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Published in:
Urban, Planning and Transport Research

DOI:
10.1080/21650020.2023.2165140

Published: 01/01/2023

Document Version
Publisher's PDF, also known as Version of record

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Please cite the original version:
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To cite this article: Kaisa Schmidt-Thomé & Johanna Lilius (2023) Smart shrinkage and multi-locality – The appeal of hope, illustrated through Puolanka, a rural municipality in Finland, Urban, Planning and Transport Research, 11:1, 2165140, DOI: 10.1080/21650020.2023.2165140

To link to this article: https://doi.org/10.1080/21650020.2023.2165140

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Published online: 05 Jan 2023.

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Smart shrinkage and multi-locality – The appeal of hope, illustrated through Puolanka, a rural municipality in Finland

Kaisa Schmidt-Thomé and Johanna Lilius

ABSTRACT
Our contribution discusses two phenomena – shrinkage and multi-locality – in relation to the big picture of urbanisation and to the prevailing regional policy discourse that is very growth oriented in nature. Empirical material from Puolanka is used to illustrate the key tensions of this constellation. We ask: Does the concept of ‘smart shrinkage’ resonate in the context of a shrinking municipality? Is it possible to operationalise shrinkage at the local level? A group of artists has been experimenting with a very peculiar approach by branding their local pessimism (!) and thereby sympathetically ridiculing the growth orientation of a locality that shrinks fast by numbers. What about ‘multilocality’? Is it a true opportunity to increase the quality of life in depopulating regions? Like many rural municipalities, Puolanka hopes that the holiday homes and e-work will contribute to local vitality. We propose that other somewhat surprising forms of multilocality may be even more significant. Those include the global multilocality of the entrepreneurs with immigration background that keep the last restaurant business up and running, as well as the seasonal workers in agriculture and tourism. Also, the pessimistic artists can be seen as multilocs. The peculiar connectedness that these young people have with Puolanka is of high symbolic value.

Introduction
The common public imagination of shrinking localities is often negative, as media reports typically focus on the state of deprivation, portraying places as if they have no resources and are the homes of deprived people (Béal et al., 2017; Bernt & Rink, 2010; Hirt & Beauregard, 2019; Kinder, 2016; Steinführer & Kabisch, 2007). At the same time, in many towns and cities, urban shrinkage is like an elephant in the living room. Despite its undeniable presence, it gets overlooked, not only in the daily life of a locality but also in local-level strategies. Admitting shrinkage, understood as a result of changes in trends that cause a decline in the local population with problematic consequences (cf., Haase et al., 2014), appears to be a hard task for local-level managers (Syssner, 2020). The reluctance to address the decline looks peculiar considering how commonplace it has become through the Western world. Municipalities with population loss are widespread...
in Europe and can also be found in countries with growing overall populations (Wolff & Wiechmann, 2018). Shrinkage has also touched large cities: almost one-third of Europe’s larger cities lost population between 2001 and 2011 (European Commission & UN Habitat, 2016). As Haase et al. (2013) point out, remaining stuck with the growth paradigm means that ‘shrinkage will be treated as a problem rather than as an opportunity’. As Sousa and Pinho (2015) have emphasised, in planning, ‘business as usual’ means planning for growth.

Narratives in Finland, a sparsely populated (18 inhabitants per km2) country in Northern Europe, make no exception. Since gaining independence in 1917, Finland has emphasised policies to keep the whole country inhabited. On one hand, this relates to the late urbanisation of the country, where policies to house people in the countryside, rather than just in cities, were employed until the 1950s. Small localities offered the possibility for a livelihood for a long time, and Finland did not urbanise until the 1960s and 70s. On the other hand, the long border with Russia has also motivated the inhabitation of the country as a means for fast mobilisation in case of an aggression. However, today, the demographic models show that only a few Finnish localities are likely to experience an increase in population. According to the 2019 regional population forecast (MDI, 2019, 1–3), by 2040, there would be only three growing urban regions in Finland. Despite the slight changes brought by the COVID-19 pandemic, the more recent forecast (MDI, 2021) still shows a sharp decline for all municipality types outside of the major urban regions – in all three studied scenarios (ibid., 27). Yet a 2019 municipal survey showed that while the majority of Finnish municipal leaders are aware of the decline, only a minority of them have prepared for it (Manu et al., 2020). The municipal strategies, in particular, tend to be growth oriented, and no municipality has so far acknowledged shrinkage as the base from which one should plan ahead. The growth-oriented path is also part of the national-level policy-making strategy. In the regional development decision 2020–2023 (Ministry of Economic Affairs and Employment, 2020), the major urban regions are seen as growth engines, but still, all regions shall be equally on board. ‘Vital and socially strong Finland is built on the joint success of the metropolitan region, growing urban regions and the rural areas’ (ibid., 5). The policy message is clear: growth – economic if not always demographic – is possible, and desirable, throughout the country.

