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Shrinking Old Industrial Cities: A Research Agenda for Heterodox Economics

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ABSTRACT

The purpose of the article is to substantiate the unified theory of urban shrinkage based on heterodox economic approaches, which will overcome the dominant neoclassical paradigm with its reductionist explanations and one-sided normative guidance. Research methodology is a qualitative meta-analysis of heterodox studies of regional/urban economics (including institutional, evolutionary, behavioral economics, discursive institutionalism, narrative economics, place marketing and place branding, and generational theory) and identification of the potential for integrating these approaches into a single theoretical framework. Research objectives: a qualitative assessment of the theoretical basis of urban anti-shrinkage policy used in practice; analysis of advances of heterodox theories in the field of urban economics; analysis of areas of intersection and prospects for the formation of a joint research program. The article presents a new approach, complexity-focused institutional economics, which can become a methodological basis for the formation of a heterodox urban-shrinkage theory. The main findings of the study are to substantiate the potential directions of heterodox synthesis in urban shrinkage studies, as well as to present a complexity-focused methodology and interdisciplinary framework for analyzing shrinking cities.

INTRODUCTION

The term "shrinking city" does not have a unified definition, despite numerous studies of this phenomenon since the late 1970s (Großmann et al., 2008. P. 82). By and large, the term "urban shrinkage" is a meta-term, covering many other terms that are used in urban studies to emphasize different forms of systemic problems in urban development. We are talking about such terms as urban decline, urban decay, "urban ills" and the like (Camp Yeakey et al., 2014). All of these terms and the broadest term "shrinking cities" describe a situation of sustained population decline in cities and especially in metropol-

itan areas. According to OECD experts, by 2050 the share of shrinking cities in the world will reach 30%, and now this figure is 19% (OECD / European Commission, 2020. P. 123). Moreover, the share of shrinking metropolitan areas is 20% in the group of cities with a population of 250,000 - 1,000,000 and 19% in the group of cities with a population of up to 250,000. In other words, the concentration of the population is growing in the largest cities, which are becoming increasingly powerful centers of economic and social activity, sucking resources from all other urban areas.

The steady decline in the urban population has many negative consequences. First, the tax base of municipalities is declining, which leads to chronic underfunding of infrastructure, a decline in public spaces, and a decline in the quality of the urban environment. Secondly, the volume of the domestic market is shrinking, which discourages the development of business activities focused on demand from the local population (this applies to most of the service businesses). Thirdly, the number of small and medium-sized enterprises is decreasing. Fourth, large enterprises are beginning to experience problems with personnel, and universities are faced with a reduction in students, which leads to a decrease in innovative activity. Fifth, shrinking cities are losing their attractiveness to tourists and investors. Sixth, the communication fields of shrinking cities are mostly filled with negative assessments of the current state and gloomy expectations, which affects the psychological well-being and forms a negative image of the city. Thus, urban shrinkage is a multidimensional asynchronous process, since negative changes in different dimensions of shrinkage occur at different rates.

Urban shrinkage is launched and supported for multiple reasons. As J. Hollander noted, "when speaking of population decline, no single rationale explains why a place depopulates" (Hollander, 2010, p. 137). A huge role is played by the growing mobility of the population, which is expressed, on the one hand, in inter-urban migration (movement of residents to other cities with higher incomes and a higher quality of life), on the other hand, in suburbanization and spatial spread of urban agglomerations (movement of the population from an urban area into suburban areas that are cheaper to live in), as well as international labor migration. To counteract these processes, it is necessary to increase the attractiveness of cities by enhancing existing competitive advantages or creating new ones. The problem here is that it is necessary to increase the attractiveness of shrinking cities while shrinking, which creates many resource and financial constraints. Place branding can also play a significant role in overcoming urban shrinkage, but its opportunities are limited by negative expectations of the residents themselves, which provides for attempts to design a new optimistic brand. Most often, shrinking cities result from long-term depopulation caused by demographic factors such as declining birth rates and aging populations. Such depopulation is a manifestation of a global shift - the second demographic transition - which is associated with a long-term course towards the values of self-actualization and individual freedom (the so-called "the Maslowian drift"), which do not imply high fertility and the creation of large families. And it is these values, and not economic reasons per se, that are the drivers of urban contraction.

