



Federal Institute for
Population Research

“Covid Escapism” – Rural Revival in the German Countryside?

European Population Conference
Side Event “An End to Rural Population Decline”
29.6.2022

Dr. Frank Swiaczny

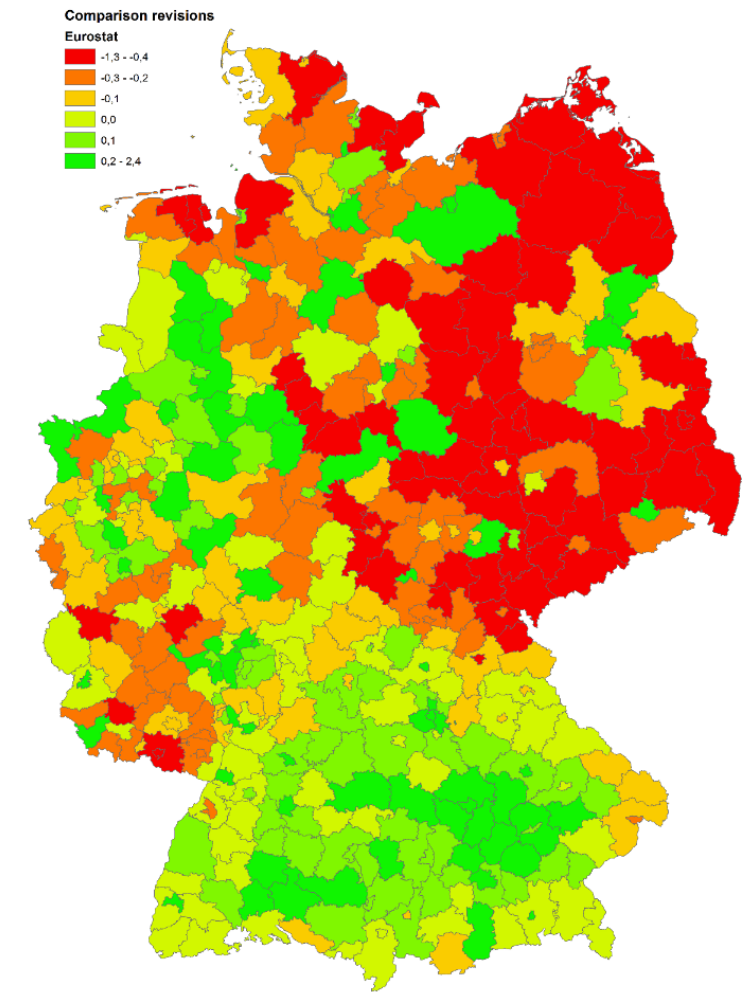
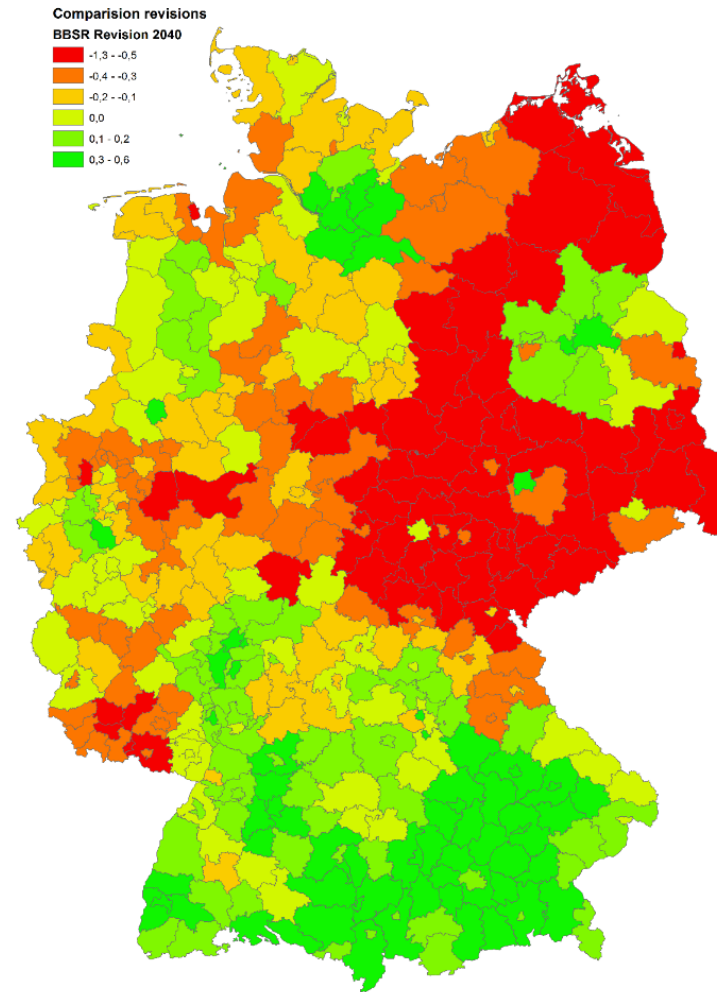
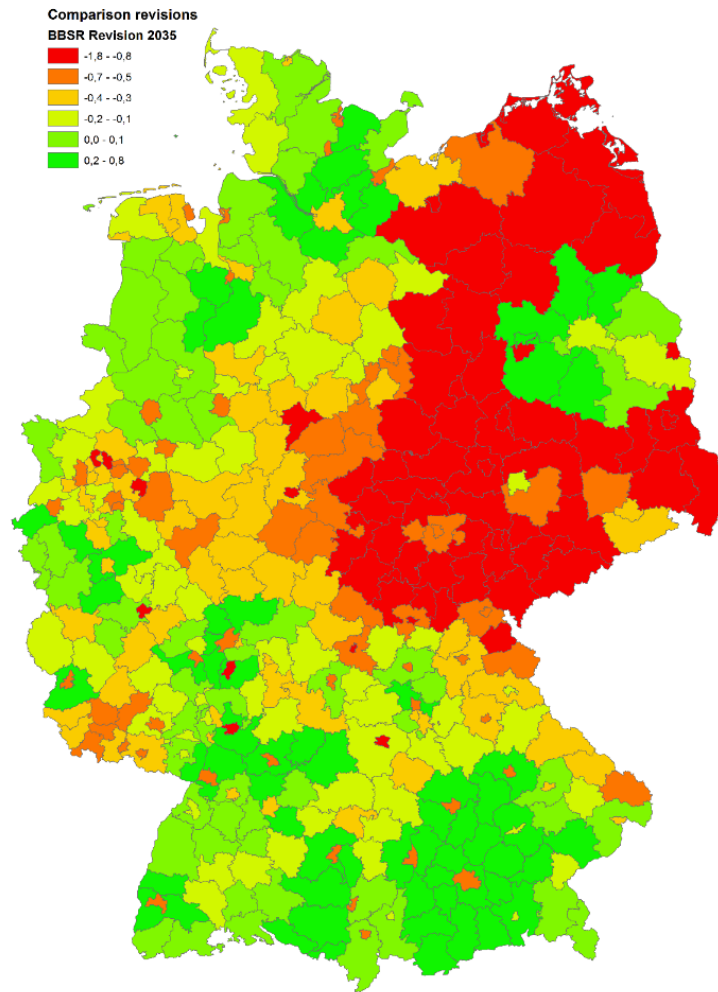