Pretending that economic success can be achieved across the country thus seems to ignore the same statistical data that the ministries use for other purposes than earthing their policy programmes. In 2021, 265 of the 309 municipalities in Finland received 1.5 billion euros as ‘equalisation supplement’ (Kuntaliitto, 2022). This tax-based equalisation means that the central government increased the transfers granted to these municipalities based on the imputed tax revenues of the municipality. Only 28 municipalities exceeded the equalisation limit and were deducted 700 million euros. Together with the demographic statistics and data on basic facilities in municipalities, one can see how these figures may relate with local realities. For instance, there are nearly 100 municipalities where the amount of newborn babies is less than an average sized classroom (Liitonen, 2021). In some municipalities, a year can pass without babies being born at all. Already now, in every fifth municipality, there is only one school left.

Like Rantanen et al. (2020) summarised, considering the high significance and complexity of urbanisation, the attention devoted to the Finnish shrinking regions has been
modest, both in terms of research and policy making. In the decision of the Ministry, there is a mention about shrinkage. It states that it is important to recognise the role of individual wellbeing in relation to the vitality of the shrinking regions (Ministry of Economic Affairs and Employment, 2020).

Finnish scholars are also well aware of the shrinking city research that has been bourgeoning, e.g. in Germany and the US during the last decades (e.g. Hänninen et al., 2020; Niemenmäa & Schmidt-Thomé, 2011). Both researchers and policy makers could benefit from the recent literature on shrinking cities in the so-called Global East, including the post-socialist regimes (Wu et al., 2022). Furthermore, a look towards the peripheral rural municipalities, also in the neighbouring Sweden (Grundel & Magnusson 2022) would illustrate how long periods of continuous decline are dealt with locally. The commonalities and differences could help to better discern what can be counted as highly contextual local peculiarities and which patterns seem to hold across the entire spectrum. Nevertheless, considering the persisting belief in growth on all tiers, it is actually no wonder that distancing oneself from the growth discourse may be very difficult for policy makers and politicians of an individual municipality. Despite having reported negative growth time and again, there is very strong political pressure to change the trajectory, to return on the growth path that may already belong to a relatively distant past. As if there is always some light on the horizon, waiting to be turned into demographic and economic growth, that would then – hopefully – generate wellbeing.

Against this background, we analyse recent developments in a small locality called Puolanka, located 650 km from Helsinki, by building a framework of reviewed literature on ‘smart shrinkage’ and ‘multilocality’. These two concepts are essential for the Finnish context, as they represent a new way of viewing shrinking localities. Building on Baum’s (1997/2012) formulation of ‘planning as the organization of hope’, we can examine both the appeal of hope for municipalities and appealing to hope as an object of municipal efforts. We ask the following questions: 1) How can the continuous shrinkage and growth orientation of policy making co-exist over several decades? Could ‘smart shrinkage’ be compelling enough as a promise? 2) How is multi-locality understood within the municipality of Puolanka? Is it a well-founded source for local wellbeing?

We will argue that more nuanced narratives to both shrinkage and multi-locality would be worth exploring. If growth orientation has not delivered the expected results, why should one not nurture alternative approaches and sources of local wellbeing? Should one strive for a future where dignity does not require an economic upturn? With our paper, we wish to highlight the importance of the symbolic dimension and the feelings of belonging in a small municipality like Puolanka.

The paper continues as follows: first we review literature on smart shrinkage and multilocality. We then present our methods and data and the context of our case study. The paper ends with a discussion and conclusions.