The most important factor of urban shrinkage has become deindustrialization - a fall in the profitability of industrial activities, a decrease in the share of industry in the GDP of countries and cities, and a decrease in the share of industrial workers in the overall structure of employment. Many shrinking cities have historically formed around industrial enterprises and industry is the dominant sector of their economy. Deindustrialization is caused by macroeconomic structural shifts in the sectoral structure of value-added production and, ideally, should lead to an intersectoral flow of human resources - from industry to the service sector, including science, research, and development, thereby leading to an increase in the efficiency of industrial businesses. From this idealistic scenario, the idea of a post-industrial creative city emerged. The main place in the economy of the post-industrial city is occupied by service industries that provide the production of innovative, information, transport and logistics, educational, medical, trade, financial, and other types of services. Of particular importance are the creative industries associated with creative intellectual activities - the development of computer games and IT applications, architecture, design, advertising, music, film production, AR and VR technologies, etc. The entertainment industry is actively developing in idealized post-industrial cities - museums, galleries, theaters, libraries, cafes, restaurants, concert halls, lecture halls, parks, attractions, nightclubs, fitness centers, etc. White collars, having spent their working day in the office doing creative, interesting, and highly paid work, plunge into the rich nightlife with its vibrant events and parties.

However, the reality is shattering this idealized image of de-industrialization. The displacement of industrial activities by service activities (wholesale and retail trade, finance, IT services, creative industries, etc.) is accompanied by automation, digitalization, and robotization of the vast majority of industries. This progressively reduces the industry's need for personnel, especially those of low and medium qualifications. But in current conditions, digitalization also encompasses the service sector, which is accompanied by the displacement of people and the replacement of their functions with software: this trend is observed in banking, insurance, real estate, legal, notary, marketing, and other service industries. This structural shift is accompanied by the emergence of a new model of the labor market (sometimes referred to as post-work), including one associated with precarization, i.e. an increase in the share of inconsistent work. The competition for white-collar jobs is increasing dramatically. At the same time, there is a transformation of local institutions, a change in dominant values, behavior models, communication channels, and urban discourses, which radically changes the institutional environment of old industrial cities (Simovic, 2020; Krivokapic, 2020). Instead of a creative city model with a tolerant and intense cultural environment that attracts new creative workers from other cities, shrinking cities often develop as centers of intense exploitation and fierce competition for jobs.

In the overwhelming majority of studies, the causes of urban shrinkage are considered from the standpoint of uneven economic development, understood extremely narrowly, only in the aspect of transformation and investment factors, which is due to the dominance of the neoclassical paradigm in the theories of regional and urban economics. Population change is seen as a natural response of residents to differences in employment opportunities or differences in quality of life. Residents of cities and urban areas with a lack of work or a lower quality of life (for example, with a polluted environment, poor infrastructure, or expensive housing) move to more attractive regions with better prospects. The methodological basis of this point of view is still implicitly based on the Tiebout model, which describes the process of people choosing a jurisdiction for residence from a neoclassical standpoint. This model also applies to the choice of business locations. Since the Tiebout model is characterized by a high degree of abstractness (free migration of individuals between jurisdictions or "voting with their feet" to maximize personal gain with fixed preferences is assumed), the shrinkage of cities and population migration in the conditional "Tiebout world" is a simple extension of the market economy mechanism and its expansion into the sphere of spatial development.

Urban shrinkage studies lack a complexity-focused paradigm. The plurality of factors in urban shrinkage needs to be explored with an integrative methodological framework that should form the basis for a comprehensive anti-shrinkage policy.

1. METHODOLOGY

The methodology of urban shrinkage studies should combine heterodox economic trends (approaches of institutional, behavioral, evolutionary economics) and new interdisciplinary theories. In general, heterodox economics is an umbrella term that covers areas of economic science that are alternative to the neoclassical mainstream, primarily institutional, evolutionary and behavioral economics, as well as other non-standard areas of economic analysis (Jo et al., 2017). These theoretical approaches are now taking the leading positions in world science and, what is important to emphasize, they are all quite closely related to spatial problems, up to the availability of sufficient operational recommendations. At the same time, heterodox theories are developing outside the classical theories from the field of regional studies, economic geography, spatial economics, and other areas. Despite the variety of directions, recent times tend to consider them in aggregate, as a (so far amorphous enough) integral research field.

Even taking into account some important advances, the meso-level of the urban economy (as well as the regional economy as a whole) is represented in heterodox economic discourse in an extremely fragmentary manner. Nevertheless, it seems possible to highlight the key areas of scientific research in this subject area.