Content

1. Shrinking and ageing rural areas in Germany – where Germany is still affordable
2. Patterns of mobility in Germany pre and post COVID – Trends in (re-)urbanisation vs. sub-/counter-urbanisation
3. Affordability crisis or COVID escapism – Is there a future for the German countryside?
4. Conclusions

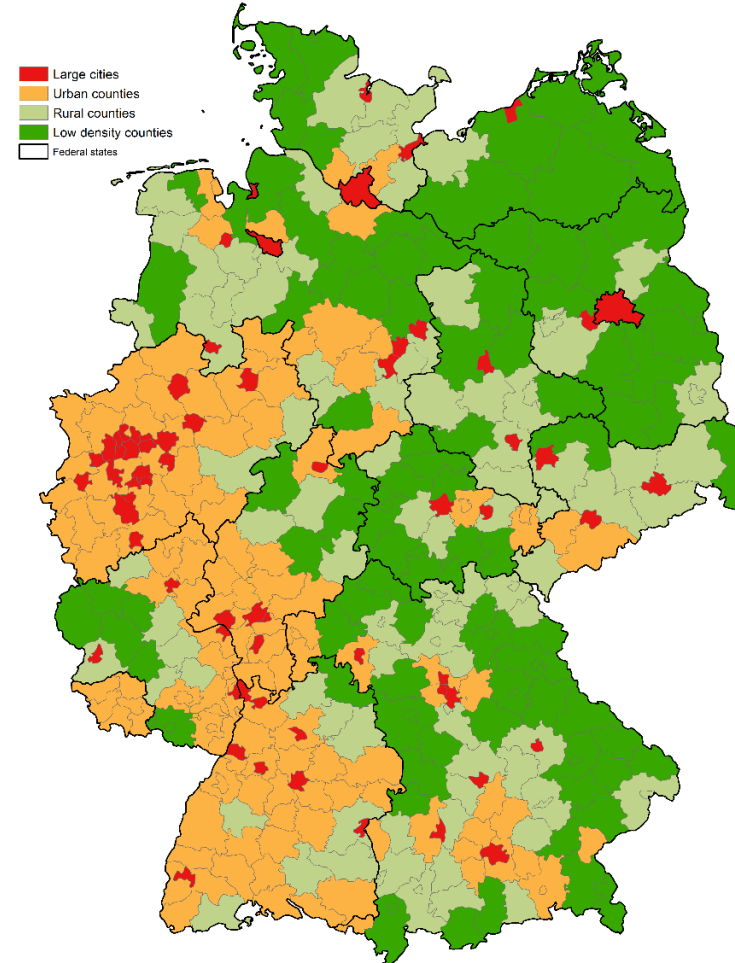
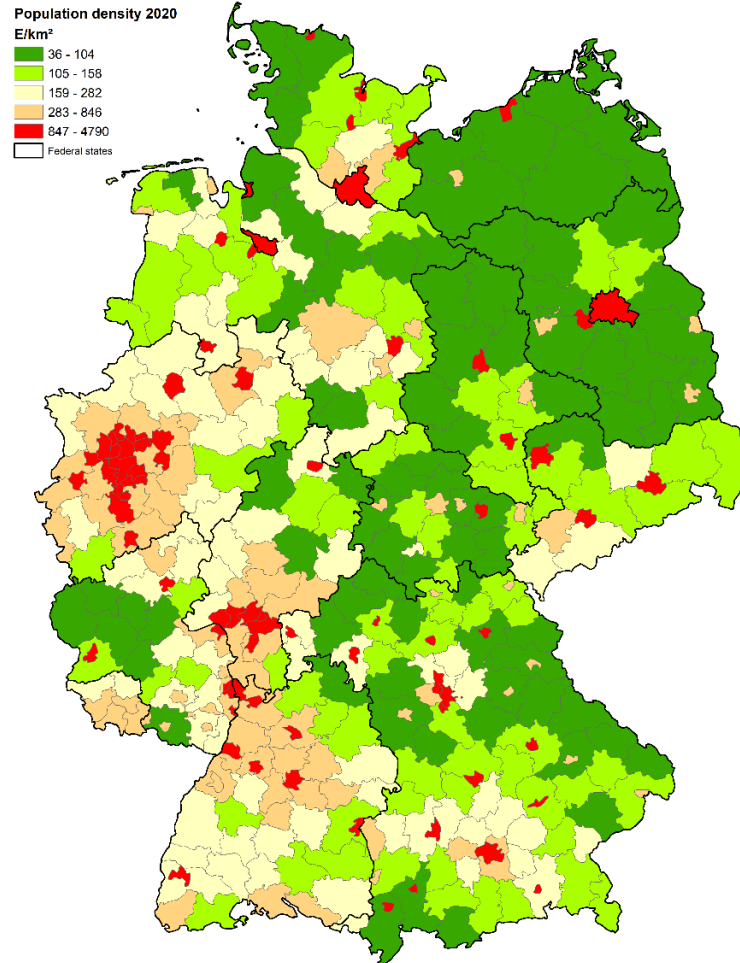
Population projections for 2030

Annual growth rates in % - BBSR 2035 and 2040 Rev., Eurostat 2021 Rev.



