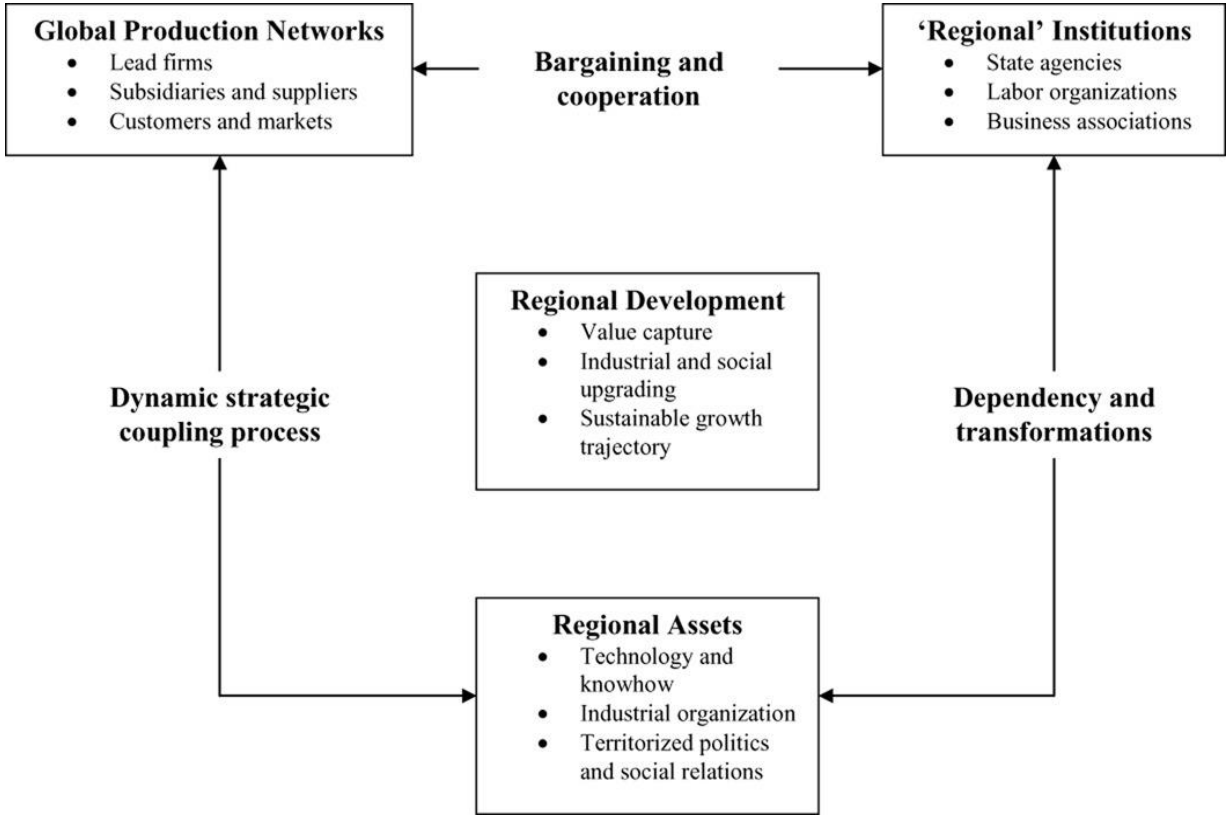
The philosophy of this course

We cannot talk about local/regional development without understanding global changes

We cannot talk about economic development at national level without understandig what's going on in our localities and regions







Spiky or flat?

Centralised or decentralised

Thomas Friedman: Flat world (2005)

- Digitalisation enables -> “anything is possible anywhere”
- Based on anecdotal evidence

Manuel Castells: Network Society (1996)

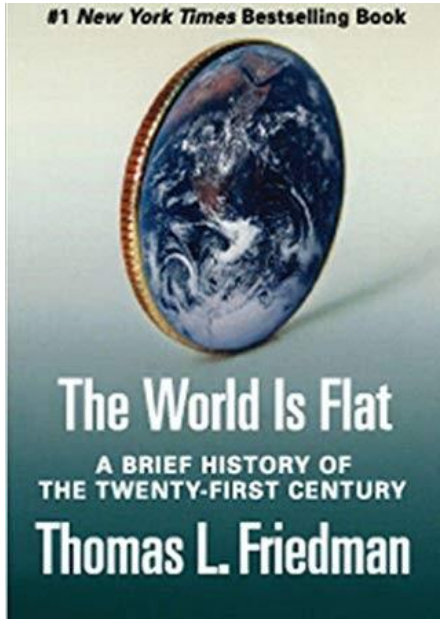
- Global network between cities

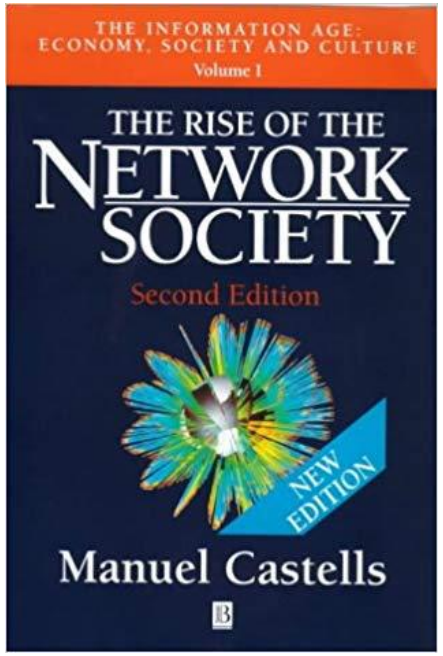
Richard Florida (and many others): Spiky World (the rise of… 2002)

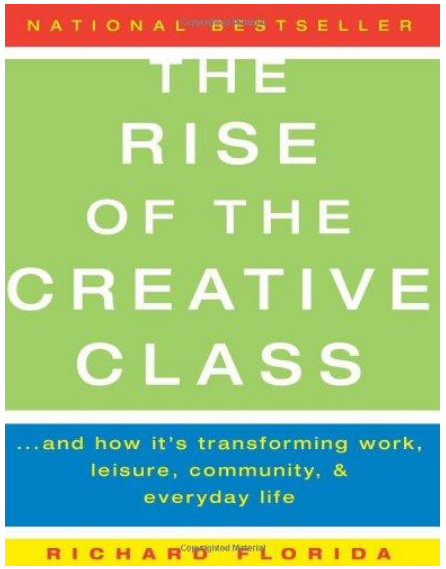
- Innovation emerges somewhere; local conditions important
- New knowledge production tends to concentrate

