

Ostrava, Czech Republic

Context

The urban region of Ostrava is located in the northeastern part of the Czech Republic, on the borders of Poland and Slovakia and is part of the Moravian-Silesian region. Until 1989, Ostrava has been the main industrial centre of the Czech Republic with a long period of strong industrialization and urbanization processes forced by the communist government. The economic base of Ostrava was heavy industry

Population

Year	Population
1961	254,297
1970	297,171
1980	322,073
1991	327,371
2001	316,744
2003	313,088
2006	307,000

According to the census a result had Ostrava in the year 1991 327.000 inhabitants, and has been the third biggest city in the Czech Republic – after Prague and Brno. Since then the population declined to 317.000 inhabitants in 2001 and 307.000 inhabitants in 2006. Thus it lost more than 20.000 inhabitants in the course of the last 15 years.

The reasons for this process of “shrinkage” are manyfold:

- job-migration, mainly to the Prague region, but to Western Europe or to the US as well
- low birth rates
- soaring suburbanisation in the 1990ies

Economy

One of the main reasons for the population decline is the weak economy in Ostrava in comparison with Prague. The city experienced a process of massive deindustrialisation after the collapse of the central planned economic system which resulted in dramatic job-losses. The mining industry in the region, to give but one example, has thus lost 100.000 jobs (112.000 jobs in mining sector in 1989 and less than 20.000 in 2006). Ostrava has still a high rate of unemployment, at the moment about 11% (Czech average unemployment rate is 2007 about 7%), but locally more than 40% (district of Hrušov).

Political and planning responses

The revitalization of the old-industrial Moravia-Silesia region with its centre in Ostrava represents one of the biggest challenges for the Czech Republic as the region suffers from accumulation of social, economic and environmental problems.

The main policy responses towards shrinkage have been directed on attracting investments and regaining economic prosperity. In this context, the Moravian-Silesia region has by far the most active and respected Regional Development Agency in the Czech Republic which operates in the region for more than a decade. Nevertheless, within the Czech Republic, Ostrava has one of the most proactive local governments and makes a systemic effort to implement regional marketing and cluster policies that aim to strengthen the development of new industrial branches especially in engineering, software and hardware. The regional governance system of the Ostrava region tries to improve both the quality of hard location factors (e.g. transportation system-railways and highways) and soft location factors (image, housing, educational system) and change the negative trends in economic, social, environmental and population development.