Population density and county types

Population per km² / BBSR county types (NUTS-3)



Real estate prices (Postbank/HWWI)

Housing prices per m², 2021 and projected annual increase in %, 2021-2035



Im Jahr 2021 sind die Kaufpreise inflationsbereinigt um 14,2 % angestiegen.

Quadratmeterpreise in den Top 7 größten Städten (in Euro, gerundet)

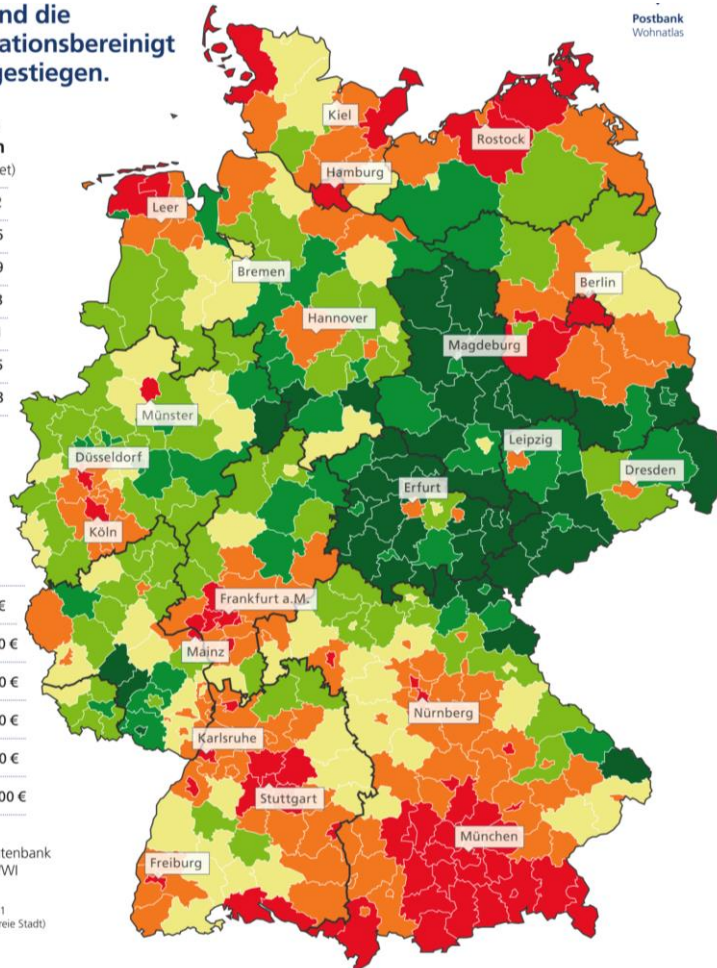
München	9.732
Frankfurt am Main	6.586
Hamburg	6.489
Berlin	5.528
Stuttgart	5.361
Düsseldorf	5.345
Köln	4.898

Legende
Kaufpreis 2021 pro Quadratmeter



Datenbasis: VALUE Marktdatenbank (2022)*; Berechnungen HWWI

*Durchschnittliche Kaufpreise für Eigentumswohnungen (Bestand) 2021 auf Kreisebene (Landkreis bzw. kreisfreie Stadt)