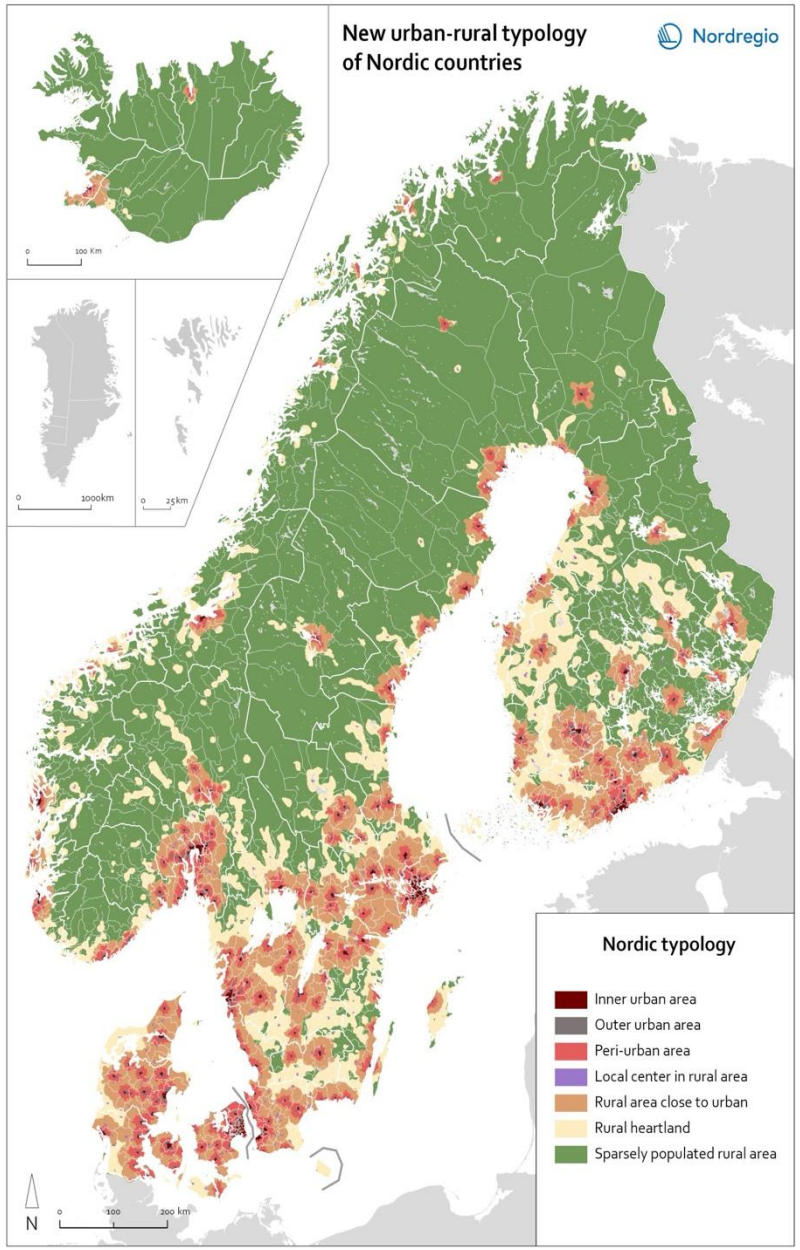
Consensus

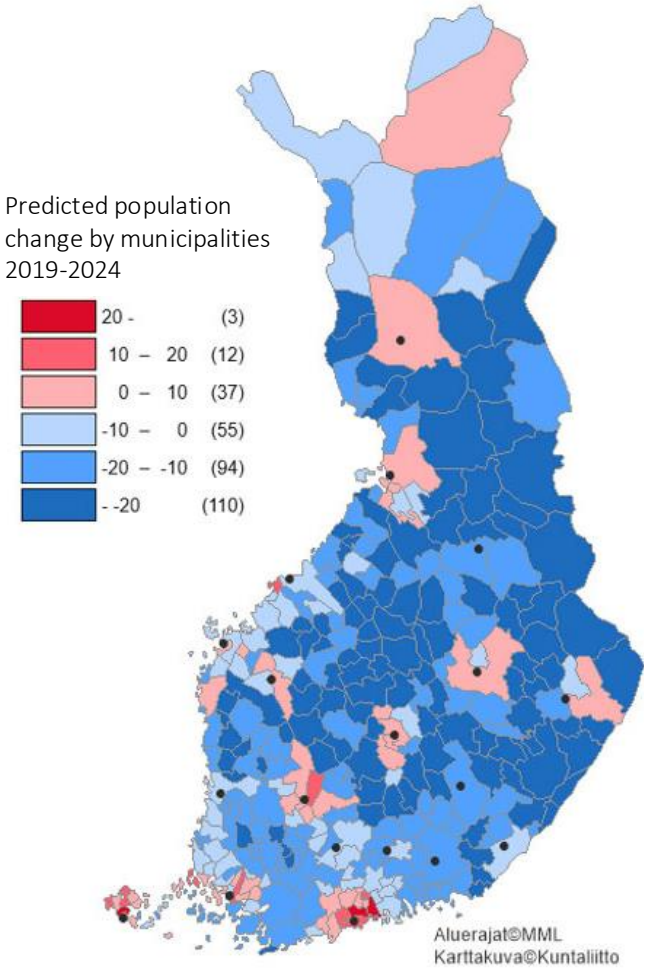
- Geography matters

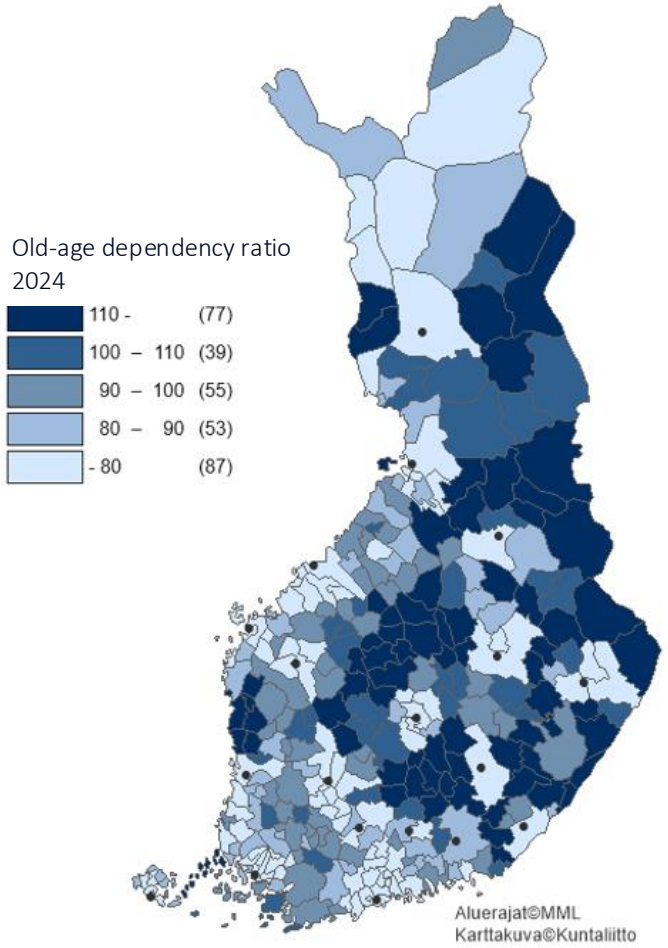








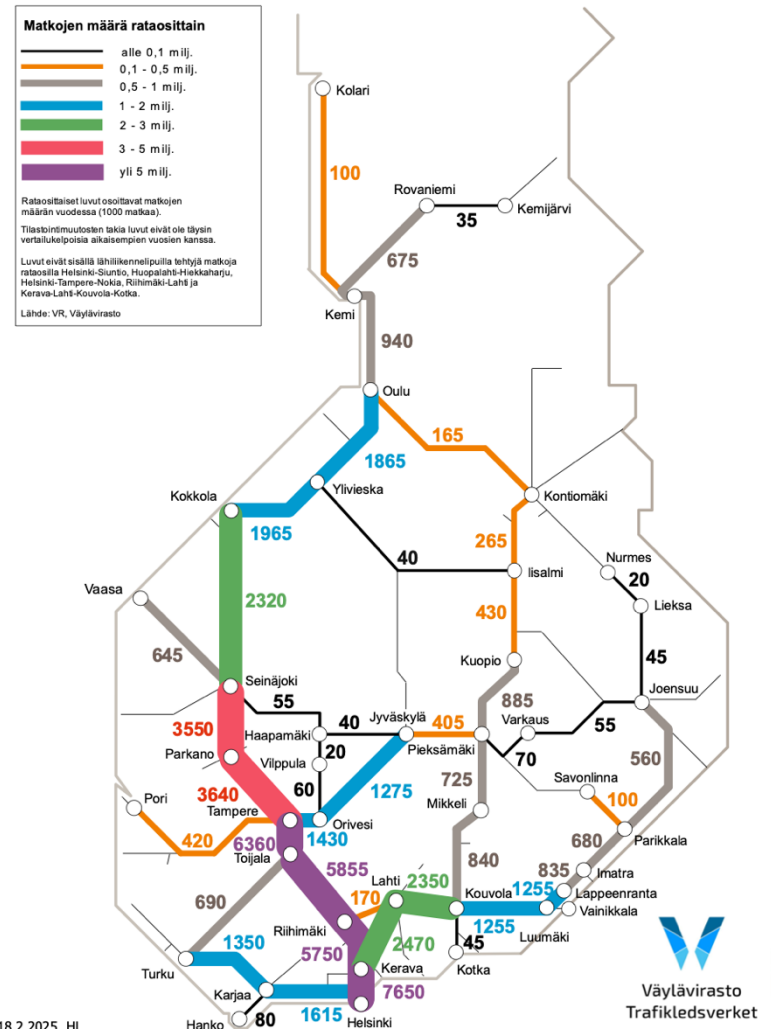




Old-age dependency ratio is the number of individuals aged 65 or older per 100 people of working age, defined as those aged between 20 to 64 years old.

