

# Why Shrinking Cities Are Not Mirror Images of Growing Cities: A Research Agenda of Six Testable Propositions

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## Abstract

I advance six propositions regarding the features of urban decline processes that distinguish them from those in growing cities. First, they are *demographically selective*, as population losses are disproportionately comprised of more advantaged households. Second, they are *dynamically nonlinear*, as population changes exceed thresholds where socially problematic behaviors and residential disinvestment jump sharply. Third, they are *asymmetrically scalable* for technological, financial, physical, and political reasons. Fourth, they are *minimally controlled* by traditional land-use policies of zoning and building permits. Fifth, they are *informally decentralized*, as individuals and groups supplement the atrophied local public sector with “do it yourself” activities. Sixth, they are *psychologically conservative*, as residents try to conserve threatened physical, social, and psychological resources. The article synthesizes extant theory and evidence from multiple disciplines, although ultimately the propositions are advanced as working hypotheses commanding varying degrees of support, which collectively comprise a research agenda for further investigation.

## Keywords

shrinking cities, urban decline processes, planning

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The phenomenon of shrinking cities is virtually worldwide (Richardson and Nam 2014). Eighty percent of the largest 20 U.S. cities as of 1950 have lost population since (Pallagst et al. 2009). This development has stimulated a rapidly growing scholarly literature across many disciplines; see as notable examples Beauregard (2003), Oswalt (2006), Hollander et al. (2009), Pallagst et al. (2009), Dewar and Thomas (2013), Richardson and Nam (2014), Eisinger (2015), and research assembled on the Shrinking Cities International Research Network.<sup>1</sup> Scholars have probed the indicators of decline, its alternative explanations, its consequences, and responses by planners and policy makers (see the reviews in Haase et al. 2014; Hospers 2014). What has been missing thus far in this literature is analysis of the distinctive human, market, and institutional *processes* through which decline occurs (as noted by Haase et al. 2016); it is this gap the current article tries to begin filling. That is, here I address the heretofore unasked questions: *How does decline transpire within cities? and How is it essentially different from the way growth transpires?* I do not address the questions that constitute the *corpus* of the shrinking cities scholarship: *Why decline? So what? What should be done?*<sup>2</sup>

It is vital for the literature on shrinking cities to address this question about the distinctive processes associated with urban decline. Answers provide us with new lenses through which the human, market, and institutional consequences can be freshly perceived and, hopefully, guidance for planners and policy makers about what should be done better or differently.

In this article, I posit that the dynamic processes evinced within declining cities are essentially different from growing cities in at least six key respects. My arguments touch upon physical, demographic, social, political, financial, behavioral, and psychological aspects of the declining city. In what follows I present six propositions and support them by drawing upon extant theory and empirical evidence from several social scientific disciplines. I must emphasize, however, that I view these propositions as working hypotheses. My goal is thus to offer an eclectic research agenda that will stimulate further theoretical and empirical work related to the essentially distinctive features of urban decline processes.

At the outset, I note that most of the following discussion is intended to be independent of the specific definition or operationalization of “shrinking cities,” a debate that need not be joined here (but see Haase et al. 2014). The propositions I forward are generally applicable to any town or municipality that has been consistently declining in population, employment, and per capita income for at least several decades, though some propositions relate more directly to a subset of these three dimensions of decline.<sup>3</sup> I acknowledge that these six propositions are uneven in the degree to which they have already received scholarly support, which will be reflected in the number of citations provided for each. Some have been the subject of many prior investigations

while others are more speculative because they are based on my original theorizing. I believe that all warrant further study, however, including investigations of whether they prove most relevant for specific definitions of shrinking cities or those subjected to particular causal processes (Haase et al. 2016; Haase et al. 2014).

## **Proposition I: Decline Processes Are Demographically Selective**

Cities that are growing in total population, employment, and per capita income are magnets for all manner of in-migrants, whether they originate from the same nation or internationally (Glaeser 2011). Certainly, those with specialized skills, talents, and motivations will be well-represented in this stream of urban in-movers, and it is their agglomeration that yields some of the most prodigious economic gains in productivity and creativity (Florida 2002). Nevertheless, this agglomeration of exceptional talent will be accompanied in growing cities by growth in other, less advantaged groups that will be drawn to the more modest economic prospects associated with the burgeoning secondary and tertiary employment sectors of the local economy.