Evolutionary economists view innovation, localized in regions and cities, as the main engine of economic growth. At the same time, innovations are interpreted extremely broadly - they mean the ability to create new products (goods, services, knowledge, etc.) and new ways of carrying out various types of

activities in the economic space of a city or region. Thus, these are technological, organizational, institutional, marketing, and (in a broad sense) social innovation: and these are always new “methods of doing things” in the local environment (Perilla Jimenez, 2019). Equalization of the status of technological and non-technological innovations is becoming an important trend. Moreover, empirical studies show that the local competitiveness of firms is primarily determined by such factors as best management practices, organizational mechanisms, decision-making methods, organizational culture (Nelson et al., 2018. P. 119). Although evolutionary economics recognizes the importance of all forms of innovation and pays attention to different evolutionary modes of innovation processes, a special role is still assigned to innovation cascades, i.e. a long-term series of interconnected radical innovations. Innovation is rightfully considered the result not of individual efforts, but collective actions of territorial innovation communities, jointly forming technological paradigms - knowledge, ideas, methods, and norms common to community members associated with the physical and social technologies they use. A key characteristic of innovation communities is diversity: they include not only manufacturing and service firms, but also universities, government agencies, non-profit organizations (Nelson et al., 2018. P. 21-25), as well as traditional and new media, experts, consumer communities, etc.

The main problem of shrinking old industrial cities is low economic diversity, reflected in the weak diversification of the economy, which offers a rather narrow range of jobs. It is extremely difficult to overcome the path dependence effect and turn into highly diversified economic centers due to the growing competition from the largest metropolitan areas. OECD experts state: "Whereas capital metropolitan areas, as well as larger metropolitan areas in general, have an advantage in attracting populations, ... metropolitan areas with less than 1 million inhabitants are at a much higher risk of shrinkage than larger ones" (OECD / European Commission, 2020. P. 125). Along with the effect of path dependence (dependence on the trajectory of previous development) and the entrepreneurial culture prevailing in the city or region, i.e. factors of a long-term nature, evolutionary economists emphasize the effect of path creation (creation of new trajectories of development), including those providing a transition from one technological paradigm to another - a paradigm leap (Capello, Lenzi, 2018). Despite the expansion of the concept of proximity (now the key role is assigned to a greater degree of institutional, cognitive, social, and cultural proximity), nevertheless, geographic proximity and physical contacts in a “face-to-face” format (rather than “face-to-screen”) contribute to the evolutionary accumulation of trust and the development of routines for collaboration within clusters and proto-cluster networks. At the same time, the localization factor is critically important for the effectiveness of collaborations and innovation processes.

As a result, the understanding of regional innovation systems is changing: they are increasingly viewed as ecosystems - complex, co-evolving systems rooted in the territorial environment, uniting many internal and external stakeholders (groups directly or indirectly interested in regional development), interconnected and interacting with each other. The ecosystem approach involves the rejection of the unambiguous prioritization of any institutions, models, tools, or subjects of innovative development. As a result, territorial strategizing avoids the eternal problem of choosing between polar alternatives - bottom-up or top-down governance, supporting key industries or creating clusters, focusing on projects with short-term or long-term prospects, attracting large investors or developing small businesses, etc. It is becoming more and more obvious that the sustainable development of regional innovation ecosystems depends on the “well-coordinated ensemble play” of a heterogeneous community of stakeholders (Vasylieva and James, 2021), in which there are no insignificant players: for example, the so-called implicit participants - representatives of the arts, humanities and social sciences - can play a special role (Linton, 2018). Governance of ecosystem development is impossible based on the implementation of a clearly defined strategy - it requires constant (interactive) correction of the strategy and the use of a “mix” of various approaches to regulating various objects and subjects, taking into account their evolutionary specifics. In particular, it is important to understand that all sectors of the urban economy are in different phases of the life cycle, evolving at different rates and along different trajectories. Therefore, attempts to apply universal "recipes" to overcome the urban shrinkage are initially doomed to failure.

Cognitive institutions are a critical factor in the development of the urban institutional environment. Cognitive institutions are general mental models of internal and external actors associated with a city, that is, ideas, beliefs, stereotypes, explanations, expectations, scenarios, narratives, discourses, etc. shared by them. In neoclassical theory, cognitive institutions are either not taken into account, or are