**Shrinking smartly**

If shrinkage is a concept easily connected to something negative, then the concept of ‘smart shrinkage’ appears to be a lesser evil, resonating well – or at least better than shrinkage pure – with the regional development tradition. Smart shrinkage, as put forward by Maurice Hermans (2016), would have to mean a shift to a qualitative
approach that centres quality-of-life considerations and ‘growing smaller’ instead of the imperative to finding new pathways for growth. It accepts that a certain era has come to an end and gives room for local creativity in reinterpretation of the available assets as well as deconstruction and reuse of old structures. This strand of smart shrinkage – as a field of practice and scholarly attention – bears an interesting novelty as it has the potential to strengthen the link between regional development and sustainability transitions. Hansen and Coenen (2015) have suggested that this link has remained weak due to insufficient attention to the geography of sustainability transitions. While regional development studies have not placed sustainability concerns at their core, the sustainability transitions’ scholarship has focused on niches and regimes of the socio-technical systems, and have thereby not elaborated on how place-specificity matters for transitions (ibid.; see also, Torrens et al., 2021; Wolfram et al., 2019).

With the positive loading through smartness, the concept appears to entail something of a better future than the cliché of the last one out turns off the lights (‘viimeinen sammuttaa valot’). In the Finnish context, the attribute ‘smart’ is well established in the context of ‘smart cities’ and ‘smart regions’ that have adopted ‘smart specialisation’ strategies (Tantarimäki, 2020), but ‘smart shrinkage’ has not gained much ground in the development discourse. This is partly due to its recent appearance in the vocabulary (e.g. Kahila et al., 2022), but there is more to it. Accepting shrinkage, however smart or not, in spatial development, remains synonymous with giving up, with a voluntary process of succumbing. Xue (2021) argues that the same shows through the missing dialogue between degrowth theory and urban development, and regrets that the urban planners close their eyes to the crises associated with the growth paradigm. The stigma of shrinkage still prevails and seems to hamper Finnish policy reforms (see, e.g. Manu et al., 2020 on the reluctance of municipal leaders to discuss the topic in the first place).

Regarding the link between regional development discourse and the sustainability of regional development, some recent scholarly contributions on shrinkage in the Finnish context are very interesting. Jakob Donner-Amnell’s (2020) study on two peripheral regions in Finland (Kainuu) and Sweden (Jämtland), for instance, questions the correlation between shrinkage and deprivation. An integrated analysis of these regions’ development trajectories and current development policies showed that these regions have been rather successful in many respects. Despite slow but constant population decrease, and rising of the average age, the regional economies have diversified, their education and knowledge base has improved, and unemployment rates are at a low level at the national level comparison. According to Donner-Amnell (2020), these tendencies stem from the low-carbon business development and growth of renewable energy production, among others, making these regions appear as frontrunners of sustainable transition, at least among the peripheral regions. In these trajectories, he sees that both local specificities and external factors (related to national-level governance, market situation, etc.) have played a role. The more the locally anchored earthly resources play a role in sustainability transition, he claims, the bigger will the role of sparsely populated regions be.

In the context of urban planning, Hermans (2016) has written about shrinking with style and with gratitude that deserves new kinds of rituals, as old structures and processes are said farewell to. The symbolic dimension should be highly valued in matters of shrinkage, he stresses. If past achievements appear redundant in the current era, they must first be credited for having successfully worked in the past, instead of blaming them
for being incompatible with today’s expectations. As an example, Hermans uses a 1960s housing project that was properly celebrated in 2017 before tearing it down carefully, for partial reuse and for the circulation of construction materials (see Degrowth Daily). The Super Circular Estate in Kerkrade, the Netherlands, took the socio-cultural aspects of shrinkage seriously by treating the dwellers of the area with dignity and by inviting them to tell about the use value that the buildings had delivered over the past decades.

The Finnish planning scholars have not put such emphasis on the symbolic dimension of shrinkage but have dealt with it as a necessity to face the facts and as an opportunity to strategically ‘defragment’ (in Finnish: eheyttää) existing settlements (Mäntysalo, 2009). According to Mäntysalo (2006), the management of shrinkage may appear even as a mere technical problem once the municipality is prepared to politically confess its necessity. He also sees that a realistic analysis of the future trajectories may pave the way for finding a new ‘balance’ (in Finnish: tasapainotila), where the population decrease may halt at a certain point as new strengths and economic opportunities emerge, once having shrunk ‘enough’. This ‘right-sizing’ has more recently been discussed by Rantanen et al. (2020) which stresses the qualitative goals of local development instead of numeric thresholds. Keeping an eye on the transition instead of some hypothetically optimal population level is what they suggest.