By contrast, the population losses from declining cities will be comprised disproportionately of more advantaged (better educated, higher skilled) households, so this selective outflow renders the city increasingly occupied by the disadvantaged. Advantaged households typically leave declining cities first because they are most willing and able to do so, given both their higher absolute purchasing power for housing and their higher income elasticity of demand for the sorts of quality-of-life amenities that, as amplified below, will quickly degrade in declining cities. They also may leave due to lower demands for their skills in declining cities (Myrdal 1957; Richardson 1978). Disadvantaged households, on the contrary, may also wish to leave deteriorating cities but typically find the prospect economically infeasible (Nord 1998). The least-expensive, unsubsidized private rental dwellings will be concentrated in declining cities whereas suburban jurisdictions with superior quality-of-life and other opportunities may be priced out of reach, especially if they have employed exclusionary zoning practices in the past. Out-mobility of disadvantaged households who are African-American or Latino may be further constrained by illegal discrimination in housing markets outside of declining cities (Turner 2013). This selective out-migration dynamic may, in turn, establish a self-reinforcing process of cumulative decline (Friedrichs 1993; Myrdal 1957; Richardson 1978).

Considerable evidence to support this proposition by extension comes from a long-standing literature on selective interregional migration; see the

reviews in Greenwood (1975) and Friedrichs (1993). Whether the composition of gross out-migration patterns differs between growing and shrinking cities has rarely been investigated, however. Frey (1980) computed the propensity of White central city White residents to leave the city according to their educational attainment, and found that the positive relationship between greater attainment and propensity to move out was stronger among the declining cities (Detroit, Buffalo, and Hartford) than the growing ones (Dallas, Atlanta, and Sacramento) analyzed. However, Foulkes and Schafft (2010) found that poor households had a higher propensity to leave high-poverty metropolitan counties (presumably containing shrinking cities) than nonpoor households. Given this uncertainty, more pointed comparisons of the gross out-migration patterns for shrinking and growing cities are needed.

## **Proposition 2: Decline Processes Are Dynamically Nonlinear**

As per proposition 1, shrinking cities will, on average, come to be disproportionately inhabited by less advantaged households with less aggregate disposable income and, thus, weaker demands for housing of substantial quality. As these citywide trends of aggregate impoverishment and property devaluation play themselves out across the landscape, more and more individual neighborhoods will reach critical junctures at which the behaviors of residents and property owners change dramatically. Neighborhoods in declining cities do not continuously follow a downward trajectory in a linear fashion. Instead, they are characterized by thresholds beyond which the degree of socially problematic behaviors and disinvestment in residential property jumps sharply.<sup>4</sup> These nonlinear relationships manifested at the neighborhood level will produce analogous nonlinear relationships when aggregated to the city level. In other words, proposition 2 suggests that the relationship between indicators of city decline like population loss and lower per capita incomes should be related to a variety of outcome indicators like crime, school drop-out rates, residential blight and abandonment, and aggregate property values in a nonlinear fashion (Galster, Quercia, and Cortes 2000).

Nonlinear relationships between the incidence of socially problematic behaviors (like criminality, dropping out of school, not participating in the labor force, substance abuse, risky sexual practices, etc.) and threshold concentrations of residents with certain characteristics follow from sociological theories related to socialization and collective social control. The *socialization mechanism* suggests that residents can exhibit different behaviors as a result of interactions with neighborhood peers and role models that may manifest themselves as a process of “contagion” once they exceed a critical point

(Crane 1991). The *collective social control mechanism* suggests that pervasive community norms can shape residents' behaviors in corresponding realms because they do not wish to risk the potential social sanctions (such as ostracism) associated with violation of these norms. This collective social control mechanism also implicitly suggests a threshold. It is only when a group reaches some critical mass of density or power over a geographic area that it is likely to become effective in shaping the behaviors of other residents. Past this threshold, as more members are recruited, the group's power to sanction nonconformists probably grows nonlinearly. Several collective socialization models from sociology suggest thresholds explicitly (Granovetter 1978; Granovetter and Soong 1983).