Trendregionen mit dem höchsten jährlichen Preiswachstum bis 2035*

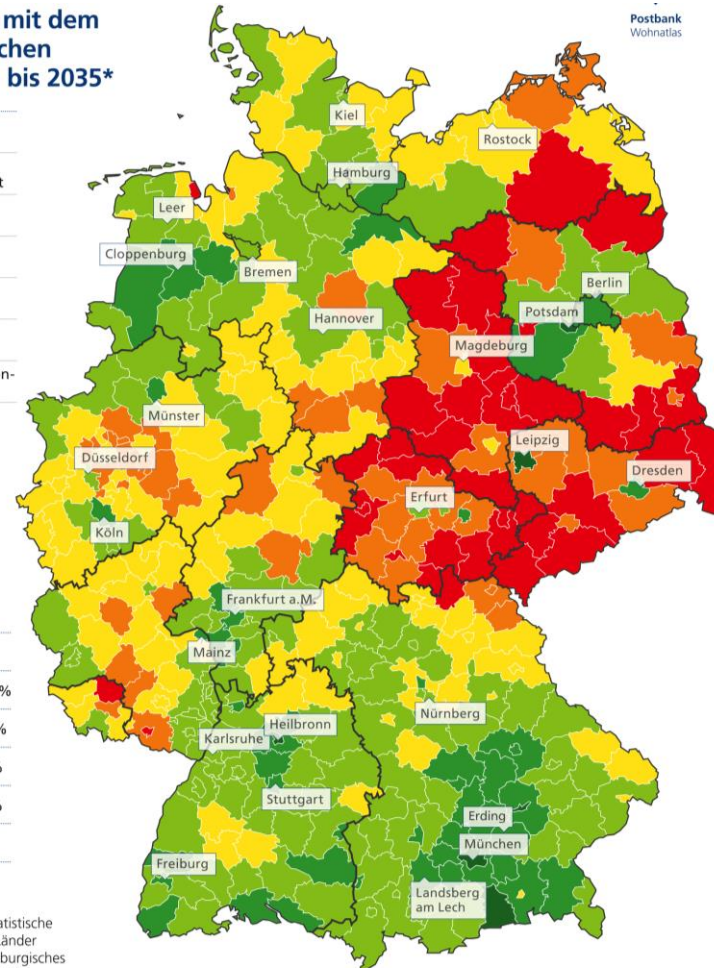
2,20%	Potsdam, Stadt
2,19%	München, Landeshauptstadt
2,18%	Miesbach, Landkreis
2,17%	Heilbronn, kreisfreie Stadt
2,10%	Leipzig, Stadt
2,06%	Landshut, kreisfreie Stadt
1,99%	Herzogtum Lauenburg, Landkreis

*inflationsbereinigt

Legende
Prognostiziertes inflationsbereinigtes Preiswachstum 2021 bis 2035 pro Jahr in Prozent

