

industrial base to regain the competitive edge of such companies as Fiat Automobiles and Pirelli Tires. In Turin, existing plants modernized according to the Japanese style that has also been copied by American automakers. Automation was introduced, and assembly-line production turned over to robotics.

Italy's uneven adaptation to the global marketplace and its position within the European Union has led to social and political unrest since the 2012 Eurozone crisis. On the one hand, the successful adaptation of Italian industries to changes in the global marketplace stabilized migration patterns within the country. The fate of cities depends progressively more on their ability to attract and retain mobile capital investment. Capital, in turn, must restructure and acquire greater flexibility in responding to the increasing demands for small-batch, customized production. On the other hand, the 2012 Eurozone crisis almost pushed Italy into fiscal default. In a desperate move to keep the country on a single currency, the Euro, then President Mario Draghi implemented an emergency plan to buy Italian bonds to shore up its banking system. This led to Italy amassing the largest sovereign debt in the Eurozone—almost \$2.3 trillion Euros. The specter of layoffs and recession has destabilized politics. Unemployment is still over 11%. An unlikely pairing of a right-wing and an anti-establishment party formed a majority government after the March 2018 elections. The Five Star party, formed by a comedian, and the League, campaigned on promises to deport immigrants, institute a guaranteed income for the poor, cut corporate taxes, and leave the Eurozone. The backlash against the Roma (gypsy) population and immigrants from the former Italian colonies in North Africa, which increased over 600,000 between 2013 and 2017, has empowered the right-wing and fascist parties in recent elections. Almost 60% of immigrants live in northern Italy, the most economically developed part of the nation, and have become the political target for Italy's right-wing parties with their support in the economically lagging middle and southern regions.

## SPAIN

During the early Middle Ages, the cities of Spain were the largest in all of Europe. Córdoba was the capital of the Moorish empire, and for several centuries the largest city in the world. In the 1500s, Catholic Spain rose to world dominance, and millions of dollars of wealth poured into the country from colonies in the Americas and Asia. But the wealth generated by this mercantilist empire did not produce a well-developed urban system, nor did it lead to industrialization in the 1700s and 1800s. Despite being united under the Roman Catholic religion, the country of Spain was divided by ethnic and linguistic differences, such as the uniquely different Basque and Catalan cultures that continue to have a tense relationship with the central government in Madrid to this day. The Spanish Civil War of the 1930s, which resulted in the triumph of the fascist state that survived

until the 1960s, created further divisions that made development more difficult as well as pushing out most of the best and brightest intellectuals, artists, and entrepreneurs. As a consequence, and unlike most other European countries, Spain is not highly industrialized, and agricultural production remains important for a significant proportion of the population. Most of the manufacturing has been centered in the Madrid region, and the urbanization pattern in this country is not as balanced as in the other European nations we have considered so far.

The proportion of Spain's population living in urban areas increased slightly from 75% in 1990 to 77% in 2005, while the number of persons living in large cities of 1 million or more increased from 20% in 1980 to just 24% in 2000. The populations of the largest cities in Spain are shown in the bottom half of Table 6.4. Madrid (the capital, with a population of 3.5 million) and Barcelona (3.6 million) are the two largest cities. Although there are five other cities with populations of more than 500,000, three have experienced a population decline in the inner city, and another three, including Barcelona, have experienced population declines across the metropolitan region. This urban system is very different from what we have seen in other areas of Europe, in large measure because the level of spotty industrialization has not led to the concentration of population in large manufacturing cities. But in recent years, Spain, too, has been affected by the worldwide restructuring of the global economy with its increased nation-to-nation competition that has made it more difficult for its businesses to survive.

To take one example, older industrial districts, such as Villaverde, have declined and are plagued by job loss and poverty, while the capital city of Madrid itself has been changing from a manufacturing economy to a service one with a building boom of office towers along La Castellana Boulevard caused by the growing importance of finance-related businesses and an increase in service-related employment. Meanwhile, small manufacturers, much like the businesses of Italy's *Mezzogiorno*, have remained successful, especially those involved in metal working, crafts, and printing. All of these changes have been slow in coming, leading to Spain, much like Italy, being in perpetual crisis within the Eurozone in recent years.