Although the aforementioned social processes are not unique to shrinking cities, the way that they likely are manifested most perniciously in the context of urban decline has most famously been explicated by Wilson (1987). Declining cities will produce changes both in the composition of its residents (as per proposition 1) and in their individual circumstances. As better-educated, employed residents disproportionately leave a city and the remaining population becomes more likely to be unemployed or see their incomes drop, the social climate of its constituent neighborhoods will change. Stable, desirable neighborhoods formerly dominated by middle-class norms, peers, and role models will tip into places where very different behaviors are sanctioned and encouraged, as a new set of collective social interactions come to the fore.

A review of the U.S. econometric literature on the effects of neighborhood poverty on individual residents' behaviors offers strong empirical support for these theoretical arguments for nonlinear relationships; see the review in Galster (2002). These works suggest that the independent impacts of neighborhood poverty rates in encouraging negative behavioral outcomes for individuals like crime and school leaving appear to be nil unless the neighborhood exceeds about 20% poverty, whereupon the externality effects grow rapidly until the neighborhood reaches approximately 40% poverty; subsequent increases in the poverty population appear to have no marginal external effect. Analogously, the independent impacts of neighborhood poverty rates in discouraging positive behaviors like working appear to be nil unless the neighborhood exceeds about 15% poverty, whereupon the effects grow rapidly until the neighborhood reaches roughly 30% poverty; subsequent increases in poverty appear to have no marginal effect. The comparable Western European evidence here is thin, though Hedman and Galster (2013) and Galster, Andersson, and Musterd (2015) found that the neighborhood share of low-income (lowest 30% in the Swedish national income distribution) male workers only revealed negative impacts on individual neighbors' incomes after their neighborhood share exceeded 20%.

As for property owners' behaviors, Taub, Taylor, and Dunham (1984); Galster (1987); and Galster, Cutsinger, and Malega (2008) have contributed theories and statistical evidence that investments in dwellings will respond to declining market contexts in nonlinear, threshold-like ways. Essentially, the theory is that there is a minimum economic benefit (rental income flow and/or dwelling equity enhancement) that residential property owners must receive for them to maintain their dwelling and continue to pay property taxes. When market conditions deteriorate to the point where this threshold is not achieved, owners switch to an under-maintenance/deferred taxes mode of operation. If economic prospects decline still further, owners will cross another threshold of behavior, this time abandoning the property. Of course, where this threshold occurs likely varies across types of property owners. Longtime resident homeowners will generally exhibit a higher threshold of economic disincentives before under-maintaining or abandoning their homes compared with absentee landlords who have recently purchased their investment properties (Galster 1987).

The behaviors of residents, property owners, and other institutional actors in declining cities are not independent, of course. Owners may view an upsurge in neighbors' socially problematic behaviors as both raising the prospective costs and reducing the prospective benefits of continuing to supply decent-quality housing, so will be more prone to disinvest or abandon their properties. Residents may view blighted properties as signaling disorder and the breakdown of collective efficacy, thus encouraging them to engage in still more antisocial behaviors or move out (Skogan 1990). In turn, real estate brokers, appraisers, and mortgage lenders may begin to perceive more negatively all neighborhoods in a shrinking city through the lens of the city's worst neighborhoods, further hastening decay and concentrations of disadvantage (Ding 2014). These nonlinear processes of mutually reinforcing negative behaviors are a defining feature of declining cities.

Consistent with the aforementioned evidence on mutually reinforcing upsurges in physical blight, abandonment, and resident social problems associated with surpassing threshold concentrations of poverty, the local housing market should negatively capitalize these bundles of disamenities in a nonlinear fashion. Empirical work by Meen (2005) and Galster, Cutsinger, and Malega (2008) robustly supports this prediction.