We come to ask if the qualitative, instead of quantitative, emphasis is big enough as a shift? Should one put more emphasis on the socio-cultural side of the process and the importance of the symbolic dimension (cf. Hermans above)? As Mattila et al. (2020) summarised their analysis on two peripheral Finnish regions, antagonistic attitudes towards the national-level policy making are strongly present. Actors working with spatial planning in Lapland and Kainuu feel that their regions have become ‘places that don’t matter’ (see, Rodríguez-Pose, 2018) to the Finnish state (Mattila et al., 2020). What if the politics of recognition were taken more seriously?

**Living in many places – multilocality**

A growing emphasis when talking about rural areas in Finland is also put on the concept of multilocality. In Finland, as opposed to the other Nordic countries (Randall et al., 2022), it is a very common term and a researched phenomenon (Hiltunen & Rehunen, 2014; Rinne et al., 2014). It is also widely used in central Europe, where the phenomena has also gained some attention in research (e.g. Dittrich-Wesbuer et al., 2015; Schier et al., 2015; Weichhart, 2015). Multilocality can be defined as a spatial strategy to cope with everyday life (e.g., Rolshoven, 2008, 18) in several locations or as ”place polygamy” (Beck, 2000, 72). Residential multilocality can be driven by economical differences between regions and countries as well as white collar professional jobs or divorces. It can also be lifestyle related, when, for example, a better climate or leisure activities are the drivers for moving between places. The most common residential multilocality in Finland is between the city and the countryside (Strandell et al., 2020). Finland has particularly many secondary residencies in an international perspective. One challenge related to multi-locality is that Finns can only be registered in one municipality. Registers, however, do not reveal how much time people spend in a place (Adamiak et al., 2017; Åkerlund et al., 2015), or whether the ‘second’ home is in any way secondary (Weichhart, 2015). In fact, the most common housing type in many municipalities in
Finland is a summer house without official residents (Hiltunen & Rehunen, 2014). Only residents who are registered in a municipality are allowed to vote in local elections and have the right to non-urgent health care services, basic education, day-care, and other services in the municipality. Municipal tax is also paid to the municipality one is registered in.

Multilocality is seen as an important strategy to combat the negative effects of depopulation and aging in rural areas. In particular, remote workers are identified as a potential group to spend more time in rural municipalities (Pitkänen et al., 2020). The Finnish Government commissioned a comprehensive study on multilocality called *Multilocality – current state, future, and sustainability* (Monipaikkaisuus – nykytila, tulevaisuus ja kestävyys). One of its main takeaways is that multilocality can help alleviate spatial disparities, although it cannot erase the fact that not all places nor people will benefit equally (Rannanpää et al., 2022). However, the opportunities of remote work and multilocality are emphasised much more in the policy debate in Finland than the potential negative consequences. The Ministry of Finance in 2018 published a report about the impact of dual municipal residency on issues such as services, taxation and voting. The general conclusion of the report was that multilocality should be better acknowledged in Finland, and service supply should be developed thereafter (Ministry of Finance, 2018). The conclusion builds on the idea that digitalisation increases the time people spend in the countryside, and consequently municipal services should be provided based on e-citizenship rather than being registered in one place. Amongst the EU countries, the shift into teleworking during the pandemic was the most pervasive in Finland, as 60 % of workers started teleworking as a result of COVID-19, while the EU average was 37 % (Eurofond, 2020). Considering that several of our informants have stated that ‘if there were jobs, one could move back’, the telework boost could indeed play a role at least in lengthening the periods spent at second homes and summer cottages. However, while the longer stays may have a positive effect on the local vitality via increased income from retail and other private services, it is more difficult to estimate possible other added value that the part-time residents and cottage people bring.

**Research design and context**

The research for this article was carried out in the project ‘Enhancing liveability of small shrinking cities through co-creation’ (LISH). The project investigated several small shrinking municipalities in different contexts, aiming to better understand the processes of decline, as well as co-creation and placemaking efforts. We use data from fieldwork collected in Puolanka in September 2021 as well as March and July 2022. These field trips helped us understand the service provision, distances in the area and the character of Puolanka. In our analysis of the local policy landscape, we reviewed secondary sources, such as newspaper articles, marketing material and reports, as well as interviews with stakeholders in Puolanka. We conducted semi-structured interviews with relevant business developers and owners (n4), people active in organisations (n2) and municipal officials (n6). The semi-structured interviews with the municipal officials were themed around livability and multilocality and service provision, while the interviews with the business developers and owners and people active in organisations revolved around questions related to the activities of the respondents and how these were grounded in
Puolanka. Interview notes were made directly after each interview. We analysed the data based on themes that were found in the interview notes. These themes were multilocality, livability, shrinkage and growth.