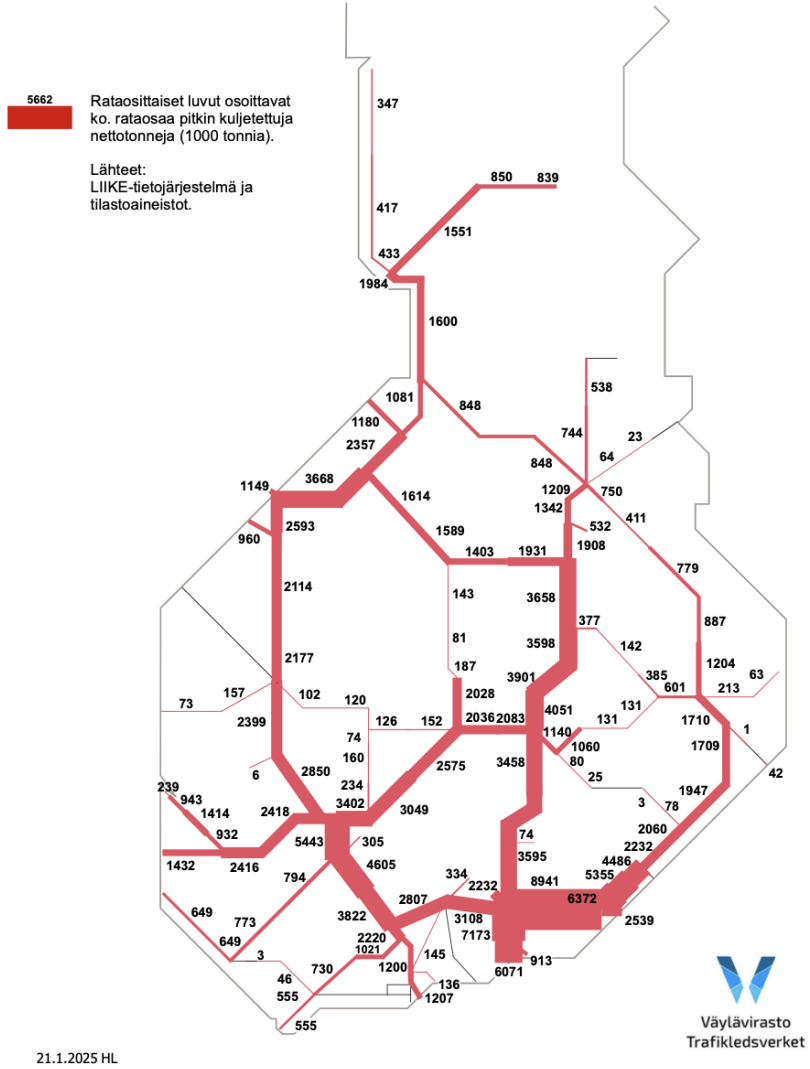
Railway traffic in Finland in 2024

In total 15,4 million travels

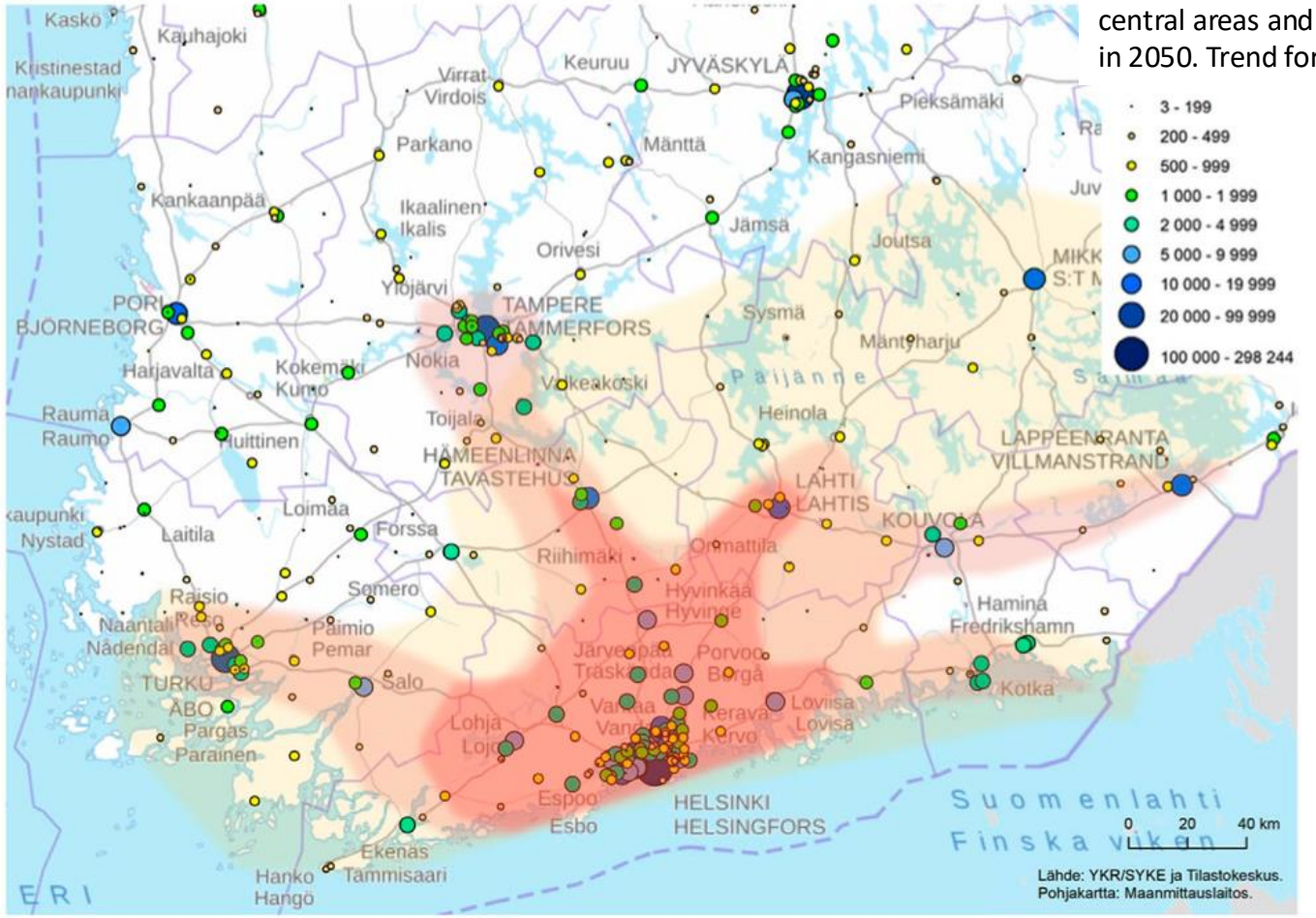


Freight transport flows in 2024

In total 27 million tons and 8 billion kilometers



Southern Finland network metropolis according to the land use development plan (Ministry of the Environment 2024:1).



