

All this leads to the conclusion that the crisis in the cities has strongly territorial / local aspects, hence addressing the crisis should be based not only to economic measures but also to a large extent to territorial (regional and urban) policies and action plans as well as to specific interventions of rehabilitation / regeneration.

The cities - regional centers, meaning the ones having an important role in the development of the surrounding area, face difficulties in their regional during the crisis period, since many of the activities that have strong regional influence (e.g. large and / or dynamic production and service enterprises) shrink.

Therefore, the crisis of many regional centers in EU countries, especially to those most affected, intensifies (in most cases) the crisis in their respective regions. Additionally, it maintains no further intensify the imbalances of the systems of regional centers of the respective countries. If the cities - centers provide vital services but also stimulate the development of their respective regions (those on larger areas of centers), balance as regards services and development among different regions of a country is limited. In other words, regional disparities increase and, consequently, the positive results of earlier efforts to improve the balance of both urban networks and regional systems are significantly reduced.

As noted (see. inter alia, the EU program URBACT, 2017), the medium sized cities with populations between 50.000 and 200.000 inhabitants (characterized as "urban poles») are important driving forces for improvement of economic efficiency and achieving innovation in the frame of the Community Lisbon Strategy and the strategy "Europe 2020" (EC, 2010) for smart, sustainable and inclusive growth of EU Member States.

We refer, more correctly, to the declarations contained in the report "Europe 2020", because the actual implementation of specific Community intervention policies in countries that suffered more strongly the recent crisis, has been strongly differentiated from the above declarations. This divergence between declarations – effective implementation of policies was more pronounced in the case of EU intervention in Greece to overcome the crisis, as the policy mix implemented was recessionary rather than developmental.

## **2. The need for new and sustainable answers to the problems of cities by national and local / regional authorities**

In accordance with the relevant Community documents, sustainable development of European regional centers is related to the achievement of balanced competitiveness, cohesion and sustainability in the entire EU area and polycentric development at all spatial levels: EU, transnational / national, regional / local (EU / URBACT, Sustainable regeneration in urban areas, 2015 and Hadjikyriakou, 2016).

As argued by many (see. indicatively, in Van Winden and de Carvalho, 2015) small and medium-sized cities can be drivers of the recovery of their country from the crisis, because they could more efficiently promote production and innovation. They can, however, achieve this only if they act in this direction in the frame of a well prepared plan. As emphasized on, cities with low levels of organization and planning fail to derive economic potential. In other words, they don't take advantage of their existing potential.

Briefly, the regional centers should prioritize the development of new economic activities, exploiting, inter alia, their endogenous potential, emphasize "bottom-up"

development and, above all, support the "new economies" (or "new economy") (EU / URBACT, New urban economies, 2015 and Moloney, 2015).

Of primary importance in this respect is the development of urban digital economy. Digital economy is related to the dissemination of a wide range of Information and Telecommunications technologies (IT) across the economy and society (De Carvalho - Van Winden, 2015). In the last decade, digital technology has transformed entire economic sectors, such as transport, health, media, retail and construction; it has also changed the work and life styles. According to the European Commission's research, digital technology represents 5% of the overall European economy and 25% of all companies. In addition are found to be resilient to crisis in most countries.

Important role in the development of the digital economy and innovation in urban poles plays the existence of relevant businesses and universities, as well as the support from the local authorities. These three factors exist in the case of Patras. The cooperation between companies, universities and local authorities in these areas creates a kind of "triple helix" that promotes overall development (see in EU / URBACT RUnUP Thematic Network 2012).

### **3. Patras in the frame of the Greek system of regional centers**

The Greek regional centers system includes -very schematically:

- a. Metropolitan centers - metropolitan areas (MA) of Athens and Thessaloniki. The two MA have much larger developmental and population potential of the remaining centers.
- b. Three centers with very strong regional influence and population potential (of their "larger urban zones"): 130.000-210.000 inhabitants (size class): Patras (population of the wider region: about 210.000 inhabitants), bi-pole Volos-Larissa and Iraklion (of Crete).
- c. Regional centers with smaller population potential and less regional influence.

Regarding the evolution of the system of regional centers:

- In the '60s we have polarization, with strong expansion of metropolitan and some regional centers.
- In the period 1971 to 2008, i.e. before the crisis, the main changes were the enlargement / restructuring of metropolitan areas and the "selective" development of the urban system, i.e. some urban centers / "urban poles" were developed much more strongly than other (Angelidis, 2016, 2013, 2005).
- In the period of crisis, the potential of metropolitan and remaining regional centers shrinks.

Of course some differences among them as to the degree of shrinkage were recorded.

Overall, the Greek urban system presented earlier and still shows today deficit of power, coherence and balance, since it cannot play its role which is to contribute to a better distribution of development and the provision of services to citizens (Angelidis, 2016 and Angelidis – Karka, 2001). It occurs, compared to more developed countries, excessive growth of a center: the Athens metropolitan area. There is second level center with satisfactory influence: the metropolitan area of Thessaloniki. The remaining regional centers are generally weak.

To enhance the balance of the Greek regional centers system is worthwhile, inter alia, to enhance the potential of the three large regional centers (with clearly larger potential than the rest): Patras, Heraklion, bi-pole Larissa - Volos. Specifically, Patras can play a very important role in balancing the total urban system of the country and, in particular, to significantly enhance the system of cities in the western part of the country.