Puolanka, the municipality of our case study, located in the Kainuu region of Finland, is the epitome of a shrinking municipality. Not only has it seen a decline in population since the 1960s (and continuously since the 1980s), but this fast shrinkage has also been one of the few things that have given it some national-level visibility during the past decades. Media attention started as Finland’s biggest newspaper published a series of articles in 2002 about the rural decline in Finland, the fastest population decline (3.8% in 2001) happened to be in Puolanka. This fact then brought the journalists into the area, producing several articles with the theme ‘Last one will turn out the lights’. The forecast back then (Pohjanpalo 2000) was that the decline would also continue at a rapid pace in the decades to come. This has held true, but the pace has been even faster than expected (Figure 1), as the forecasted 2 385 residents for 2030 is rather close to the actual 2 491 residents in 2020. Also, the prognosis about the share of over 65-year-old residents exceeding 43% by 2030 has, in the meantime, proven too optimistic, as the current trend would make this happen already by 2024. In sum, the shrinkage of the Puolanka population has reduced to one-third of its apogee of 7 520 in 1960, and this represents a very rapid pace in the Finnish context. The number of second homes is a bit over 1500 (Statistics Finland, 2020).

What is left of a municipality and of a local economy after such a decline? At first glance, Puolanka appears to be a surprisingly ‘normal’ municipality, trying to cope with its duties defined in the Local Government Act. It currently has three areas of responsibility: Administration and business development services, Education and culture as well as Technical services. For instance, there are schooling opportunities until the 12th grade and a library; the municipality offers business services and caters for the availability of plots for residential and commercial projects. In 2015, a municipality-led project extended a broadband network to all its settled parts. The optical fibre network is meant to serve teleworking and to enable the use of new digital municipal services. Besides the service provision, the municipality is also – with its approximately 100 employees – the biggest employer within the municipality area (that had 700 jobs altogether in 2019, see portal of Statistics Finland). Amongst the 974 working-age

![Figure 1](image-url). Population development (left) and the share of the older-than-64 population in Puolanka, 1987–2020. Source: Statistics Finland portal (left) ± (right).
residents, the municipality employed 10.3%, in 2019 (Puolangan kunta, 2020). The role of the municipality as an employer used to be far greater until health care and social services were outsourced in 2013 and are now purchased by the municipality from a private company, Terveystalo. The company now employs nearly as many people as the municipality does (Jylhänlehto, 2018). Another outsourcing measure was made in 2018, as it was decided to purchase the daycare services, too, from a private company, Touhula.

The local private sector has a somewhat peculiar structure. Besides the privatised service provision, the local enterprises largely represent the primary sector. Puolanka belongs to the southernmost reindeer herding area in the country (Roto, 2015), but more importantly, it is a significant milk producer. The biggest dairy farm of the Kainuu Region is found in Puolanka, and the average milk production per farm is double the regional average (Hakkarainen, 2016). The big modern farms are also important local employers. One of them even leads the annual turnover figures in Puolanka (Finder, 2022). Other important local employers include forestry and construction sector entrepreneurs. Despite the strong industrialisation policy by the Finnish State in the 1950s and 1960s (Leiviskä, 2011), and the local-level efforts in the 1970s (Koski, 1988), there is little industrial production in the area. One of the last bigger units built up with state subsidies was the Sinisalo motocross garment factory. In the late 1980s, it employed nearly 100 people, mostly women. First, its production was moved to Asia (Haapea, 2007), and later the product development also moved out. Another Puolanka-based company, Puuilo, had its central storage in Puolanka still through the 1990s. Having started from toy-making, it became a retail chain for do-it-yourself accessories, the headquarters of which is now in Kajaani, the capital of the Kainuu region (Pääomajojottajat, 2018)

The seasonal changes in the local economy are considerable. The lakes are well visited in summer, and the snow attracts sports enthusiasts in winter. The number of people in Puolanka doubles in the summer and during other holidays, as more tourists start to arrive and part-time residents reappear. In terms of future business development, a lot of hope has long been put into tourism, and more recently also into multilocal living, powered by increasing telework opportunities. The effects of the COVID-19-pandemic have been two-fold, as international tourism came to a long standstill, but domestic tourism boomed respectively, excluding the restriction periods.