considered to be given exogenously as invariants of the sociocultural environment. In discursive institutionalism, a new direction of institutional research that has not yet been applied to the study of shrinking cities, they are intensively formed in the communications of a heterogeneous network of actors who directly or indirectly interact with one or another object (for example, a city or its separate areas, artifacts, events). At the time of the global spread of the Internet and the generation of the overwhelming share of content by ordinary users, cities and related artifacts and events quickly “plunge” into an interactive communication environment and become media-institutional forms (Knorr Cetina, 2015). Internal actors “broadcast” their city to external social groups, acting as co-authors of opinions, ideas, beliefs, stories about it; external actors take the positions of commentators, supporters, or critics, enter into numerous discussions. As a result, a rich and dynamically changing communication field appears around the city. From the standpoint of discursive institutionalism, the key actors of institutional change are not so many individuals (activists, opinion leaders, politicians, etc.), as discursive coalitions - real and virtual communities of like-minded (on certain issues) people who, using various communication practices, support, develop and defend "their" discourse, while simultaneously criticizing, questioning, challenging alternative discourses (Schmidt, 2019). In this sense, the impetus for institutional changes in shrinking cities can be their reimagining, that is, the social construction of their alternative images, accompanying narratives, and scenarios for further development (Cooper et al., 2020), including prototypes that anticipate the future. New images of cities are assembled from innovative concepts and interpretations, reimagined elements of common sense, romanticized notions of the past and idealized versions of the future, collective fantasies and neuroses, and many other cognitive building blocks. Images and other ideational models become “frameworks” for urban development. In particular, the critical elements of these “frameworks” are narratives (stories about the city), which are beginning to be explored by representatives of the narrative economics.

While the focus of evolutionary economics is mainly on the supply side of innovation, place marketing and place branding have traditionally focused on studying the demand side for various offers (tradeable useful properties) of the socio-economic space. In our opinion, the further development of place marketing and place branding is most promising precisely within the framework of discursive institutionalism. We would like to emphasize that the place brand is a complex system of associations that “breaks down” into a complex of sub-brands for different stakeholders who act as target audiences for marketing actions. We are talking about the brand landscape - an integral image of the territory from the point of view of the target audiences of all its sub-brands (Giovanardi et al., 2017). A well-known and sustainable brand is a critical factor in the positioning of place in the minds of its target audiences, allowing it to stand out from competitors. Branding is a process that takes place in the minds of consumers of useful properties of place, associated with the accumulation of sympathy and respect for its brand. Therefore, one should categorically abandon attempts to quickly create or promote place brands using simple marketing tools (such as logos, slogans, advertising campaigns, etc.), especially those related to deceiving target audiences or even embellishing the real state of affairs. Place branding should not be perceived as a management technology (a set of standard tools for practitioners), but rather as a client-oriented philosophy of making strategic decisions in the field of public and municipal administration. Whereas 'seat selling' strategies were focused on external stakeholders - primarily tourists and investors - then inclusive place branding strategies shift the emphasis to inclusiveness, identity, and collaboration of internal stakeholders. The local population is perceived not only as a passive social base of the place brand, but also as an active community of brand ambassadors who broadcast information about their city or region on the Internet and act as network experts for external stakeholders - tourists, applicants, potential new residents and business residents, and others. Place branding is increasingly moving - and should go even more actively - beyond its traditional functions, trying to use the aspects and elements of places and its brands that are usually not controlled by marketing (Green, Grace, Perkins, 2018). We are talking, in particular, about street art, art clusters, architecture, social innovation, environmental campaigns, crowdsourcing campaigns, etc. This is an important area of promising research in shrinking old industrial cities.

In modern institutional economics, the theory of inclusive institutions has received great resonance (Acemoglu, Robinson, 2012). Inclusive institutions are rules, practices, and mechanisms for ensuring inclusive growth and development, including at the city and regional level. Inclusive institutions provide conditions and opportunities for lagging, vulnerable, and poorly protected social groups and categories

(children, youth, disabled people, women, unemployed, poor, elderly, racial minorities, small entrepreneurs, etc.). In addition, inclusive development implies smoothing out excessive disparities between different municipalities, which is reflected in the idea of connected growth of agglomerations and regions (Beel, Jones, Rees, Escadale, 2017). Thus, inclusiveness “breaks down” into three complex facets - economic (equal opportunities for all groups), social (equality and involvement of minority groups), and spatial (equal access to basic infrastructure and equal opportunities for the development of territories of any scale) (The World Bank, 2015. P. 11). Empirical work shows that the lack of inclusive institutions contributes to the fragmentation of the local community, and also prevents the benefit from diversity, in particular from multiculturalism. Inclusive institutions are becoming an important factor in the branding of territories as places of attraction for the creative class - representatives of creative and innovative professions and business owners who are the most valuable resources for the development of regions and cities in the post-industrial era. It is becoming more and more obvious that cities do not need separate advanced institutions or even just a high-quality institutional environment, but a coordinated system of institutions to complicate exports and the economy as a whole. It has been empirically confirmed that the complexity of exports is the only reliable factor in long-term growth, with other determinants (human capital, institutions, finance, etc.) becoming statistically insignificant.

