Abstracts

Counter urbanization – migration from urban to rural places
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The regional population shift has over many years primarily benefited the largest cities, but it is often overlooked that there is also a movement in the opposite direction i.e. from the big cities to small towns and rural places. In this article we take a closer look at counter-urbanization and those who move from the municipalities of Copenhagen and Frederiksberg to rural and peripheral municipalities; who they are and which motives they have for moving. Similar to previous studies, the article finds that motives for moving are complex where family, friends, place attachment and job opportunities are important. A new aspect is, as shown in the article, that an increasing proportion of migrants have a degree of higher education and that employment levels for the migrants are above national averages.

The restructuring of medium-sized cities in the rural and peripheral municipalities: population, industry and human capital
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This paper analyses the restructuring of population, industry and employment in the medium-sized cities in the rural and peripheral municipalities in Denmark. This paper examines whether the slowdown known from the smallest towns outside the metropolitan regions has affected the medium-sized cities or whether these follow their own development paths. For the analysis, we have divided the medium-sized cities based on their population and employment growth in the period 2012-2019 into four types, which we examine thoroughly. We include human capital in the analysis to examine the consequences of the knowledge economy. There are clear differences between the four city types and considerable variation within the types although there are smaller differences in relation to human capital. This study shows that the smallest of the medium-sized cities have performed best. This indicates that the development paths differ from the smallest cities, but also that there are differences between the medium-sized cities.

New financial expectations – implications for settlement and business
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Danish agriculture and Danish rural areas have historically been closely connected. More importantly the development within both domains have been closely connected with the financial sector that via finance has enabled constructions, investments, ownership and succession. In an international context, Danish mortgage providers have played a unique role in development of residential areas and the agricultural sector. However, in the last couple of decades a number of changes have taken place of the relationship between the agriculture sector and rural areas on one side and the financial system on the other, which fundamentally have changed the conditions for economic activities. In this article we dive deeper into these changes in an attempt to highlight the consequences.

From exclusive to inclusive business policy: Towards a geographically and industrially more coherent Denmark

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The article discusses the opportunities for addressing the geographical uneven economic development, that has characterized Denmark in recent years, through more holistic and place-based approaches in business policies, which develops the relations between international and local industries and joins urban and rural areas in common development strategies. We first describe the recent decades’ of economic development with special attention to geographical aspects, followed by an analysis of the rationale and content of the existing business policy regime. We then introduce the concept of the Foundational Economy as an alternative approach to business development. We discuss whether it can point towards more inclusive and place-based approaches and conclude that its local development element holds promising perspectives. Lastly, we discuss these perspectives based on an example of local business development in connection to the national plans for and investments in Bornholm as a sustainable energy island.

Challenges in the neo-endogenous approach in municipal strategic planning for villages

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Much rural research and policy is based on an expectation of neo-endogenous development, which means that a large part of the responsibility for village development is transferred to the village actors themselves. This article examines patterns in the social capital of local communities that can show how local communities are equipped to act as development actors. The article analyses quantitative data from a nationwide mapping of citizens’ associations and community associations. A total of 1,468 community associations received the questionnaire and 58 percent responded. The municipalities have recently been given a more established ‘village responsibility’ as municipal planning now must support the development of viable villages, promote a differentiated and targeted development of villages, and indicate overall objectives and instruments for the development of villages. With regard to strategic planning for viable villages, the article discusses the challenges of the neo-endogenous development approach’s ‘placing responsibility’ on local communities.
Regional policy and state subventions to municipalities in Denmark. Do rural districts be in the focus of the regional state politics and subventions to municipalities.

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The article outlines the structural background for the regional development as well as local possibility of influencing the local structures (see figure 1). On this basis, the article analysis the complex of state policies aimed at influencing business and living conditions in various municipalities. Regional policy, centralization trends and the total economic transfers from the state and from the EU to municipalities and rural districts will be analyzed. The article points out that the rationale behind the state subsidies to the municipalities is primarily to create more economically uniformed framework conditions for all rural and urban municipalities to carry out the municipal tasks, i.e. to promote a consideration of equality. Only a small part of the state grants is in the focus when it comes to the rural considerations and local policy.

Rural areas and local governments’ economy – are they reflected in agreements and equalization?
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The role of the municipal sector including rural municipalities in welfare society has increased. We investigate appearance of rural issues in 28 years of yearly economic agreements, being an important element of negotiation in the state-local economic relationship. Rural topics appear in varying extent but surprisingly modest in recent years, despite a potential interest from central and local governments. Municipal redistribution is difficult to negotiate but taken care of by the established equalization system. We analyze this system in three dimensions found significant for rural municipalities and illuminated via three most recent revisions in 2007, 2013 and 2020. Several elements relevant for rural municipalities are identified, which apply in particular for the 2020-reform. Rural municipalities in general achieved a profit when the system changes and accounts for almost half of the total redistribution. If regional and rural issues should be more pro-active integrated in equalization both have advantages and disadvantages.

Effective task organization: the right skills for the right tasks
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The LEON principle states that the treatment of patients should take place at the “lowest effective cost level”. This article aims to assess whether a similar principle can be used outside the healthcare system to make the best use of employee skills and to realise the most cost-effective task organization. First, a clarification is made of the LEON concept and its theoretical foundation, as well as showing how the LEON principle is related to analyses based on the incremental cost-effectiveness ratio (ICER). We assess that the ICER method can be extended to a broader application, and we believe that it may serve as a basis for a guide to analyses of task organization in general. We present a framework for applying the principle, and an example illustrates the principle. Time-Driven Activity-Based Costing is a suitable tool if, based on the LEON principle, assessments, and analyses of the cost-effective-
ness of alternative work organizations are to be carried out. Since there will be situations where individual staff groups constitute a scarce resource, opportunity costs should be included in the calculation.

The problematic housing market. A review of the international research literature

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There has been an extensive international research showing that the housing market works very differently to other markets in the economy. In this article, results from this research are reviewed. It shows that, for several reasons, the housing market has difficulties in providing a satisfactory housing supply for everyone in society, especially for households with lower incomes. The supply of housing comes primarily from the existing housing stock and does not respond quickly enough to cyclical changes in demand, because it depends on the mobility of households. This creates disequilibrium in parts of the market over longer periods. New construction only makes up a small part of the supply, and in many countries it has been observed that the extent is too low. One of the reasons is that the prices of building plots are determined by the price development of existing housing, which means that disequilibrium and price increases on the housing market are reflected in land prices and make new construction more expensive, at the same time that housing construction is not sufficient to solve housing needs.