Considering that the level of education has risen as steadily as the population has declined (Figure 2), there could be potential social capital for expanding both tourism and other economic branches. So far, the long-awaited breakthrough of the Paljakka resort has not been realised, although recent investments may change the course. Furthermore, the municipality has employed an expert in tourism to develop all-year tourism in the area. The municipality sees a lot of potential in developing all-year-round tourism services for both national as well as international tourists.

Still, strangely enough, what more and more people have come to know about Puolanka, instead of its resorts, is its peculiar and somewhat odd ‘pessimism’. It started when a group of people from the area got together to face the lack of prospects and to discuss – pessimism – and founded the Pessimistic Society in 2006. They also launched the ‘Pessimistic days’, an event to be celebrated every year, the entire year. The highlight of the year – or the rock bottom as the pessimists would say – is nowadays the Pessimism musical, composed and performed by the pessimists. They finance the musical project
largely through selling pessimism-themed merchandise as well as through ticket sales. Some of the pessimism ‘infrastructure’ has been co-financed from project grants available via regional development programmes. These include the construction of the musical stage and the purchasing and renovation of the adjacent Pessimist House. What is significant for our analysis is that the professionally produced musical is largely planned and performed by young people that have their own connections with Puolanka. While they may study or work elsewhere, them being part of the musical during the summer season has a high symbolic value locally.

The pessimists have no formal link with the activities of the municipality. The official stance towards pessimism – if we follow the municipality website – is limited to mentioning the musicals in the event calendar. The Pessimist House in turn is not listed amongst the local sights, although on road 78, it is a popular stop for passers-by. However, the activities in and around the Puolanka Pessimist House have got wide attention outside the locality. Where the biggest Finnish newspaper wrote about Puolanka’s decline to the Finns, the pessimist community attracted a BBC journalist to Puolanka and spread the message internationally. She wrote: ‘Puolanka has turned pessimism into a brand, hosting a pessimism festival, a musical and even an online shop – all served with a wickedly humorous twist. Videos depicting Puolanka in all its pessimistic glory have hundreds of thousands of views online’ (Huusko, 2019, referring to YouTube, see Puolangan pessimistipäivät 2021). It is thus not too surprising that the branding work is starting to get attention in various professional communities. In a national municipal branding competition, the pessimists were listed among the finalists (Kuntaliitto, 2018) and a literary association awarded their artistic director for his merits. International recognition came through a popular vote in the Rural Inspiration Awards (European Network for Rural Development, 2022).

What is revelatory in this context is the stance the mayor of Puolanka has taken. He is regularly being interviewed about this peculiar branding strategy, as many assume it originates from the mayor’s office. In a TV show, for instance, he answered the journalists’ questions without mentioning that pessimism is not featured in the official municipal strategy work (MTV uutiset, 2022). The rising popularity of the pessimist–artistic community has probably made him think that any publicity is good publicity. As there
are people that come to visit Puolanka solely because of its pessimism brand, the mayor is likely to see even this as one source of hope, however absurd this may seem.

**Results: Experiences of (smart) shrinkage and multi-locality**

In Puolanka, the focus of the development efforts is perhaps not so much on attracting new residents, but keeping those who are already there. By providing the possibility to go to high school in the municipality, Puolanka remains attractive for those families who want to settle. By making sure that healthcare services are provided in the municipality, residents not only get the services they need close by, but jobs are also provided. Social and healthcare work is particularly female dominated, and it is believed that families often live close to the women’s workplace while the man in the family can travel longer distances to work.

At a second glance, the signs of shrinkage are obvious. There are no more schools in the villages but in the centre only. Like some other small towns in Finland, to maintain an appropriate student count, students are allured to stay in the local upper secondary school by giving financial support for driver’s license acquisitions as well as for student housing (Virranemi, 2022), but in Puolanka also by providing free ski-lift cards.

Multilocality, in turn, resonates well with the local development perspectives. The municipality is well aware of the fact that the population doubles during summer, Christmas and Easter because of the multi-locals. The number of multi-locals also became very apparent to the municipal officers during the Covid-19 pandemic. During the lockdown in Finland, in March to May 2020, data bought by the municipality from a teleoperator showed that the number of residents doubled, raising the total number of residents to 4000–5000 during this period.