Patras knew in the 70s a very strong population growth, which has been slowed down very much in the decades of 1981 to 1991 and from 1991 to 2001 to almost zero in the period 2001-2011. From 2008 to today the population of the wider region of Patras probably decreased slightly. Generally, the population of Patras suburban area was growing fastest and this area was gradually incorporated in town itself - as observed in most major Greek cities.

Slow down of the Patras industry is observed during the last thirty years - much more pronounced in the period of the recent crisis. Also, before the crisis, while in the primary sector the employment has declined, it has greatly increased in the sectors of services and Construction. In the period of crisis, all sectors have been shrinking - the stronger shrink observed in Construction.

An important feature of both Patras and bi-pole (twin pole) Larissa - Volos is that they are located on the main Greek developmental axis which has S form: Patras - Athens - Thessaloniki - Kavala (as a general picture). Patras draws considerable benefits from its inclusion in this axis, when of course there are other conditions.

The port of Patras is the western gate of the country. The city benefited significantly from the creation of the University as well as from the reinforcement of the administrative services since it was for a long time and is today the center of an administrative Region. However, these two powerful "from the outside" interventions were unable to sufficiently strengthen its development as an "urban pole".

Patras, as Center of the Region of "Western Greece", has largely benefited from the construction of the bridge Rio - Antirio and benefit, more generally, from the improvement of the big road axis that runs along the Western Greece.

In Patras operates a Science Park which is linked to a certain extent, with research activities of the neighboring University. The further development of activity of the Science Park can contribute significantly to the modernization and the endogenous development of Patras and of the wider region of.

The industrial sector, which is very important for Patras, need to be restructured and modernized. Its prospect lies in competitive sectors internationally, which will upgrade if undertaken appropriate initiatives with their own dynamic and will need state support only to remove bureaucratic and other obstacles, to create a favorable for business climate and improving the interface with the international environment. These sectors can benefit to a limited degree from the availability of human potential with work experience in industry. The broader sector of services, which can contribute considerably in the development of the city, have greater prospects regarding more specifically the provision of services (consulting, design etc.) to businesses, services related with the "new industrial activities", or the transit function of the city as a port and as a hub of the National Road and Rail Networks, or tourist - cultural activity.

Major benefits can be expected from the promotion of the cultural identity of the city and improving the interface with the tourist development of its wider region.

In the wider area of services related to the transport sector by focusing on the port, can mainly be based and the upgrading of the international role of Patras, which has strategic importance both for the city and for its region/area of influence. Regarding this question, there is a need to learn from the case of the port of Piraeus. Here, the involvement of the Chinese company COSCO and the general interest of the state of China facing Piraeus as one of the major hubs of the "Silk Road" linking China with Europe reminded us how important it is potentially the international role of Piraeus. It confirmed that the substantial utilization of this role (not only at the level of policy declarations) can lead to the development of many important activities. We need to emphasize that while the use of the international role of Piraeus was referring to all of our country's development programs of the three recent decades (or more), there was not something specific for the effective utilization of this role. This fact highlights a crucial weakness of the way it is exercised in practice the regional development policy in our country, compared to what happens in more developed countries.

The same applies to the case of Patras, where the international role of the city was not used as it was possible, despite the fact that this development had been included in all plans of development of the city in recent decades. This results from a simple comparison of what was

to be done and what eventually became on this issue. In other words, the "potentials" of the international role of the city were not implemented, not "translated" in activities that would contribute significantly to the "development" of the city.

#### **4. Five opportunities of Patras that have not been sufficiently exploited before and during the crisis**

Extending the discussion on insufficient exploitation of the international role of the city, we need discuss detail five key opportunities of Patras (there are of course other, relatively less important) that have not been sufficiently utilized both before and during the crisis, which should be supported by priority, because they can lead Patras, as a large Greek regional center, to exit of the crisis (obviously interacting with the general country's way out of the crisis).

Assume as a baseline, that in the current period of crisis, it is difficult to support the utilization of the city opportunities with a very large amount of public investment in physical infrastructure, etc. Therefore, an important criterion is to support priority sectors which can be developed with less public infrastructure and interventions, evidently on the base of a suitable assessment of the development opportunities of the city. A second criterion for selecting sectors or intersectoral interventions should be whether they will be able to enhance the character of the city as "urban pole", i.e. will have a catalytic effect on the development of the area in which they are located, but also their wider region of influence. The use of such criteria is included in the broader sense of "smart growth".

Based on the foregoing, we suggest the following five priority areas for the exit of the city and its periphery of the crisis (evidently there are other areas of intervention, relatively less important). The activities associated with these priorities do not require major new infrastructure but rather support, can become internationally competitive as well as to contribute to a sustainable development of the city as a regional center.

a. The role of the city as a "gateway" of the country from the rest of the EU - in relation with activities such as those directly related to the port, the rail and the highway, but also with the logistics, activities included in "business centers" etc. In other European countries, many cities gateways have highly exploited this role.

b. The role of the city as a primary center of the Region of Western Greece and in smaller degree as center of the entire area of Peloponnese: services addressed to businesses, services of other different categories etc. The development of economic activities which are related to this role could contribute for the most to the strengthening and balancing of the entire Greek system of regional centers. Patras, as a very high level regional center of a very wide area, could highly contribute to this balancing.

c. Activities related to research and innovation with peak digital technology and "vehicle" the cooperation between University of Patras, Patras Science Park, relevant local enterprises and local regional authorities. Patras already has enough of these prerequisites and has already been steps in the direction of cooperation mentioned.

d. Culture of international and regional range in relation to tourism and the enhancement and promotion of the city's cultural identity

e. Agricultural sector and selected manufacturing sectors

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