In the field of behavioral economics, it is recognized that any regional or city policy or strategic decision provides people and organizations, residents and non-residents (for example, investors) in a given area with specific incentives to act. However, when choosing a specific course of action, people always start from the context, i.e. proceed from the architecture of choice (the structure of all factors influencing the choice), frames (framework effects), heuristics (simplifying selection rules). Nudging policy implies the purposeful design of the architecture (up to the textual formulation) of various situations of choice, including in the field of territorial strategizing. In particular, overcoming the stagnation of the city's economy is largely associated (as shown by empirical studies) with a change in the thinking of its population, including overcoming the prevailing stereotypes, since “poor people may thus be forced to rely even more heavily on automatic decision making than those who are not poor” (International Bank ..., 2015. P. 13). The key guiding principle in this is the mantra “keep it simple” (Thaler, 2015) - removing all possible barriers to action that regional or local authorities urge people to take. However, it is important to ensure that new architectures of choice are tested before they are put into practice (although randomized control trials are expensive). A less developed area of behavioral economics is associated with V. Smith's ideas about the role of the environment - especially social norms and collective mental models - in decision-making. At the same time, particular importance is attached to the concept of ecological rationality, which describes a widespread type of decision-making, which is based on unwritten rules, unspoken principles of action, ethical norms, and shared mental models (Smith, 2003, Vasilyeva et al., 2018). The role of these seemingly non-economic factors has been underestimated by economists for too long, although they significantly affect the spread of new norms of behavior, ranging from the separate waste collection or the creation of homeowners' associations and ending with the choice of a particular city (region) as a place to live, work, study, recreation. New beliefs of social groups can significantly affect the effectiveness of changes carried out by local authorities, especially those of a strategic nature.

For a long time, the theory of generations remained on the periphery of academic science, and many researchers denied it the status of a theory. Work in this area is concentrated in a specific section of sociology - youth studies. As empirical studies show, different generations have qualitatively different values, motives, beliefs, expectations. Millennials and centennials in particular have distinct characteristics that set them apart from the “industrial age” generations. However, there are very few studies that consider the specifics of generations in a socio-economic context: they are mainly associated with the characteristics of representatives of new generations as potential workers. Only a few relatively recent works have expressed the idea of the need for a transition to a more holistic generational theory and the study of the relationship between different generations as a single system (France, Roberts, 2015; Moreno, Urraco, 2018). This allows us to pose the question of the concept of the intergenerational continuum of the city as a fundamentally new area of interdisciplinary analysis.

2. RESULTS

The need for agenda-setting for heterodox economics in the field of studying shrinking old industrial cities is associated with the absence of a unified heterodox (alternative to the neoclassical mainstream) theory. The existing theoretical explanations are based on neoclassical axiomatic attitudes and are of a reductionist nature, emphasizing the role of monetary factors and direct incentives. As a result, the overwhelming majority of studies ignore or at least underestimate the institutional, transactional, and communication factors of overcoming the urban shrinkage trajectory, which in heterodox theories are in the area of priority attention, but are not consolidated into a single conceptual model, taking into account the specifics of urban development. In a fundamental sense, heterodox urban-shrinkage theory aims to form a new categorical field and develop new methodological approaches of an anti-reductionist type that describe “soft” (institutional, transactional, communicational) factors, patterns, and development mechanisms of shrinking cities. In an applied sense, the main task of heterodox urban-shrinkage theory is related to the development of analytical models and a set of regulatory recommendations for city authorities to overcome the shrinkage of old industrial cities, including scenarios, models, mechanisms, methods, and tools for regulatory influences.

The basis for heterodox synthesis in the field of urban shrinkage can be post-institutional theory (Frolov, 2020, 2021). This methodology is complexity-centered and presupposes a transition to overcoming the reductionism of the new institutional economics due to several conceptual shifts: from mono-aspect interpretations of institutions - to integrative interpretation of institutions as institutional combinations; from isolationist analysis of institutions to institutional assemblages and bricolage; from focusing on dysfunctions of institutions - to the study of institutional kludges and anomalies as “extititutional” forms of social order; from the dichotomy of “rules of the game” and “players” - to understand the stakeholder communities of institutions as institutional configurations; from the analysis of minimizing transaction costs - to the study of the transaction value generated by institutions; from neo-Darwinism - to the Evo-Devo-paradigm of the analysis of institutional evolution.