The municipality has a sympathetic attitude towards multilocality: ‘We think, and have a positive attitude towards it’. In the municipality, multi-locals are mainly perceived both as elderly people who want to spend more time in rural areas and those who do remote work: ‘we see that there is a will to be and to work in changeable environments’. However, the pandemic has clearly had a growing impact on the appreciation of the multi-locals. They are now called ‘part-time Puolanka citizens’, both by the municipal officials as well as in marketing material provided by the municipality. As an official puts it: ‘They are just as good as the residents who live here permanently’. ‘Part-time Puolanka citizens’ are also mentioned in the 2022 strategy (Puolangan kunta, 2022). During the strategy work with the residents, it was mentioned that multi-locals have a positive role in preserving services. It was also mentioned that multi-locals should be seen as an opportunity for the future, and that the municipality should invest in them (Puolankainfo, 2022).

There is belief in the local government that, in particular, remote working will bring more residents to Puolanka in the future. In order to provide better data for service providers, the local government, in its latest strategy, have decided to regularly buy mobile data from teleoperators. This will also serve as grounds for developing new commercial services in the municipality: the municipality can show clear numbers on the people that are staying in Puolanka. On the other hand, the good service provision is also seen as one reason multi-locals want to use also municipal services in Puolanka. They are aware that some multi-locals have chosen to use healthcare services in Puolanka
instead of the municipality they are registered in. Currently, it is possible to make this choice for one year in advance. In practice, the municipality of Puolanka then bills the municipality of residence for the healthcare expenses in such a case. Although they are aware of the phenomena, the municipality does not keep statistics over the extent of it.

The municipality is also interested in flexibly converting secondary homes to primary homes. They ‘would not split hairs’ when granting those permits, as an official said. This is one way to make multi-locals permanent residents in Puolanka. The investment in optical fibre cable makes it possible to connect to well-functioning internet all over Puolanka. However, a fully new resident may find it hard to settle. One of our informants, a worker at a bar, considered himself as an outsider, because he had moved here more than six years ago. However, he said he still likes it in Puolanka.

When it comes to the future, a city official forecasts that in ten years Puolanka will most likely look quite the same as today, though perhaps the number of people doing remote work will increase. Puolanka in 20 years is harder to forecast. Climate change might have an impact. In fact, it is seen as a possibility in Puolanka. The drought that may occur in the south may bring people towards the north: ‘That may lead to people appreciating that there are forests and space’.

The pessimists, in turn, play with the long-term shrinkage and ridicule the growth orientation. They seem to find Puolanka as their natural habitat due to the local legacy of decline: there would be no reasons for optimism. They are branding themselves as pitiful locals that belong to the few that stay. However, as an artistic community, they are far more multi-local than their brand entails. In fact, the activities of the Pessimists demonstrate that the concept of multilocality needs to be more broadly understood. The musical is made possible by young people with a connection to Puolanka, but with few people actually living there. It is through multiple, and sometimes complicated, ways of belonging that their creative energy surfaces in the form of (the brand of) pessimism.

When it comes to business owners, they have a vested interest in multi-locals. They need to find a workforce that is able to commit to seasonal work. It comes with its own challenges: recruiting, having to provide housing and education, and in the worst-case scenario, to repeat these efforts with a fully new set of people in the next season. While the telecom data helps to calibrate the service provision, it is not of much help in attracting the workforce needed on the farms or in the service sector.

Maybe even more importantly in Puolanka, many business owners are multi-locals, in the sense that their roots are abroad. Ali, with his café at Hepoköngäs, is amongst local gatekeeper businesses. Originally from Egypt, but in Puolanka for a number of years, he is now hoping to invest in a spot closer to the famous Hepoköngäs waterfalls but awaits the municipality to provide water and electricity there. One of the few restaurants in Puolanka is also run by a team who are of non-Finnish origin. In a shrinking locality like Puolanka, it seems that establishing one’s own company is hardly an option for the Puolanka-born population. This could be interped as mobilocality, a concept introduced by Yu (2018), ‘where mobility and immobility at both transnational and local scales are mutually constituted, paradoxically embedded in the locality, simultaneously weaved in everyday lives of (im)migrants, and complicate their sense of place and identities’.
Discussion

In sum, shrinkage, however smart, does not seem to resonate with the development perspectives of the studied municipality. If, even in Puolanka, that has been one of the most extreme cases of outmigration since the 1960s, the municipal leaders believe that the trend will turn, as the smart shrinkage discourse is unlikely to attract practitioners in its current form. In our view, this lacking resonance is also noteworthy beyond the bleak future of the regional policy concept. In our view, it tells about the high appeal of hope being central for rural municipalities no matter what happens on the ground.