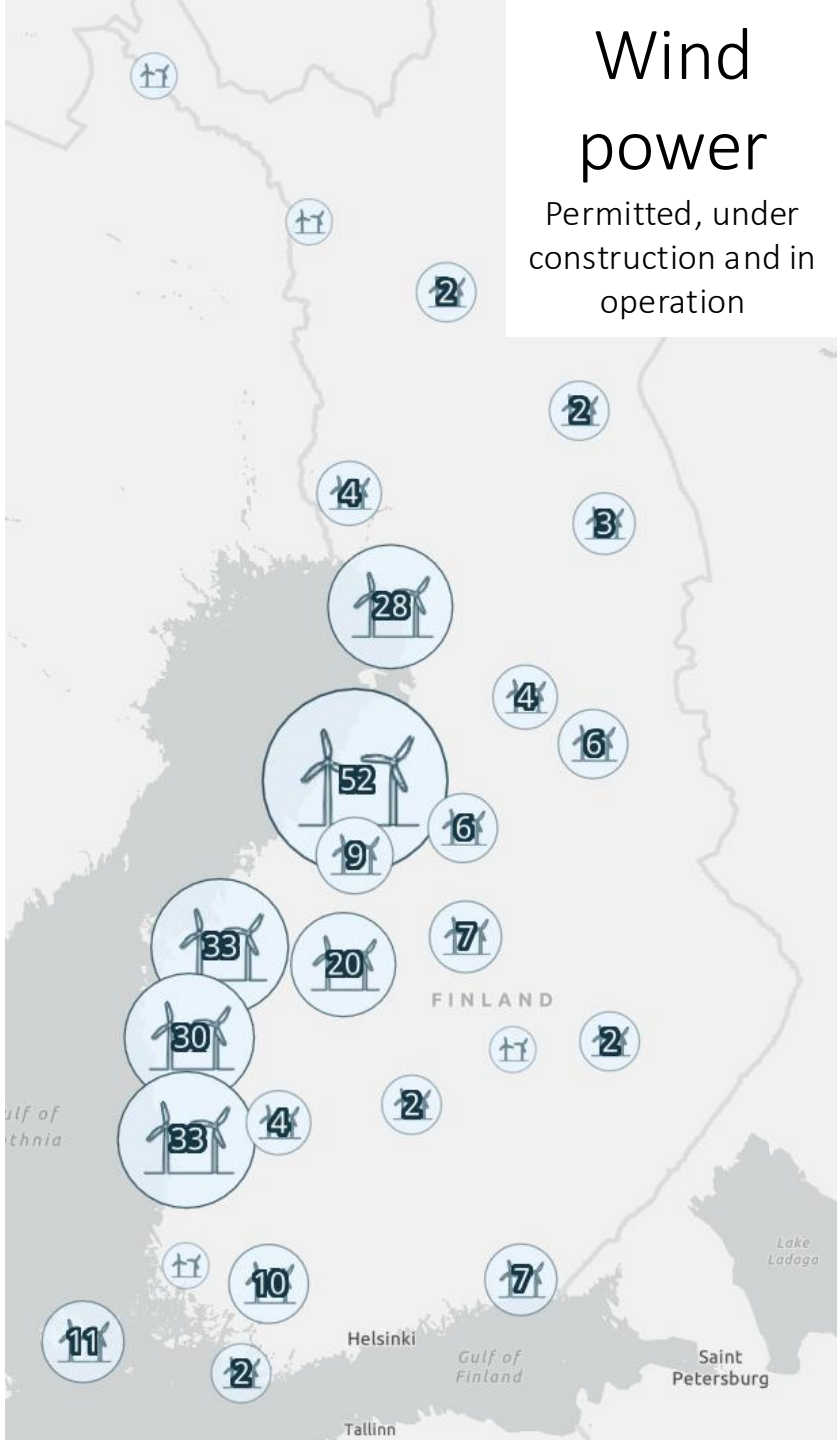
Daily commute to work

Weekly commute to work

Weekly trips to the second home

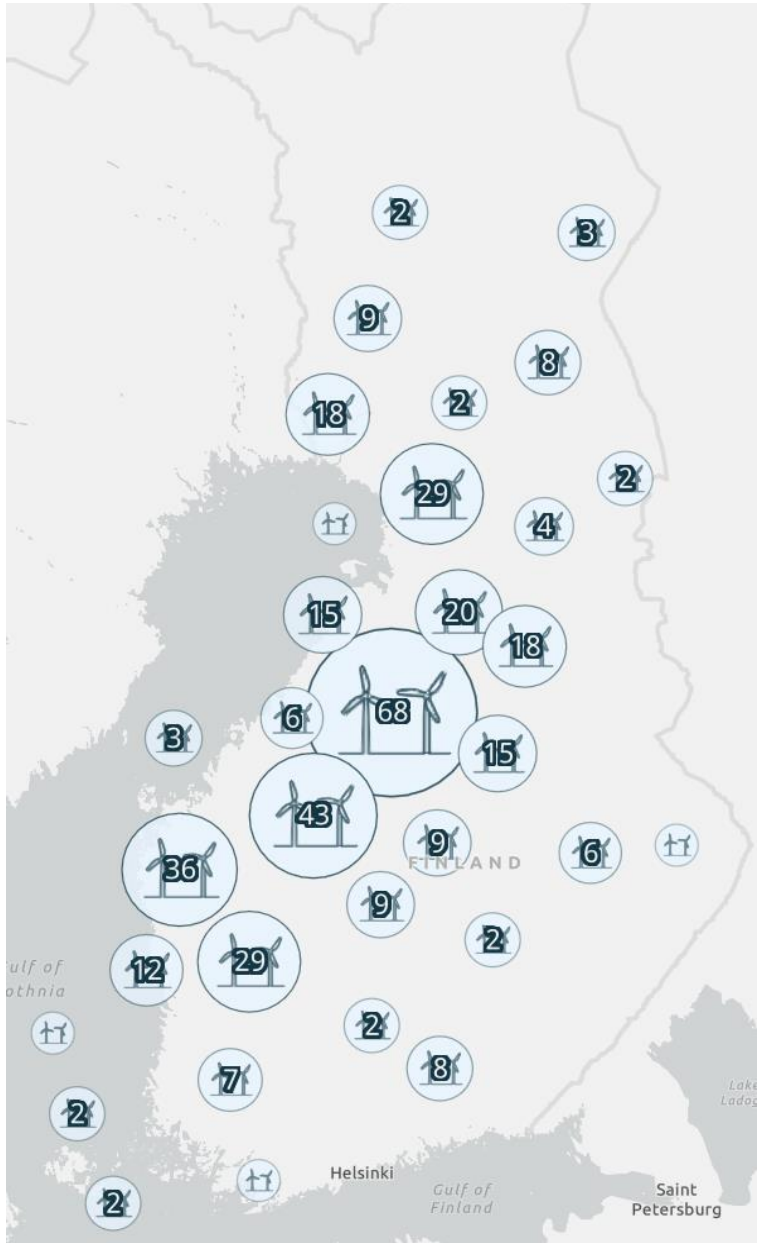
Wind power

Permitted, under construction and in operation



Wind power

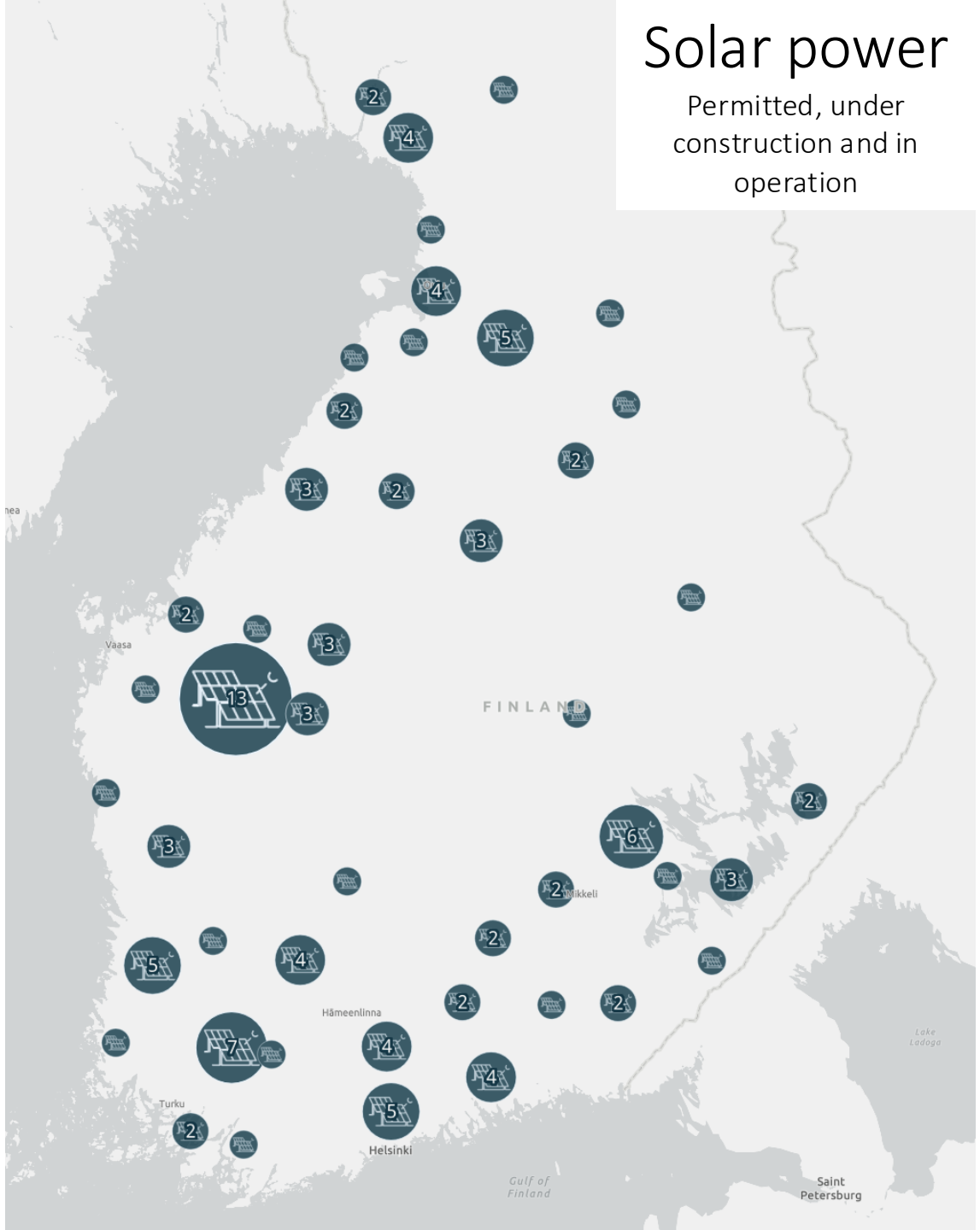
Preliminary planning, permitting or studies ongoing