## EASTERN EUROPE

The countries of Eastern Europe were occupied by the Soviet Union at the end of World War II and existed under communist dictatorships for seventy years. For the better part of four decades, they were included under the label *second world*, signifying the Cold War distinction between the first world (the United States and the developed Western nations) and the third world (nations in the developing world). They now have joined the capitalist West, but questions about the future development of this heavily urbanized area remain. A 1996 United Nations report captured the immediate problems that post-Soviet countries in Eastern Europe face:

The countries of Eastern Europe and the former Soviet Union are undergoing an economic, political, and administrative transition which is reflected in shrinking gross domestic products, high unemployment and declining fertility and life expectancy. While some countries have shown signs of economic stabilization (e.g., reduced rates of inflation and economic contraction), it will take time to establish new institutions and redefine the role of the public and private sectors ... Wasteful consumption and productive patterns, long-term neglect, and misdirected policies have led to serious environmental degradation. Toxic industrial pollutants affect health and agriculture. The transition to market economies calls for new regulatory regimes to accommodate greater participation by nongovernmental organizations and the private sector. (United Nations Population Fund, 1996)

The complex history of Eastern European countries, and the important social and political issues surrounding their reintegration into European urban history more generally, is described in Box 6.2, which presents the program statement of a 2005 conference titled "Cities After the Fall: European Integration and Urban History Conference."

### Box 6.2

#### Cities After the Fall

In his book *Images of the American City*, when Anselm Strauss posed a simple question, "What time is this city?" he was asking about the character of urban temporal orientation and about how it had a formative effect on the character of a city. One could pose the same question in contemporary East Berlin, Riga, Lviv, Vilnius, Minsk, or Wrocław, in Gdansk, Kaliningrad, Novgorod, Szczecin, Tallinn, or Odessa; in each case, either storied pasts or supposed European futures would probably insinuate themselves into the contemporary answer. The post-communist projections of the past and the future engender Janus-faced imageries of era and geography in these cities, which, in turn, are strongly influencing their representation and (planned) reconfiguration. A process of cultural reorientation and European integration that began circa 1990 continues.

The reorientations are geopolitical as attempts are made to integrate into a "Western" and "European" context after the fall of the Soviet Union. The transformation of these cities is helping redefine the regions and the modern borders of Europe. One could claim that a "New Europe" takes place and form in these cities, which gravitate to Habsburg, Baltic, Imperial Russian, or Germanic past and propose their own futures in ethnic-national, European, Western, and

*continues*

*continued*

global contexts. The tourist industry as well as political parties, private heritage societies and government organizations, and other political and economic interests, are all involved in this historical and geographical repositioning. Concretely the shift in urban time and place expresses itself in the grand and subtle changes to the urban fabric, which is beginning to accommodate the new order and orientation.

In many cases, there is a strained discourse between the versions of an urban past and the variously envisioned future(s), while the opposing arguments are being set in stone or in steel and glass.

SOURCE: "Cities After the Fall: European Integration and Urban History Conference," Minda de Gunzburg Center for European Studies, Harvard University, Spring 2005.

By 2000, some 68% of the population in Eastern Europe lived in urban areas—one of the highest levels of urbanization in the world. Therefore, these countries disprove the claim that simply being urbanized means progress to affluence and stability. Many Eastern European countries exhibit an uneven pattern of spatial development, where one large urban center dominates the country. Table 6.5 shows the population for the largest metropolitan areas in Eastern Europe. There are several distinctive features about this regional urban system. It is dominated by Moscow, the capital of the former Soviet Union, with a metropolitan regional population estimated just north of 12.1 million persons. The second largest metropolitan area, St. Petersburg, with a population estimated to be just shy of 5 million, is the former capital built in the 1700s as Russia sought to become a world power alongside the European monarchies. These are followed by a group of cities with populations of 1 to 2 million that either represent the capital cities of older nations in Eastern Europe, including Warsaw in Poland and Budapest in Hungary, or the newly independent countries of the former USSR, such as Minsk in Belarus, Kiev in Ukraine.

Only Russia seems to have been able to develop a balanced urban hierarchy. In 1970 six Russian cities had more than 1 million persons. By 2000 there were more than a dozen cities with a population of at least 1 million. The two largest cities—Moscow and St. Petersburg—are the consequence of Russia's long history as a centralized state. Moscow is not only the largest city in Eastern Europe, but it also is the second largest European city. It accounts for half of all banking activity in Russia, along with one-third of its retail sales and one-third of national wholesale trade. Although there are more than a dozen Russian cities with populations of 1 million or more, the concentration of economic power and political control under the Soviet State means that none of these cities developed as