The post-institutional methodology provides substantively richer explanations of complex institutional phenomena and processes in comparison with the explanations of mainstream institutionalists. Thus, the concepts of bricolage and configurations make it possible to better understand the internal “mechanics” of the institutional evolution of old industrial cities - the heterogeneity of actors, the variability of their resources and strategies, the key role of incremental innovations, and acceptably functional institutions. In particular, these concepts can explain the numerous examples of kludges from the area of urban shrinkage regulation in leading countries, as well as the huge range of results and the variety of real development paths of transplanted institutions (for example, clusters) around the world. The concept of assemblages is an additional key to understanding institutional hybrids, the study of which is experiencing noticeable difficulties. If the mainstream approach positions such hybrids as organically mixed institutional systems, then assemblage thinking focuses on the differences of the logics that govern them, their irreducibility, and conflict potential. Then the far-fetched nature of the “homogenized” vision of the urban institutional environment, which in reality combines the institutional elements of different technological structures and subcultures, becomes obvious. Finally, the concept of transactional value provides an alternative interpretation of the institutionalization of the digital economy in smart cities, which leads to a revolutionary reduction in the level of transaction costs. These are just some examples of the explanatory possibilities of the post-institutionalism methodology and its advantages over the new institutional economics.

An important feature of the heterodox urban-shrinkage theory is an interdisciplinary approach that constructively combines economic, sociological, socio-technological, anthropological, and philosophical methods of scientific thinking and analysis of shrinking cities. In addition, a heterodox urban-shrinkage theory is based on a multi-paradigm approach that combines the capabilities of the new and traditional institutional economics, the economics of identity and stratification economics, the theory of resource systems, and relational place marketing, the theory of techno-economic paradigms, and discursive construction, etc. It is also important to use methodological principles and analytical methods of related scientific disciplines and theories, including extended evolutionary synthesis, actor-network theory, object-

oriented ontologies, new economic geography, resource and stakeholder theories, theories of sustainable and resilient development.

CONCLUSIONS/RECOMMENDATIONS

The complexity of the phenomenon of urban shrinkage is superimposed on the neoclassical approach to its research and the closely related neoliberal paradigm of regulation. In a world of exponential growth in the complexity of spatial economic systems, attempts at analysis and strategic planning using separate isolated or semi-autonomous approaches are doomed to failure. It becomes necessary to move to an integrative approach to the study of shrinking cities and the development of anti-shrinking strategies. We are talking about an approach that simultaneously operates with a complex of externally alternative concepts and tools, combining them concerning the complex problems being solved, and not just applying these approaches and tools in parallel, as independent vectors of strategy. It is the combination of seemingly competitive theoretical approaches that is the key to developing realistic, feasible, and effective strategies to overcome urban contraction. Moreover, it is important to proceed from the principle that even a narrowed or fragmentary application in practice of more advanced theoretical approaches is still better than using morally outdated approaches in full and in perfect execution. Heterodox theories of strategic spatial (and urban) development have powerful potential, they have a lot of areas of intersection, and many zones of potentially productive interactions remain “blank spots”. The transition from mutual distancing and closure within narrow disciplinary frameworks to active communication and joint projects opens up the prospect of forming a common research program of a unified heterodox urban-shrinkage theory.

The interconnection of heterodox theories, in general, is due to their common nature, associated with the rejection of oversimplified principles and axioms of neoclassical theory. However, the application of these advanced approaches in the field of regional and municipal strategic planning and management is extremely scarce. This is largely due to the novelty of heterodox theories and the lack of operationalization of their conclusions, as well as, in general, to the expansion of the neoliberal logic of optimizing public spending. Nevertheless, even now it is possible to fix the fundamental recommendations of a heterodox economy for the authorities of shrinking cities. First, it is important to abandon one-sided positions in assessing the factors and subsystems of shrinking cities; it is necessary to shift the emphasis to their complexity, heterogeneity, and hybridity. Secondly, it is necessary to abandon the isolated development of the elements of the economic space (sub-territories, industries, various areas of regulation, etc.) and a transition to the awareness of the mutual influence and (ideally) co-evolution. Thirdly, it is highly desirable to abandon simple universal solutions and “recipes”, to be ready to develop geographically-specific mixes of instruments. And fourth, economic cognitive institutions should be seen as important means of productively reconstructing the local institutional environment.

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