https://suomenuusiutuvat.fi/tuulivoima/hankkeet-ja-voimalat-suomessa/kartta/

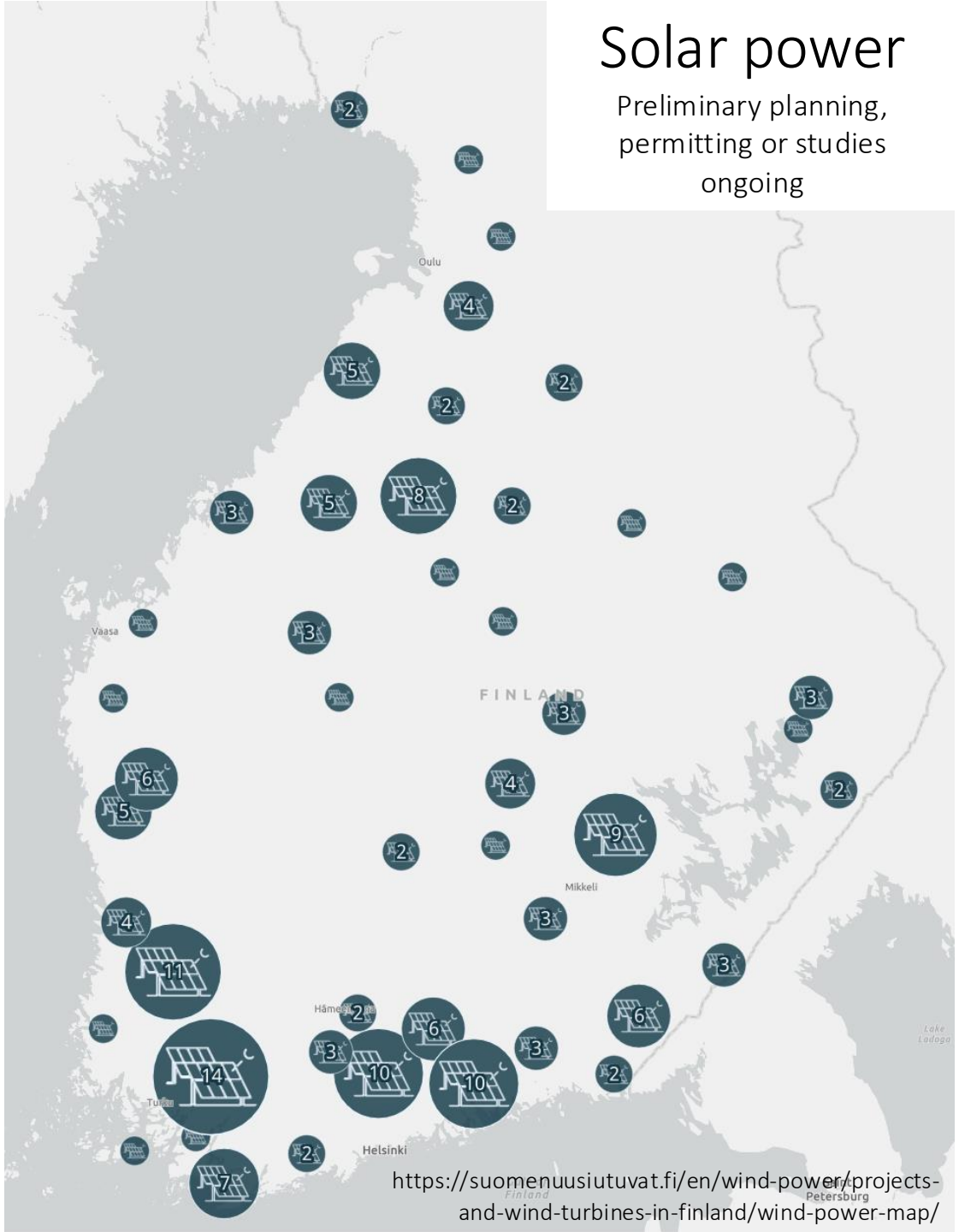
Solar power

Permitted, under construction and in operation



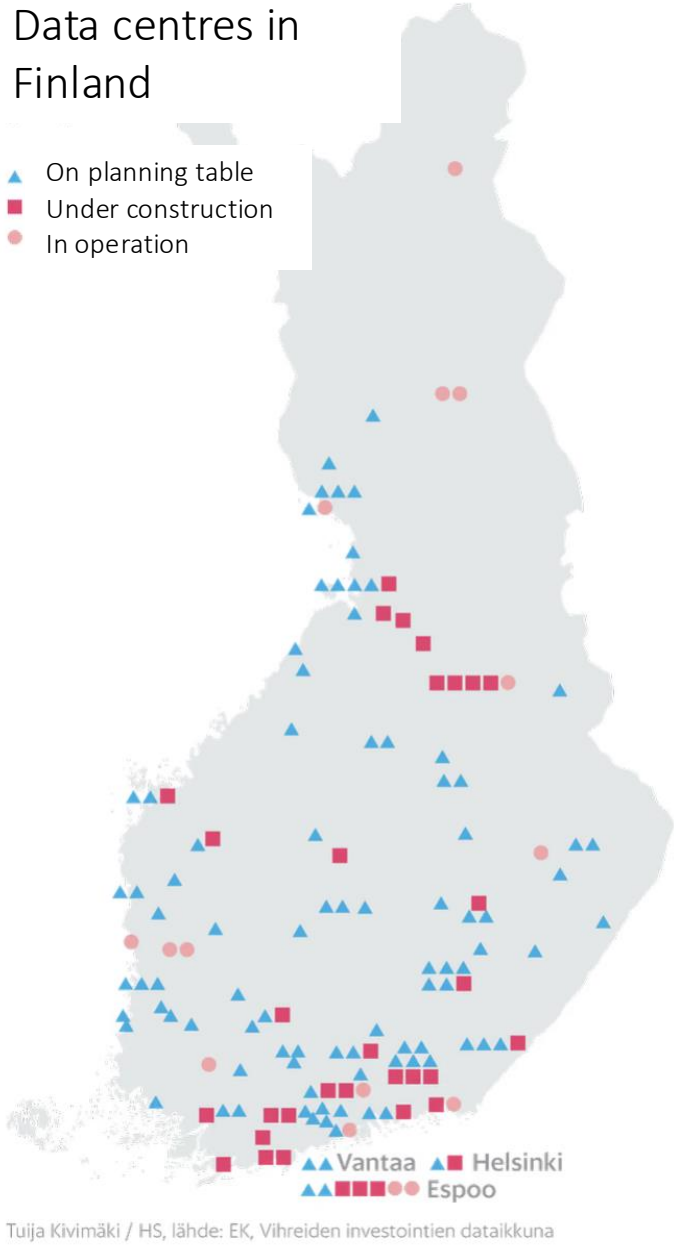
Solar power

Preliminary planning, permitting or studies ongoing



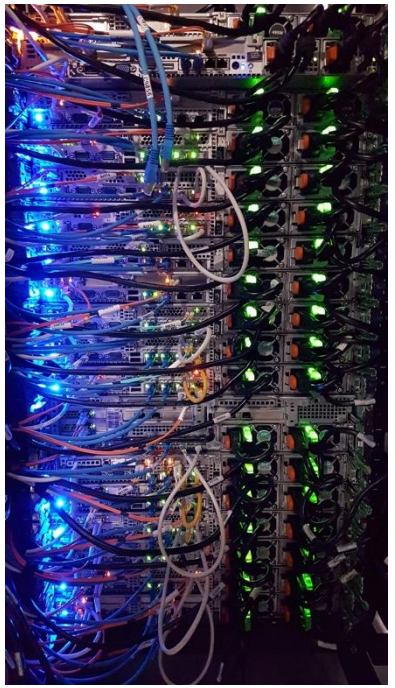
https://suomenuusiutuvat.fi/en/wind-power/projects-and-wind-turbines-in-finland/wind-power-map/

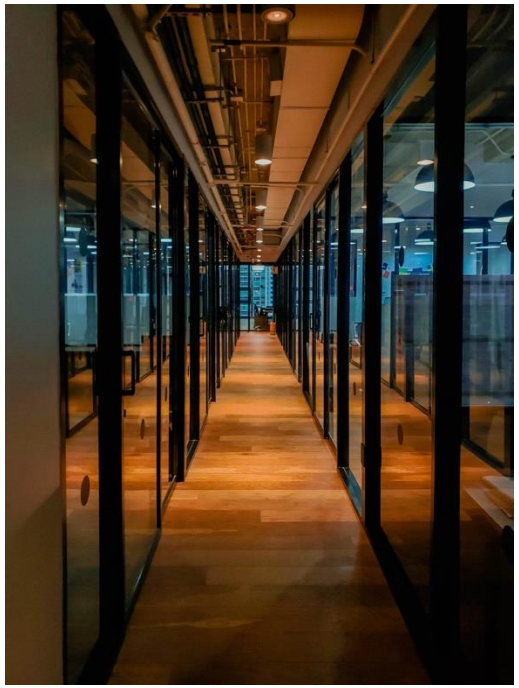
Data centres in Finland



Tuija Kivimäki / HS, lähde: EK, Vihreiden investointien dataikkuna







The golden triangle of Finland

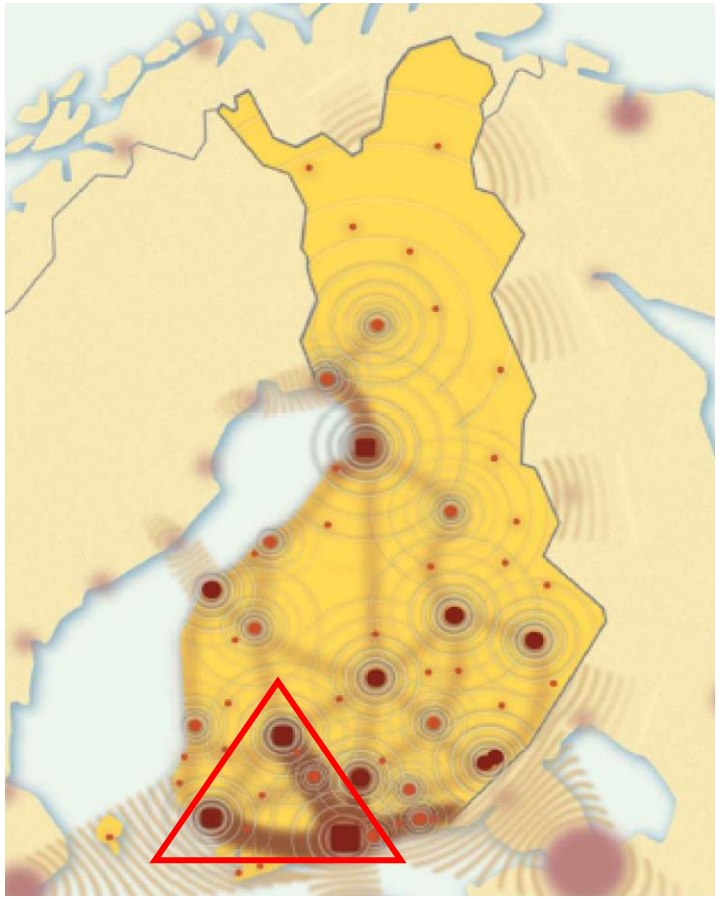
Appr. 50 % of polulation

More than 50 % of firms

Close to 60 % of the GDP

Appr. 65 % of academically educated

Appr. 70 % Research and development (+ Oulu = appr 80%)



A vision from the late 1990s

The Ministry of the Environment

There are no significant differences in subjective wellbeing between Finnish regions and localities

(Source Tomas Hanell)

The concepts of region and place



“Explaining the growth and change of regions and cities is one of the great challenges for social science.

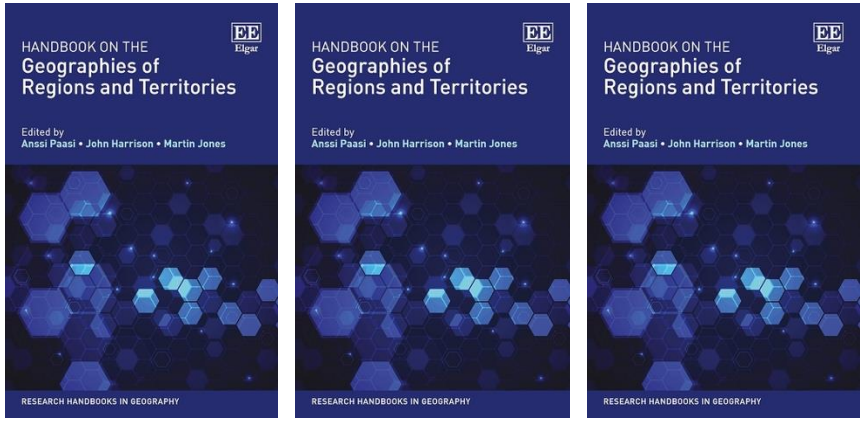
Cities or regions, like any other geographical scale of the economic system, have complex economic development processes that are shaped by an almost infinite range of forces.”