### **Proposition 3: Decline Processes Are Asymmetrically Scalable**

Many aspects of cities do not "scale down" in the same way that they "scale up." Given any arbitrary starting point, I would argue that if a city were to

decline, the pattern traced out by graphing multiple, intertemporal observations of the relationship between changes in population and several other urban outcome indicators of interest would be different than if it were on a trajectory of growth. That is, the consequences of city growth and decline are not represented by the same mathematical function whereby these processes are distinguished only by the direction in which they move along the common function. To distinguish propositions 2 and 3, the former suggests that the relationship between an indicator of city decline and an outcome indicator of a social problem or property disinvestment is a nonlinear function. The latter suggests that the relationship between city population and a variety of indicators discussed below takes on a different functional form (often a nonlinear one) when the population is declining than when it is growing; it is not symmetric when scaled up or down. This lack of symmetric scalability manifests itself in at least four domains: technical, financial, physical, and political.

The technical domain refers to the nature of urban infrastructure. Given their current centralized, systemic, indivisible nature, trunk lines of municipal water, sewer, electric, and transport infrastructure cannot be allocated to individual residents or structures. As population grows and a city expands its geographic footprint, utilities can similarly be expanded to provide coverage to this newly occupied territory. When a city loses population within that same urban footprint, however, utilities cannot be similarly reduced (Faust, Abraham, and McElmurry 2016). As illustration, the number of residents and stores on a hypothetical block may have dropped by half in a declining city, but all the trunk infrastructure serving that block nevertheless must be kept in working order if those remaining are to be served. Thus, infrastructure cannot for technical reasons be proportionally scaled back as users decline, leading to increasing per capita costs (Schlör, Hake, and Kuckshinrichs 2009) and the well-known overcapacity/underutilization problem that motivates city “right-sizing” urban planning initiatives (Schilling and Logan 2008).

The financial domain refers to sunk costs incurred during an earlier era that must be paid by municipalities regardless of current revenues or use of the facilities for which the costs were originally incurred (Dye 1984). The aforementioned municipal water, sewer, electric, and transport infrastructure represent huge sunk costs, typically influencing current budgets in the form of repayment of principal and interest on construction or rehabilitation/renovation bonds. For example, it has been estimated that at least three-quarters of costs for a municipal water and sewer system are fixed (Faust, Abraham, and McElmurry 2016). Another such financial irreversibility is the pension and health care insurance legacy costs of prior, larger generations of municipal employees. Payment on all these fixed financial costs must be continued even in the face of declining usage by people and businesses and declining

municipal fiscal capacity. In a growing city, infrastructure and personnel budgets rise proportionally (though often in lumpy increments) with population, employment, and income gains; in a declining city, such line items cannot be slashed proportionally with losses of these attributes.

In the physical domain, asymmetry arises due to the nature of housing supply, which is more elastic when growing than when declining. In growing cities, housing supply primarily takes the form of newly constructed dwellings, whereas in declining ones it primarily consists of older dwellings that often have been adapted for occupancy by households with different incomes and preferences than the group for which it was built originally. Because the capital embodied in dwellings is highly durable and not perfectly malleable into new configurations, supplying housing services from such converted dwellings proves more costly for the owner on a standardized, per unit basis (Rothenberg et al. 1991). This yields an asymmetric urban housing supply function that has been variously called a “ratchet” (Smith 1970) or “kinked” (Glaeser and Gyourko 2005). In this formulation, declining housing demand associated with a shrinking city would move along a distinctly shaped supply function that was less elastic (i.e., evinced a smaller percentage decline in quantity supplied per percentage decline in price) than would be observed in the scenario of rising demand for housing (which would generate a larger response taking the form of new housing construction). This lack of symmetry of housing supply has been documented in the United States by Goodman (2005). He showed that in growing cities, a 10% increase in real housing prices led to at least a 10.5% increase in the stock of dwellings; by contrast, in declining cities, a 10% decrease in real housing prices led to only about a 1% decrease in the stock of dwellings.

Finally, in the political domain, a political-cultural perspective implies an asymmetry of adjustments in collective action. The political-cultural perspective argues that a citizenry’s collective political behavior will depend not only on structural forces but on the historical path that has been traced by its place of residence (Ostrom 1998; Putnam 1993). By implication, persistent failures on the part of the local regime to halt the course of urban decline are much more likely to breed among the longtime-resident electorate a distrust of public officials and skepticism of their efficacy, compared with the analogous rise of trust and confidence when cities succeed in growing for a sustained period. Coupled with psychological adaptations (discussed in proposition 6) of scapegoating, intolerance, and oppositional identity formation, the citizenry of shrinking cities is more likely to distrust elected officials and embrace conspiracy theories and suspicion of those in “out groups,” especially those not currently resident in the city such as suburban dwellers (Bockmeyer 2000). All this likely means an erosion of broad-based weak ties, as well as more

parochial forms of collective action (Fukuyama 1999) and social exchange (Putnam 2000). Here is the crux of the asymmetry: Political trust and social capital at the municipal and metropolitan scale are easier to erode in a context of long-term decline than to rebuild in an equivalent period of growth.

