

CRISIS, EMPLOYMENT AND URBAN IMBALANCE IN SPAIN

Gema González- Romero

University of Sevilla

gemagonzalez@us.es

Inmaculada Caravaca-Barroso

University de Sevilla

caravaca@us.es

Paloma López-Lara

Instituto de Estadística y Cartografía de Andalucía

lopezlara@gmail.com

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Among the many adverse effects that the crisis is highlighted by the sharp reduction in the number of jobs in some countries of the European Union. This fact is directly linked, on the one hand, the restructuring of the deregulated and hypertrophied financial sector and the bursting of the so-called housing bubble and, secondly, with the effects caused by the austerity measures, based on deregulation labor and privatization of public services market, are being imposed by the EU institutions to the countries hardest hit by the crisis.

Of particular interest it is what is happening in urban areas to be in them where the economic activities and population are concentrated.

In this general context of reference, the aim of this article is to analyze the evolution experienced by employment in the Spanish towns and cities with over 20,000 inhabitants. The fundamental source used for analysing employment is the number of employed people registered with the Department of Social Security. The years selected for the study are 2000, 2006, 2009 and 2012, allowing differentiate between what happened in the last years of the expansive economic phase prior to the crisis, and what happened after for two other very significant phases: between the 2006 and 2009, where the financial and real estate crisis began, and that elapses between 2009 and 2012, when the effects of the austerity policies that are helping to create a strong loss of social cohesion and growth begin to be detected inequalities.

The article contains seven sections. After this introduction, reference to the distribution of employment in the Spanish urban municipalities by size. Sections three, four and five are devoted respectively to analyze the territorial consequences of the developments for jobs (section three), and then consider intercity imbalances generated first by the financial and real estate crisis and then by adjustment policies

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(fourth and fifth sections). In sixth section, a typology is proposed according to the different degree to which towns and cities have been affected by the crisis. Finally, some conclusions are set out.

2. CRISIS AND CHANGES IN THE DISTRIBUTION OF EMPLOYMENT IN URBAN MUNICIPALITIES.

Spain is one of the EU country in which the effects of the crisis are being felt more strongly, having destroyed 2,437,772 jobs between 2006 and 2012 (Department of Social Security).

From 2006 to 2009 the reduction in the number of jobs was particularly strong in both urban municipalities smaller (-9.55%) and in the elderly (-6.59%). However, certain changes have taken place during the period 2009-2012, in which the decrease in the number of employments in the municipalities intensifies between 50,000 and 500,000, while braking in both smaller and higher.

When the number of jobs is compared to the number of people of working age (%) it is seen that the municipalities with over 100,000 inhabitants, who are reaching figures above 50% and, particularly, the larger that reach nearly 75%.

3. TERRITORIAL DISTRIBUTION OF THE CHANGES IN EMPLOYMENT.

In the expansive economic phase preceding the crisis it increased the number of employed people registered with the Department of Social Security in almost all towns and cities.

The trend significantly reversed during the first phase of the crisis, with many cities that lose jobs. Such losses mostly affected the coastal cities of the Mediterranean and the two archipelagos as well as those that make major metropolitan agglomerations. The uncontrolled growth in them by the construction sector in the years before the crisis explains that the bursting of the housing bubble will result in these particularly significant cities.

Job losses were widespread even in the period between 2009 and 2012, when the impacts of adjustment policies promoted by the European Union are beginning to be detected.

4. URBAN IMBALANCES CAUSED BY FINANCIAL CRISIS.

The relative evolution experienced by employed people registered with the Department of Social Security between 2006 and 2009 reveals significant contrasts between cities.

The cities that best withstand the crisis are traditional industrial cities that have managed to renew and diversify its economy; metropolitan cities linked to sectors associated with the knowledge economy; and those with double major production systems associated both tourism and intensive agriculture.

The largest job losses occurring in cities with fewer than 50,000 inhabitants, situated on the coast and after country and with a high degree of dependence on construction and tourism, as well as in metropolitan peripheries more industrial presence.

5. URBAN IMBALANCES CAUSED BY AUSTERITY POLICIES.

Reducing income and consumption as a result of job losses, with the implementation of austerity policies, explained that from 2009 the effects of the crisis from spreading further. This is especially jobs related to basic services as well as state administration, which are located mainly in the provincial capitals and in the county towns.

The municipalities that are more resistant hosting population segments with higher incomes and those linked to a certain type of international tourism.

Among the most affected are those with a supply goods industry for the construction and final consumer products. Particularly noteworthy are those who exercise in county towns.

6. A TYPOLOGY OF TOWNS AND CITIES ACCORDING TO THE EVOLUTION OF EMPLOYMENT AND LABOR FORCE PARTICIPATION.

The analysis of the territorial impact of the crisis on employment is completed by performing a typology that links the evolution of the number of employed people registered with the Department of Social Security from 2006 to 2012 with the rate of activity, considering as such the relationship between the employed people and working-age population (%); four types of cities are identified:

- Type A, cities characterized by further growth in the number of jobs and a relationship between the number of workers and the population of working age over 50%. They are metropolitan cities that host high-income social sectors, industrial cities who have managed to diversify its economy, cities linked to international tourism, or who have specialized in local production systems based on intensive agriculture and tourism
- Type B, cities which have had a more positive evolution of jobs, although the percentage of employments regarding the working age population is less than 50%. They are medium- sized cities with a significant food industry, and metropolitan cities with a recent urban expansion.
- Type C, cities that, although the employments have evolved more negatively than the national average, have a number of jobs relative to the working age

population above 50%. In this group the largest cities are integrated, which shows that the very complexity and diversity of these spaces makes it compatible destruction of significant jobs with higher rates of activity.

- Type D corresponds to: industrial districts related to construction and textile, industrial metropolitan cities, urban municipalities hosting low-income social sectors, and Mediterranean coastal cities dependent on tourism and construction.

7. SOME CONCLUSIONS.

Spain is one of the countries most affected by the crisis labor market. Two main factors have influenced the reduction in employment on the one hand, the explosion of the financial and real estate bubble; and, secondly, policies to reduce public spending implemented to tackle the crisis. Respect their territorial impacts can observe certain trends:

- In the first phase of the crisis are many cities that lose jobs, significantly emphasizing those in the Mediterranean coastal area, in the two archipelagos and major metropolitan areas.
- In the second, the crisis is spreading throughout the country, still affected the provincial capitals and county towns, which are the ones mainly concentrated services.
- The functional specialization of different cities seem to be one of the factors explaining the varying degrees of involvement of the crisis during its two phases.

In short, the impact of the crisis on employment in the Spanish cities with over 20,000 inhabitants is still very uneven, and the differences between them should be taken into account in designing policies tailored to the different situations that may trigger new processes of territorial development.