(Storper 2011, 333)

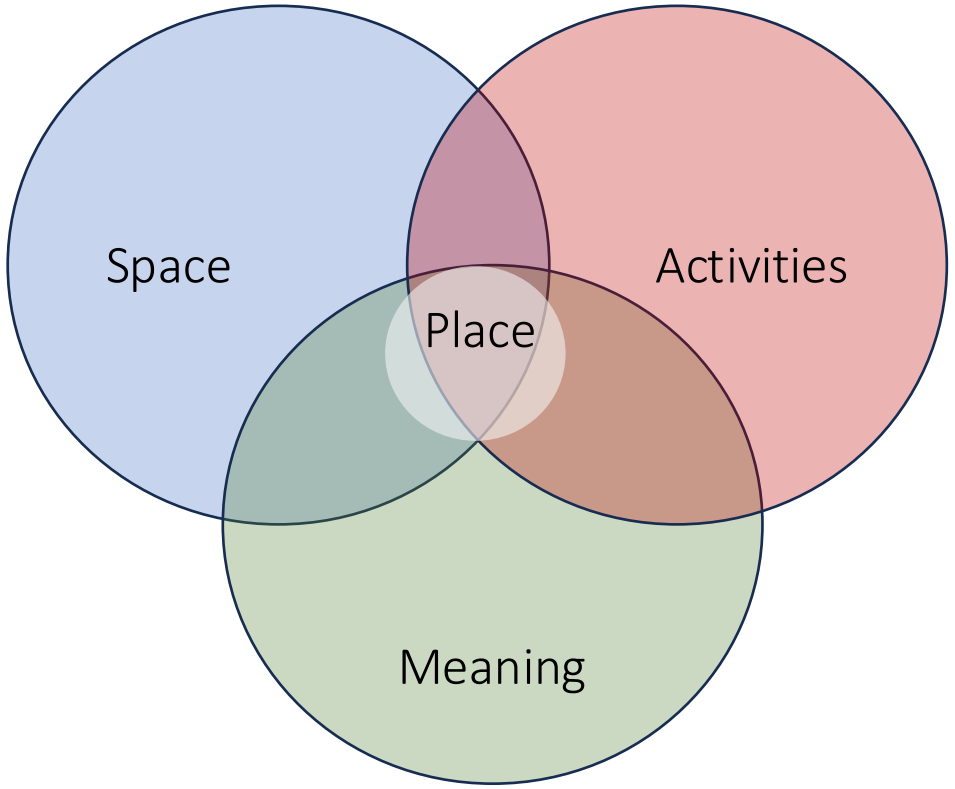
What is a region?

- Region is homogeneous in terms of some specific criteria
  - Functional, administrative, cultural, social, symbolic
- It can be distinguished from bordering areas by a particular kind of association of related features
- In research, region is an analytical concept – a focusing device

- ‘A region’ does not have a determinate size
- The borders of regions are not fixed once and for all; they can change



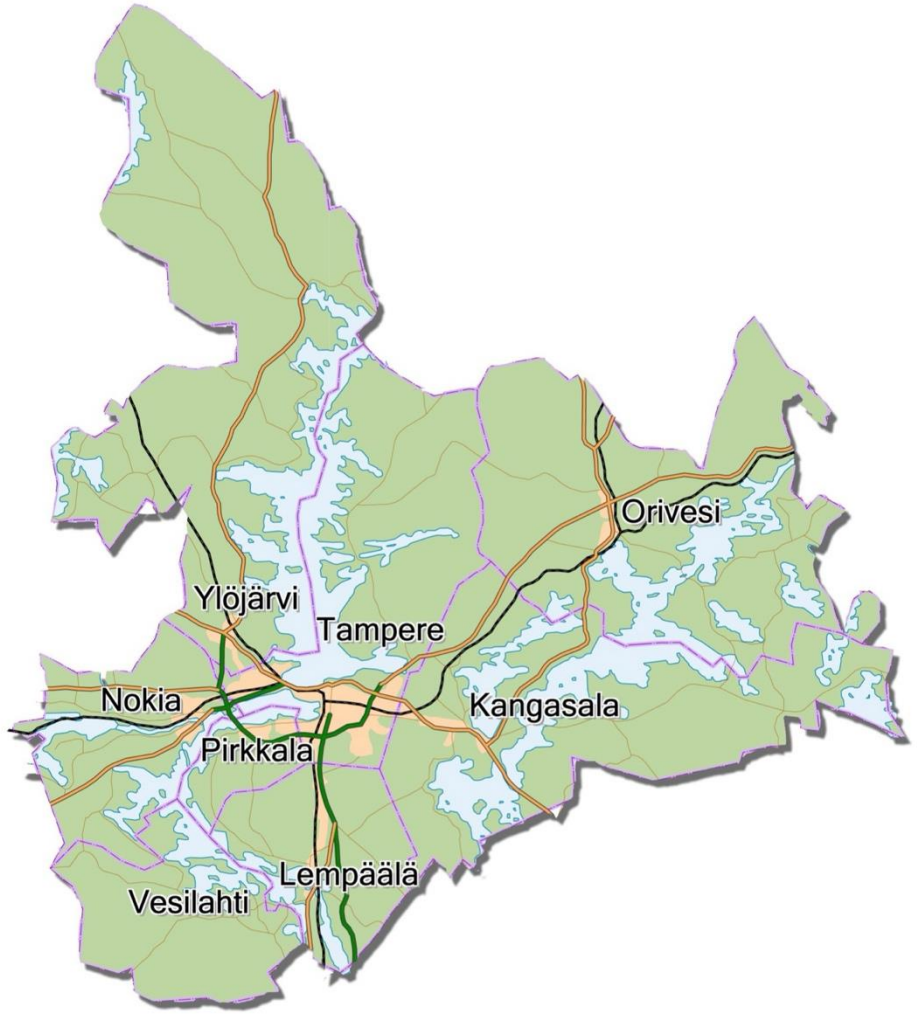
As a keyword, the region is one of the more difficult ones to define (Roger Keil)



Three basic senses of **place**

- **location**, which is the fixed geographical coordinates of a precise physical location
- **locale**, which is the idea of place considered as the material setting for social relations
- **the sense of place**, which is the subjective emotional attachment people have to places they inhabit

(Collinge and Gibney, 2011; Cresswell, 2004).



(Source: http://www.tampereenseutu.fi/in_english/)

- In Finland, city is an urban unit within administrative borders (a municipality)
  - For me, city is a functional concept (like a city-region)
- The concept of city-region links a core city by functional ties to its hinterland
  - A combination of economic, housing market, travel-to-work, marketing, or retail catchment factors
  - Depending on the governance system, a city-region may or may not have a shared administrative body
  - ‘City-region’ is not a homogenous entity, or concept, with clear boundaries

Tampere region (Pirkanmaa)

- Population appr. 552.000 and growing

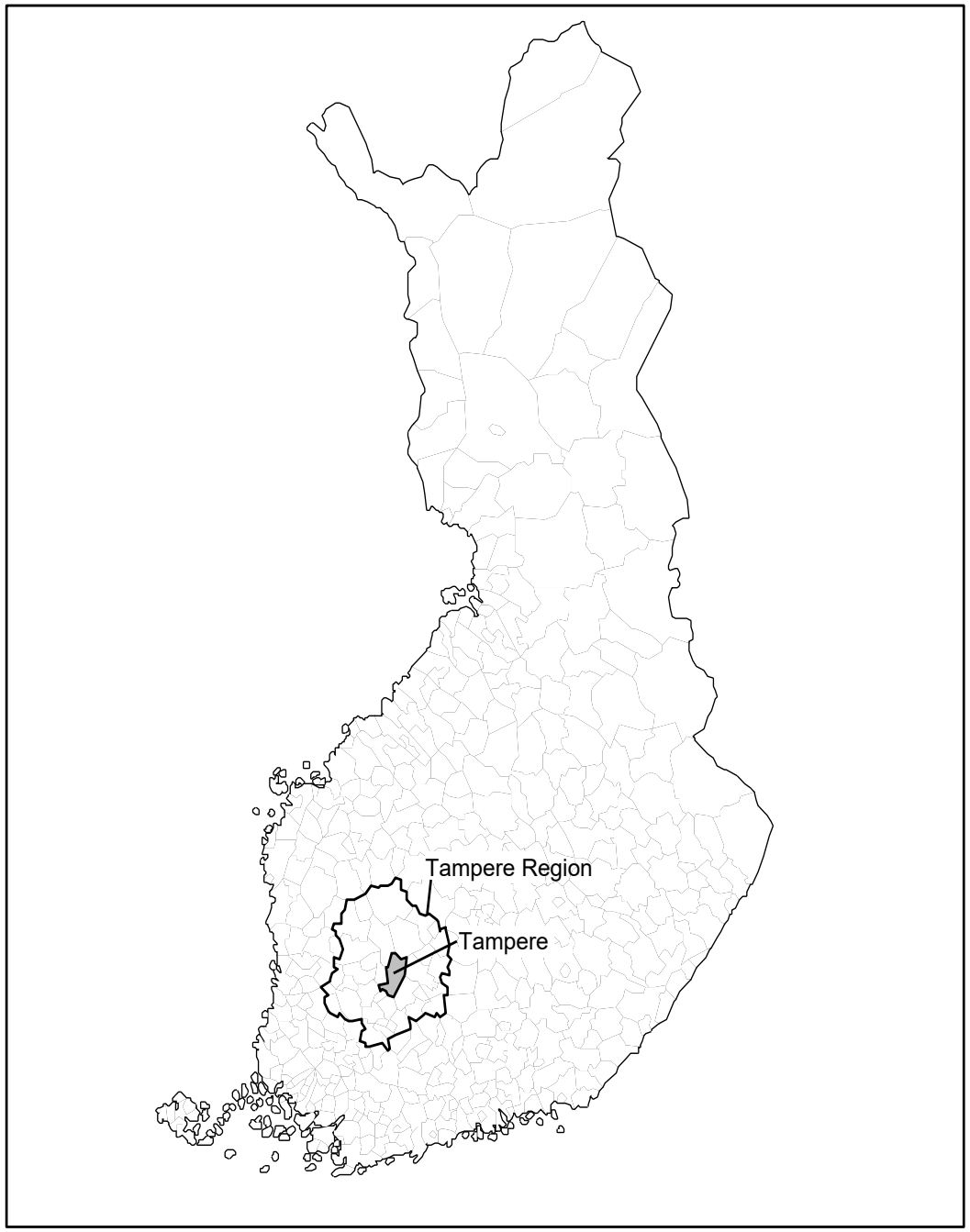
Tampere city-region

https://tampereenseutu.fi/en/

- Population appr. 428.000 and growing
  - The 2nd largest regional centre
- Tampere, Nokia, Ylöjärvi, Kangasala, Orivesi, Lempäälä, Pirkkala and Vesilahti