Apropos hope, much of it – rather than thoughtfulness – has been loaded in the concept of multi-locality. Whereas the national-level debate seems to focus on the formal vs. informal domicile, and the ways they intertwine, it is far from recognising the full life and agency of the individuals that make the decisions upon their whereabouts. As if citizens could be lured to settle and pay taxes and then, in return, ‘get’ enough wellbeing to stay and thereby continue paying taxes. Luring ‘ideal’ residents to collect tax income, instead of trying to understand the socio-cultural potential of various kinds of existing residents, can prove to be shortsighted across the country. Puolanka has shown us that the power of multi-locality may rather lie in the connections and initiatives that support the everyday liveability of the localities. These initiatives often involve those people who have actively decided to stay in the locality (cf., Adams et al., 2022). Even if small in size, initiatives that can contribute to the perceived wellbeing and joy are of high symbolic value in a place like Puolanka.

In our view, multi-locality can be a well-founded source for local wellbeing as long as it is understood as diverse connections between individuals and communities. We agree with the calls for a more versatile picture that recognises the diversity of lifestyles associated with multi-local living and working. Furthermore, we hope to see more radical new openings that take the global interconnectedness and the multiplicities of belonging into better account. Redeeming the promise of multi-locality for regional development might require deep dives into the phenomenon and the opportunity windows that it opens in shrinking localities. What we have in mind, in particular, are the quality of life considerations or even profoundly new takes on sustainable urban-rural interaction.

The co-existence of growth orientation and continuous shrinkage appears relatively irrational or even absurd when closely scrutinised. In planning literature, this kind of situation has been characterised as contradictory behaviour that results from the lack of awareness of one’s situation. Mäntysalo et al. (2011) have called this behaviour pathological, underlining the structural constraints of such situations. Maintaining the growth-oriented policies, despite decades of shrinkage, would, utilising their terms, result from ‘inhibited metacommunication’, where it has become a collective habit to not question the growth hopes. Planning for growth would thus represent defensive routines that may lead the participants into a ‘double bind situation’, where the growth mantra underpins everything, but nobody is able to live up to their expectations. This may be why the group of Puolanka based artists has been able to ridicule the mantra so successfully. Their metacommunication around pessimism could be seen as an attempt to free Puolanka from the double bind and give room for considering alternative foci for local development – or for life in general.
On the other hand, it is only human to maintain the hope of a better future and to try to cope like any other locality. For the municipality, it is easy to concentrate on the mandatory municipal tasks that are the same across the country. The regional policy apparatus neither incentivises thinking outside the box, for instance, by carefully considering the mechanisms of wellbeing. The common assumption of employment providing subsistence (and income in the public purse), and that subsistence (with the public services) then leading to wellbeing, may not hold in the first place (cf., Hautamäki et al., 2017). If the setting was different and able to boost all kinds of useful human activity, including such that escape the markets (e.g. peer production), we could see novel contributions to wellbeing. The inter-personal networks and multiple voluntary activities that we have had the chance to witness in Puolanka are an expression of local vitality that does not aim at anything else than local wellbeing. Like Thin (2016), we call for an understanding of wellbeing as the result of people’s dynamic interactions with places.

Conclusions

One of the municipal officials summed it up for Puolanka: ‘If you give up, it will impoverish you’. This shows well how little resonance ‘smart shrinkage’ as a policy concept is getting even in localities that have shrunk over some generations. The appeal of hope seems to win over realism. For instance, if we look at the local economic development, we see that the already highly aged population of Puolanka is unlikely to revive local business life by their entrepreneurial activities. What could instead be significant is the presence of a foreign-born workforce – of a younger average age. Although it has already shown its local importance, the municipality has not yet fully recognised it as a source of opportunities. The hopes are rather channeled to attracting residents and tourists than to supporting the less familiar forms of connectedness.

As a policy concept, ‘multi-locality’ holds many promises. Based on our observations in Puolanka, the more multi-locality emphasises wellbeing instead of growth aspirations, the better it serves rural municipalities. Multi-locality has many routes to appeal to hope. There are well-grounded reasons to assume that many individuals and communities will continue to be engaged in generating local wellbeing. In Puolanka, the artistic community of pessimists has shown that alternative narratives of belonging can be powerful. Locally, this kind of narrative can help to resist the sentiment of being left behind. At the national level, such narratives stress the importance of symbolic relations and the politics of recognition.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Funding

This publication was supported by the ERA.NET PLUS program which provided funding for the project ‘Enhancing liveability of small shrinking cities through co-creation’ (LiSH) [project reference RUS_ST2019-157].
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