### **Proposition 4: Decline Processes Are Minimally Controlled**

Shrinking cities are characterized fundamentally by the loss of population and the concomitant emptying out of residential structures, soon followed by more general declines in inflation-adjusted rents and property values. In a political-economic context where many of these residential properties are owned by private, profit-motivated entities (individuals or corporations), a predictable consequence will be their physical decay due to economic incentives for maintenance insufficient to counter the effects of weathering, aging, wear-and-tear, and functional obsolescence (Sternlieb 1966). If market conditions continue to deteriorate, deferral of maintenance and property taxes ultimately may prove insufficient to generate positive cash flow from actual or potential rents, and no prospective buyers will be found at greater than the owner's reservation price. At this point, the owner will relinquish ownership rights to the appropriate governmental authority (typically via tax foreclosure) and abandon the property (Sternlieb and Burchell 1973).

A related disinvestment process can occur for local retail properties in shrinking cities. A decline in the density and aggregate disposable income of proximate potential retail customers can yield negative cash flows if local retailers cannot adjust their business models and cut costs sufficiently. Such situations may induce some to switch their operations to more profitable sites outside of the city or, in more extreme cases, trigger tax foreclosure or bankruptcy of retailers. In both cases, the vacant retail properties may sit as blighting influences on the landscape for an extended period; see the review in Hospers (2014).

I would argue that the traditional planning tools guiding how urban land is used—zoning, structural codes, and building permits—have little power to stop physical decay and abandonment of structures driven by the aforementioned economic incentives. Master plans for cities typically specify territories where certain types of activities (low- or high-density residential, commercial-industrial, recreational, etc.) are permitted and prohibited. Regulation via structural codes and building permits operationalizes these constraints on what will be built where. These specific planning tools have leverage in a growing city because developers perceive strong potential profits that they do not wish to forgo even in a regime of strong regulatory

constraints. But the power of traditional planning tools is inherently far weaker in a shrinkage scenario. Decay and abandonment occur within a zone preapproved for the given structure type when it was constructed, and no permit is required to walk away from a property. Housing quality codes may have some limited effectiveness in slowing blight for a while, but only until the associated higher costs of mandated maintenance render the property uneconomical to keep in operation. Moreover, even this temporary efficacy will only be manifested if the city has the local financial and political wherewithal to put teeth into this code-enforcement policy. The typically weak financial capacity of shrinking cities renders this improbable. Moreover, there are strong political forces arrayed against the enforcement of housing codes: Requiring repairs will lead to higher rents in the cheapest, lowest quality housing stock, adding to excessive rent burdens already borne by most poor residents of shrinking cities (Rothenberg et al. 1991).

To be clear, I am not arguing that all planning efforts are impotent in a declining city; important efforts to the contrary clearly have been made (Hollander and Németh 2011; Hollander et al. 2009; Pallagst et al. 2009; see the review in Hospers 2014).<sup>5</sup> Activist planning for shrinkage often falls under the rubric “right-sizing”: attempting to consolidate the helter-skelter pattern of low-density land uses in vestigial neighborhoods so that they can be weaned from public services and replaced with “green” and “blue” infrastructure (Schilling and Logan 2008). More broadly, planning can focus on preserving minimizing infrastructure for future opportunities while reducing its costs by optimizing its functions, coordinating across infrastructures, and utilizing vacant lands for energy generation and environmental remediation (such as storm water retention); see Hoornbeek and Schwarz (2009).

Ironically, the current emphasis on “right-sizing” planning supports my proposition: It would not be required if traditional land-use planning tools had any efficacy. Such tools are essentially constraining on forces of growth that transform land from rural to urban uses or from one urban use to a “higher” urban use. They are virtually impotent in the face of long-term declining demand for land and built property. To summarize the point metaphorically: A bit and bridle are useful only for restraining the progress of a horse moving forward; they are useless for guiding a horse that has stopped in its tracks and is settling down to sleep.