TABLE 6.5 Largest Urban Agglomerations in Eastern Europe, 1975–2015

City	Country	Population			
		1975	2000	2010	2015 (e)
Moscow	Russia	7,623,000	10,005,00	11,461,000	12,166,000
St. Petersburg	Russia	4,325,000	4,719,000	4,872,000	4,993,000
Bucharest	Romania	1,926,000	2,606,000	1,889,000	1,868,000
Minsk	Belarus	1,702,000	1,949,000	1,847,000	1,915,000
Budapest	Hungary	1,120,000	1,700,000	1,734,000	1,714,000
Warsaw	Poland	2,005,000	1,666,000	1,703,000	1,722,000
Novosibirsk	Russia	1,444,000	1,426,000	1,472,000	1,497,000
Kharkov	Ukraine	1,250,000	1,484,000	1,453,000	1,441,000
Yekaterinburg	Russia	1,135,000	1,303,000	1,348,000	1,379,000
Prague	Czech Republic	1,126,000	1,172,000	1,261,000	1,314,000
Nizhniy Novgorod	Russia	1,273,000	1,331,000	1,253,000	1,212,000
Sofia	Bulgaria	977,000	1,128,000	1,200,000	1,226,000
Samara	Russia	1,146,000	1,173,000	1,164,000	1,164,000
Omsk	Russia	954,000	1,136,000	1,153,000	1,162,000

SOURCE: United Nations, Department of Economic and Social Affairs, Population Division (2013). World Population Prospects: The 2011 Revision. <http://esa.un.org/unpd/wup/CD-ROM/Urban-Agglomerations.htm>; United Nations Department of Economic and Social Affairs World Urbanization Prospects 2014 Revision.

(e) = estimated value

metropolitan centers for a larger urban region. This role was reserved for the two cities with former federal status: Moscow and St. Petersburg.

In the past, discussion about Eastern European cities among urbanists focused on whether there is a specific difference in patterns of growth that can be attributed to communism—was there a particular urban form that might be identified as the Socialist City? But according to Friedrichs, “Except for a short period in the early 1920s, there are no specific socialist types of land use, distribution of new housing, internal organization of residential blocks, or location of companies” (1988:128). There was some effort to develop urban structures more friendly to the working population in the years following World War I, when much of Europe was governed by a succession of socialist and left-wing political movements, before the solidification of rightist regimes under fascism. There are some peculiarities of land use and population distribution among cities and metropolitan regions in the former communist countries that differ from patterns in the West. These involve the nature of the central city due to an absence of the finance capital sector, the pattern of population distribution and the housing shortage, and most important, an absence of a capitalist real estate market.

### Central City Decline

All Eastern European countries have large capital cities, the result of both historical patterns of development as well as centralization under the Soviet system. Some, such as Hungary and Poland, have very uneven development due to the dominance of their main centers—Budapest and Warsaw, respectively. Others, such as the Czech Republic and Russia, have a more balanced system of cities. In every case, the central sections of the major cities are quite old, dating back several hundred years to their founding. Under the communist governments, original buildings in the city center were not torn down; they remain standing in many cases and many are in terrible shape. The lack of ambitious office building schemes, characteristic of many communist cities, stands in contrast to the capitalist city, where finance capital and its associated business services, such as accounting and legal consulting, have taken over the downtown. In most communist countries, the state directed investment in real estate and economic development; thus, their downtowns do not contain an active real estate market of office buildings that services the needs of corporate and finance capital. As a result, the shift to the service-oriented economy is occurring more slowly in these countries than elsewhere in Europe.

One of the most notable changes in urbanization in the Eastern European countries has been the decline in central city population and increase in the suburbs and urban periphery; this development is common to all countries, and of course similar to that observed in Western Europe. Once the specific state-sponsored incentives that concentrated housing and other development within the urban core were lifted, the population in these countries rapidly moved out of the central cities. Suburban development is spectacular now in every major country that once was controlled by the Soviet Union. Thus, under the new economic stage of global capitalism, the Eastern European spatial form of urbanization, as elsewhere, is increasingly a multi-centered metropolitan region (MCMR).

### Land Use and Demographic Patterns and the Emergence of Free Markets

Communist regimes did, however, have one social effect and that was in restraining the gross income inequality found under capitalism. Family and household income differences in Eastern European cities historically were not as disparate as in the rest of Europe or the United States (Ladanyi, 1989). In the United States, both the wealthy and the poorest classes are highly segregated, and in many European cities, working-class families live in the suburbs. In Eastern European cities, such as Budapest, there is some segregation of the wealthy classes and the poor, but the rest of the population is evenly spread out in the city despite some differences in family income.

The reason for this contrast in the Soviet city was the operation of government subsidies for housing, which prevented the poorest people from being