City of Tampere

- Population appr. 265.000





Local and regional development

Change

- The system under scrutiny is different on T^1 from what it was on T^0

Progress / development

- Forward or onward movement towards something
- Development towards an improved or more advanced condition
  - Events in time are dependent on each other
  - Direction of changes can be identified
  - It is possible to assess whether change was ‘good’ or ‘bad’
- Vis-à-vis values, intentions and objectives





Photo by Suzanne D. Williams and Chris Lawton on Unsplash

What we know now

What we know that
we do not know

What we do not know
that we do not know





Local/regional development

- Regional development is a broad term covering a variety of issues, contents and governance processes.
- Addresses issues related to differences in economic, social and ecological development trajectories of regions
- It includes an ambition to identify ways to reduce regional disparities by various policies and specific interventions.

> "local and regional development is a highly uneven process, producing diverse economic, social and environmental outcomes as localities and regions wrestle with processes of growth, decline and adaptation."
>
> (Pike et al. 2017)

Ultimately, regional development policy is about activities creating new resources and capabilities, and/or seeking them from elsewhere and thus paving the way for local and regional actors to work for their own futures by creating fruitful local/regional conditions.

Local and regional development

- The purpose of local development is to build the capacity of a defined area to improve its economic future and the quality of life for inhabitants (OECD)
- A set of policies and actions designed to improve the performance of a spatially defined economy for the benefit of all residents (Institute of Economic Development, UK)
- The purpose of local economic development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all (World Bank)





(Source: Pike, Rodriguez-Pose, Tomaney. Local and Regional Development)

Local/regional development efforts may be:

- Adaptive aim being to make a region better suited to changes in the operational environment
- Strategically adaptive in which adaptation both to a changing environment and the strategic choices of local actors play a significant role – adaptation with a strong purpose

- 'World changing' refers to processes that introduce new products, services, etc. first in the world

- At its best local/regional development is about constructing conditions for something new to emerge
- Context is important
  - the circumstances that form the setting for development in a specific place

- Local and regional development is often articulated as local and regional economic development
- A general level consensus
  - Regional development is about set of activities targeted at advancing the economic well-being of a place in question (Beer & Clower 2018)
  - Measured by growth, employment, household incomes, wealth creation, etc.
  - Regional development measures usually aligned with those used at national and transnational levels.

- Growing criticism towards overemphasis on economic issues and growth being the main concern
- Economic concerns tend to overshadow health, quality of life and well-being related issues.
- Importantly, the rapidly expanding worry over climate change is pushing both regional development scholars and practitioners to re-evaluate regional development definitions and future aspirations.

(Beer & Clower 2018)

But

Economic development of cities and regions city is crucial for four major reasons

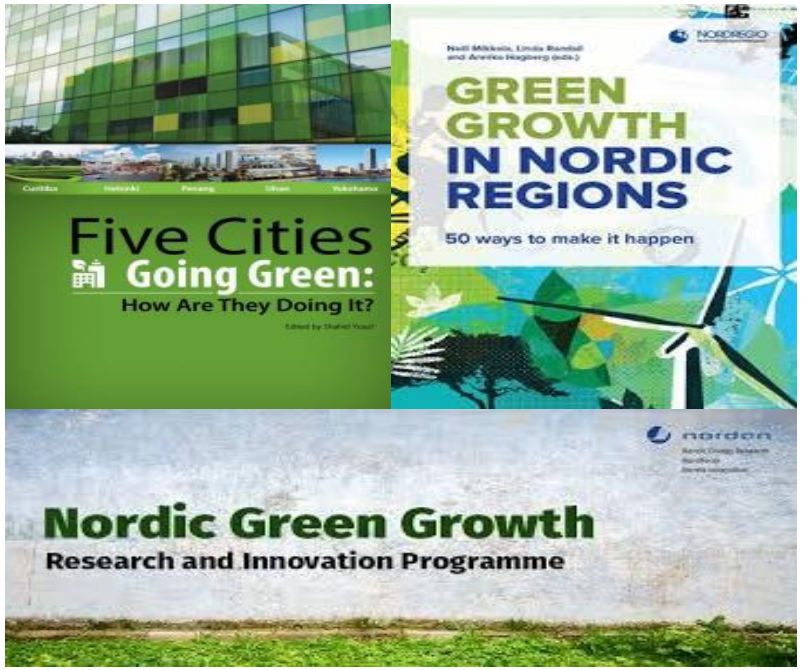
- Economic development empowers a community to shape its future
  - It provides greater choice with respect to pathways for future development
- The processes of economic globalization have made localities more, not less, important
  - Cities and regions as nodes and hubs in global networks
- The conditions needed to foster economic development have become more complex than earlier
- Cities and regions that do not develop economically are likely to be confronted by adverse outcomes – including their potential demise

(Beer & Clower 2018)

Green growth

Green growth is a term to describe a path of economic growth that uses natural resources in a sustainable manner

It provides an alternative concept to typical industrial economic growth



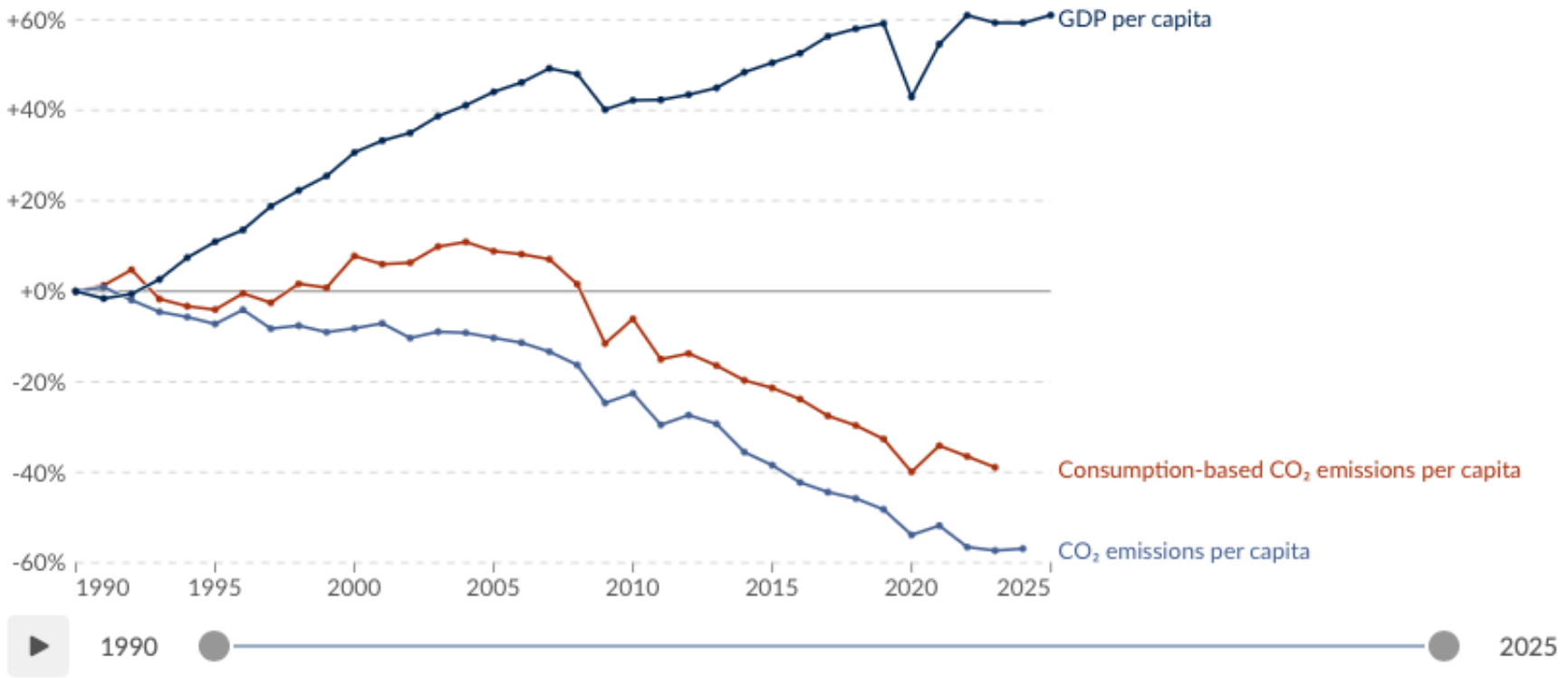
Change in per capita CO_2 emissions and GDP United Kingdom

Our World in Data

Consumption-based emissions include those from fossil fuels and industry. Land-use change emissions are not included. GDP per capita is adjusted for inflation and differences in living costs between countries.