### **Proposition 5: Decline Processes Are Informally Decentralized**

A common characteristic of shrinking cities is fiscal distress and the associated erosion in the scope and quality of locally provided public services

(Hospers 2014). This spawns a variety of organic, decentralized responses by some citizens, either individually or in small affinity groups, aimed at replacing these withered public-sector functions.

These informal, decentralized activities have been variously termed “do it yourself” (DIY) urbanism, “domesticating,” and “self-provisioning” the city, with a common goal of exerting social control over the residential environment. Responses have taken the form of residents mowing, gardening, and/or establishing playgrounds in vacant lots; sweeping public streets; boarding up empty buildings; establishing safety watches and car-pooling cooperatives; maintaining public parks; volunteering as community leaders; and soliciting donations of time and money from neighbors and outside charities (Adams 2013; Dolhinow 2010; Kinder 2014; for a review of the European examples, see Hospers 2014). Other associated DIY activities may be quasi-legal or illegal such as squatting (Weber 2015). These informal, decentralized actions, though understandable and in many ways laudable, raise profound ethical and political issues (e.g., collective vs. individual property rights and responsibilities, vigilantism) that are typically not part of the discourse of growing cities (Kinder 2016).

Admittedly, this substitution of the private for the public is not confined to declining cities, as the work of Herbert (2005) and Pattillo (2008) on neoliberal strategies of “off-loading” government functions makes clear. Indeed, this proposition is speculative and I know of no research that tries to compare DIY urbanism in growing and shrinking cities. Nevertheless, I would hypothesize that the extent and the impetus for DIY urbanism are greater in shrinking cities for several reasons. In such places, DIY urbanism is stimulated by both push and pull factors. The push factors are of three kinds. First, in shrinking cities, the local public sector will more likely fail to deliver an acceptable quantity and quality of services and institutions, thus creating a need to fill gaps. Second, drawing from arguments developed in the context of proposition 3, the citizenry is less likely to trust local officials to improve their performance in delivering these public goods and services. Third, the blighted physical environment may become intolerable. The pull factors arise from two sources. First, the abundance of derelict land and structures proffers opportunities for creative, alternative uses. Second, the degraded capacity of the city to provide effective regulatory oversight makes it less likely that DIY urbanism initiatives will be contravened.

## **Proposition 6: Decline Processes Are Psychologically Conservative**

Despite its obvious importance, there has been little scholarly consideration given to the psychological reactions of individuals and groups to urban decline and ultimately how these might shape their behaviors. I would

suggest that a useful framework for making predictions in this regard is the well-known Conservation of Resources (COR) theory (Hobfoll 1989, 2001), which in the quarter-century since its introduction has become the primary organizing framework in organizational psychology (Halbesleben et al. 2014). COR theory posits three things of relevance here. First, humans everywhere need three basic sorts of resources: *physical* (like food, clothing, shelter, and energy), *social* (like love, status, affirmation, and community), and *psychological* (like identity, esteem, efficacy, and purpose). People strive to obtain, retain, and expand resources of all three types, though the physical is more basic in terms of biological survival. Second, resource loss is weighted much more heavily in comparison with an equivalent resource gain, which has been well established empirically by psychologists and behavioral economists (Hobfoll and Lilly 1993; Kahneman, Knetsch, and Thaler 1990; see the review in Marsh and Gibb 2011). Third, to prevent resource loss or expand the stock of resources, other resources must be invested strategically. Thus, greater extant resources contribute to future resource gains, whereas lack of resources contributes to ongoing resource losses.

The asymmetry in valuing gains versus losses leads people, groups, and organizations to behave differently when they are trying to protect themselves from shrinking resources: They adopt a conservative stance. According to COR theory, they are more likely to practice cognitive denial of the threat and/or hoard resources for the short term, while refraining from proactively investing resources in ways that might make them more secure or expansive in the future. Thus, ironically, those with few resources or a history of frequent losses of resources are seen as responding to stressful situations of resource threat in the short term in ways that produce self-defeating consequences in the long term.