Table | Line | Bar

Edit countries and regions

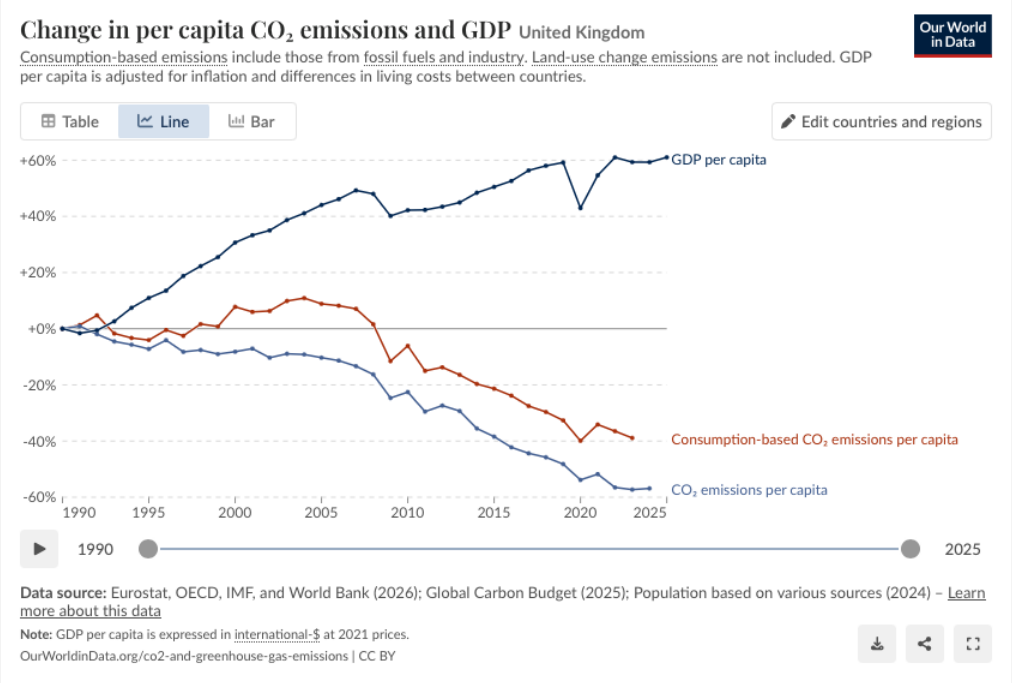


1990 2025

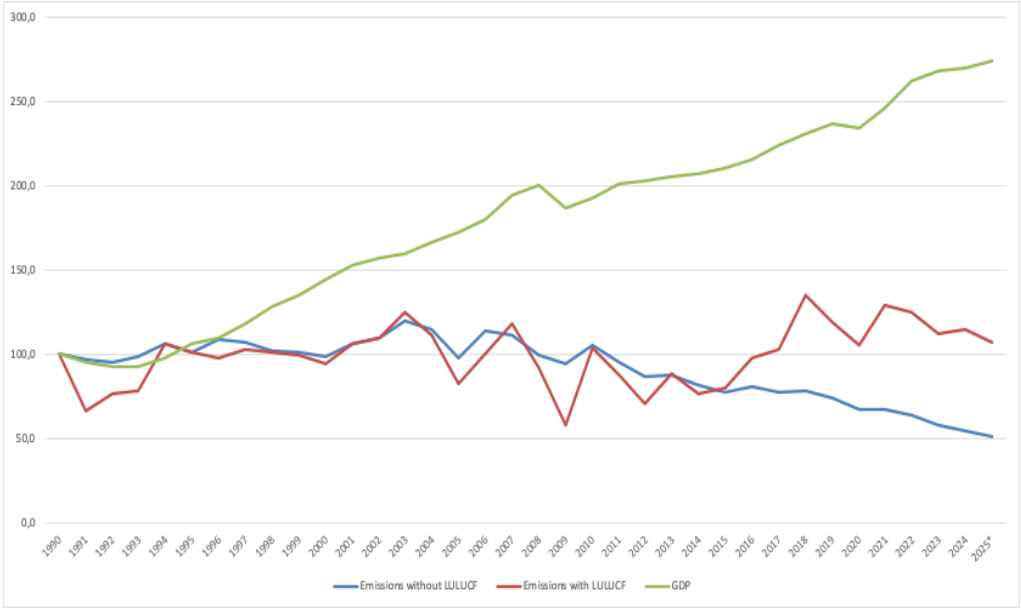
Data source: Eurostat, OECD, IMF, and World Bank (2026); Global Carbon Budget (2025); Population based on various sources (2024) – Learn more about this data

Note: GDP per capita is expressed in international-$ at 2021 prices.

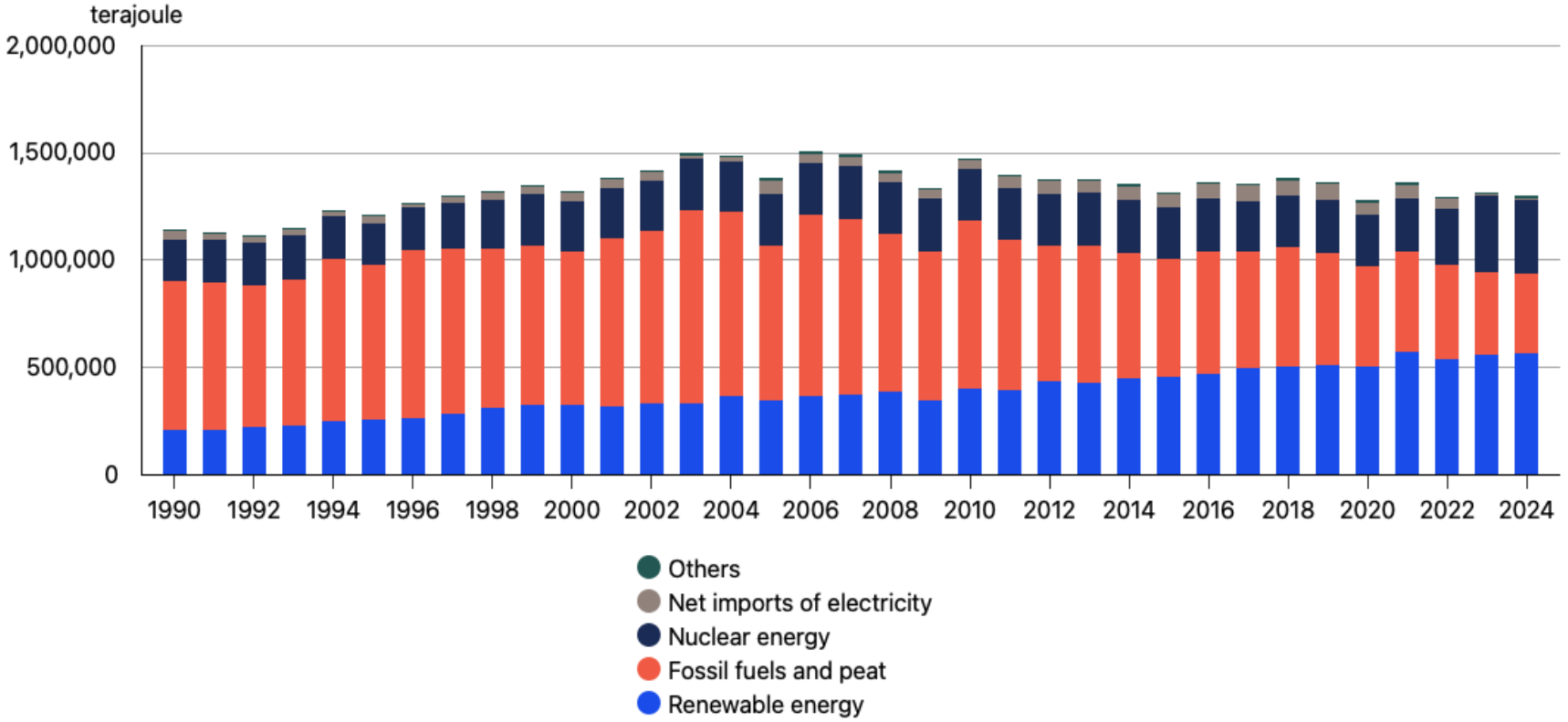
OurWorldinData.org/co2-and-greenhouse-gas-emissions | CC BY


Change in per capita CO_2 emissions and GDP United Kingdom
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Consumption-based emissions include those from fossil fuels and industry. Land-use change emissions are not included. GDP per capita is adjusted for inflation and differences in living costs between countries.
Table
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+60%
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GDP per capita
Consumption-based CO_2 emissions per capita
CO_2 emissions per capita
1990
2025
Data source: Eurostat, OECD, IMF, and World Bank (2026); Global Carbon Budget (2025); Population based on various sources (2024) – Learn more about this data
Note: GDP per capita is expressed in international-$ at 2021 prices.
OurWorldinData.org/co2-and-greenhouse-gas-emissions | CC BY

Finland


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Emissions without LULUCF
Emissions with LULUCF
GDP

Total energy consumption by energy source 1990-2024 / Finland



Updated: 16/12/2025
Source: Statistics Finland, energy supply and consumption