Although the predictions of COR theory have been widely validated empirically in the context of organizations (see the review in Halbesleben et al. 2014), to my knowledge only Galster (2012) has suggested that it might be applied as an overarching analytical framework for explaining the attitudes and behaviors of entire populations of shrinking cities. Nevertheless, there are several tantalizing hints from the urban literature that are resonant with the COR perspective. As early as 1975, Rust 1975 (p. 180) observed the distinctive, conservative psychological stance taken by all entities in shrinking cities: "Within a generation or less of no growth the risk-avoiding style becomes deeply ingrained in all the [urban] area's institutions: its schools, churches, banks, and utilities as well as its business firms." Given the erosion of trust in local officials (discussed in the context of proposition 3), COR theory provides an underpinning to the observation from political culture scholars that "urban communities threatened by disinvestment and abandonment are more likely in the absence of political trust to

produce narrow-interest organisations to fight for city renewal programmes” (Bockmeyer 2000, p. 2425) and otherwise take defensive collective actions (Fukuyama 1999). In many cases, it appears that policy makers when faced with the prospects of decline will adopt the predicted cognitive denial approach and do nothing to change policy (Hoornebeek and Schwarz 2009; Verwest 2011).

Perhaps the most convincing illustration of the applicability to COR theory is the case of residential property owners in a declining city. They will likely exhibit a more pessimistic outlook on trends in population, employment, incomes, and municipal fiscal capacity and service delivery, which will contribute to their expectation that future losses in their property values are imminent. COR theory predicts that their conservative, passive response to this resource threat will be to husband their wealth (while undoubtedly hoping for a turnaround), instead of investing collectively in all their properties in a way that ultimately would improve aggregate dwelling quality and local fiscal capacity and, thus, housing market demand and property values. Ironically, in the context of city shrinkage, property owners’ attempts to conserve physical/financial resources (by failing to reinvest in their property) tend to produce a self-fulfilling prophecy in which both the city’s and the property owners’ resources are more likely to decline. Precisely this predicted psychological-behavioral dynamic has been observed in declining local housing markets (Galster 1987; Taub, Taylor, and Dunham 1984).

The foregoing evidence related to the applicability of COR theory to understanding the psychological and behavioral responses within shrinking cities is thin, idiosyncratic, and suggestive at best. Indeed, at some level, it may yield implications that are contradicted by DIY urbanism. Clearly, more focused empirical investigations are required that would systematically compare, for example, a battery of social-psychological indicators measured for the populations in shrinking and growing cities.

## **Conclusion**

Processes experienced by shrinking cities are not merely the mirror images of those manifested in growing cities. In declining cities, these processes are essentially distinctive in at least six aspects, which I have framed as propositions. These propositions are supported by various theories and at least a modicum of evidence from multiple disciplines. I advance them as tentative hypotheses potentially forming the heart of a research agenda that will stimulate further theorizing and empirical testing. I hope the future investigation of these propositions provides encouragement and guidance for urban planners and policy makers about what should be done better or differently to improve the quality of life and opportunities in shrinking cities.

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## Notes

1. See <https://www.ru.uni-kl.de/en/ips/research/networks-and-cooperations/shrinking-cities-international-research-network-scirn/>.
2. For a review of the literature addressing those questions, see Hospers (2014) and Haase et al. (2014).
3. For a widely accepted definition of shrinking cities, see Shrinking Cities International Research Network; <https://www.ru.uni-kl.de/en/ips/research/networks-and-cooperations/shrinking-cities-international-research-network-scirn/>. I focus on the municipal scale as the unit of analysis. I do not distinguish in this article between shrinking central cities embedded on stable/growing metropolitan areas that are declining primarily due to intra-metropolitan forces versus those in declining metropolitan areas whose entire metropolitan economy is on the decline due to larger national and global forces.
4. I recognize that there are nonlinear population reactions to changes in the racial-ethnic composition of neighborhoods (e.g., Card, Mas, and Rothstein 2008). However, as such transitions are also typical of growing cities, I do not discuss them here.
5. Moreover, presumably planning in an earlier growth area might mandate more robust physical forms that could be more flexibly adapted if needed in a subsequent era of shrinkage.

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