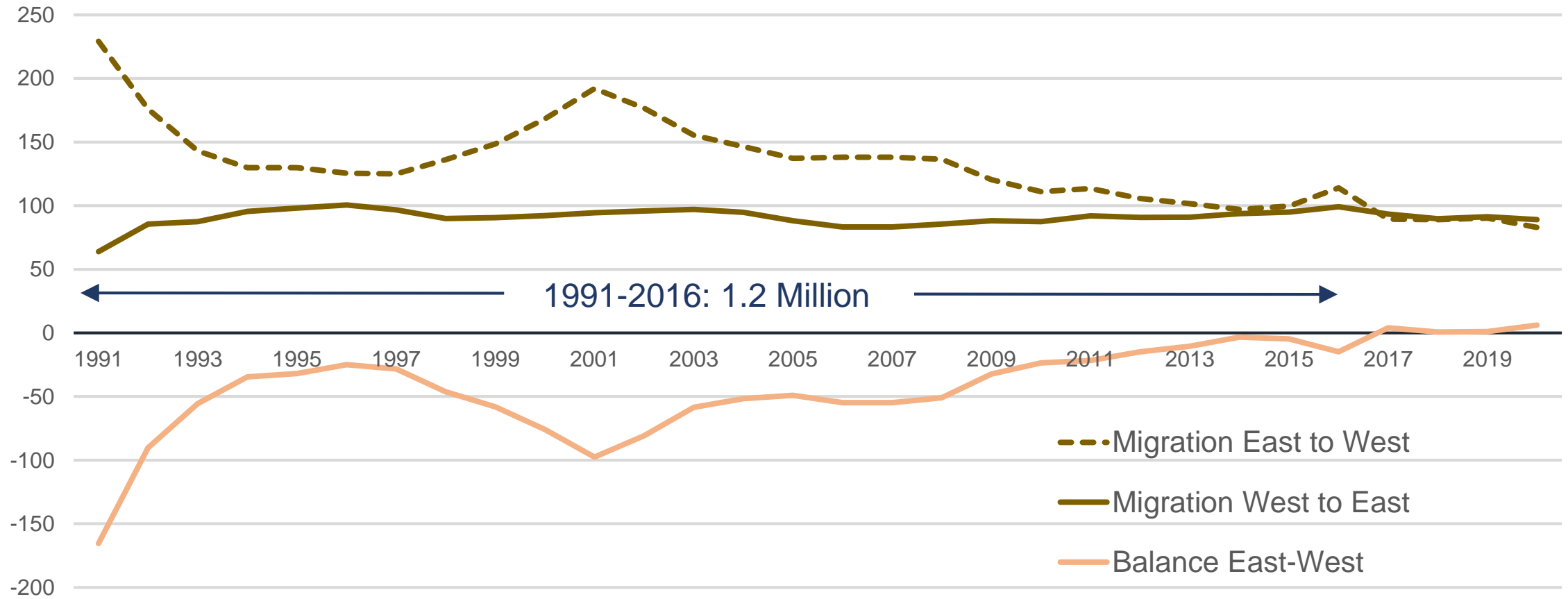


Datenbasis: BBSR (2021); Statistische Ämter des Bundes und der Länder (2022); Berechnungen: Hamburgisches WeltWirtschaftsinstitut (HWWI)



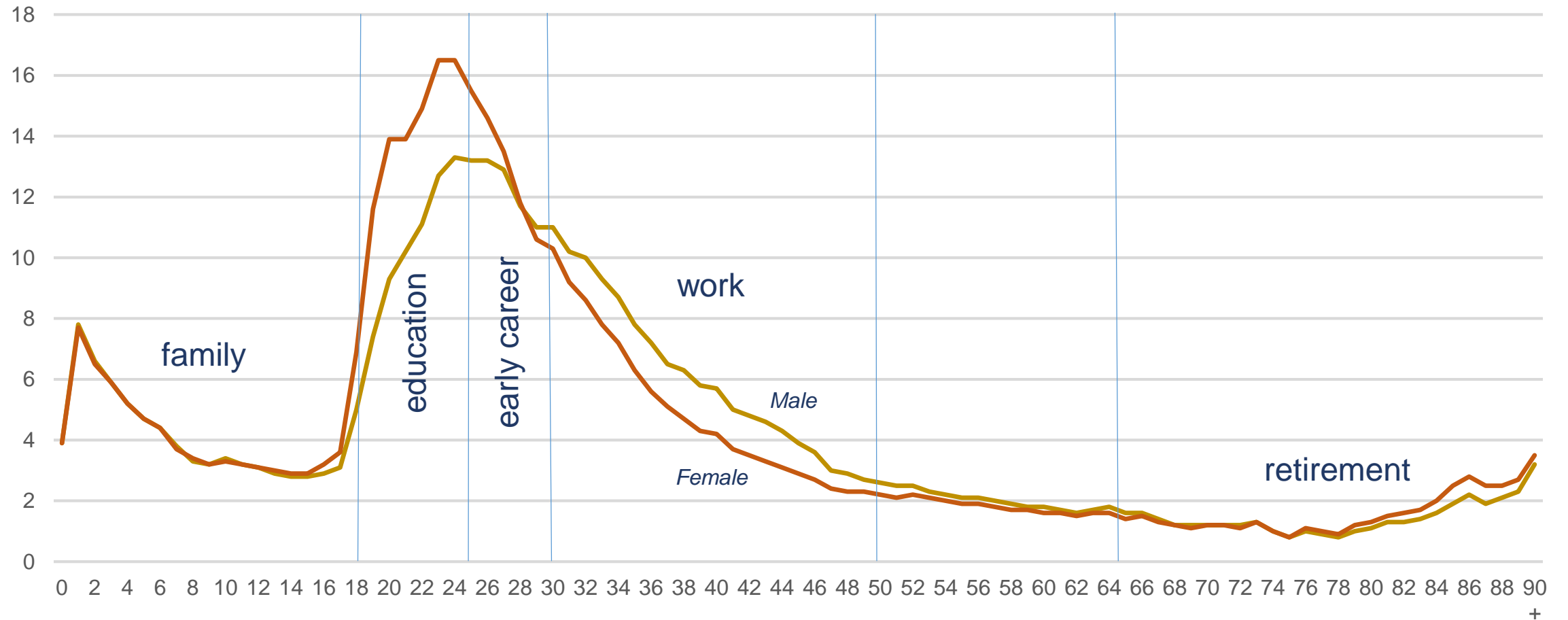
Internal migration

Germany West/East (without Berlin), in 1.000, 1991-2020



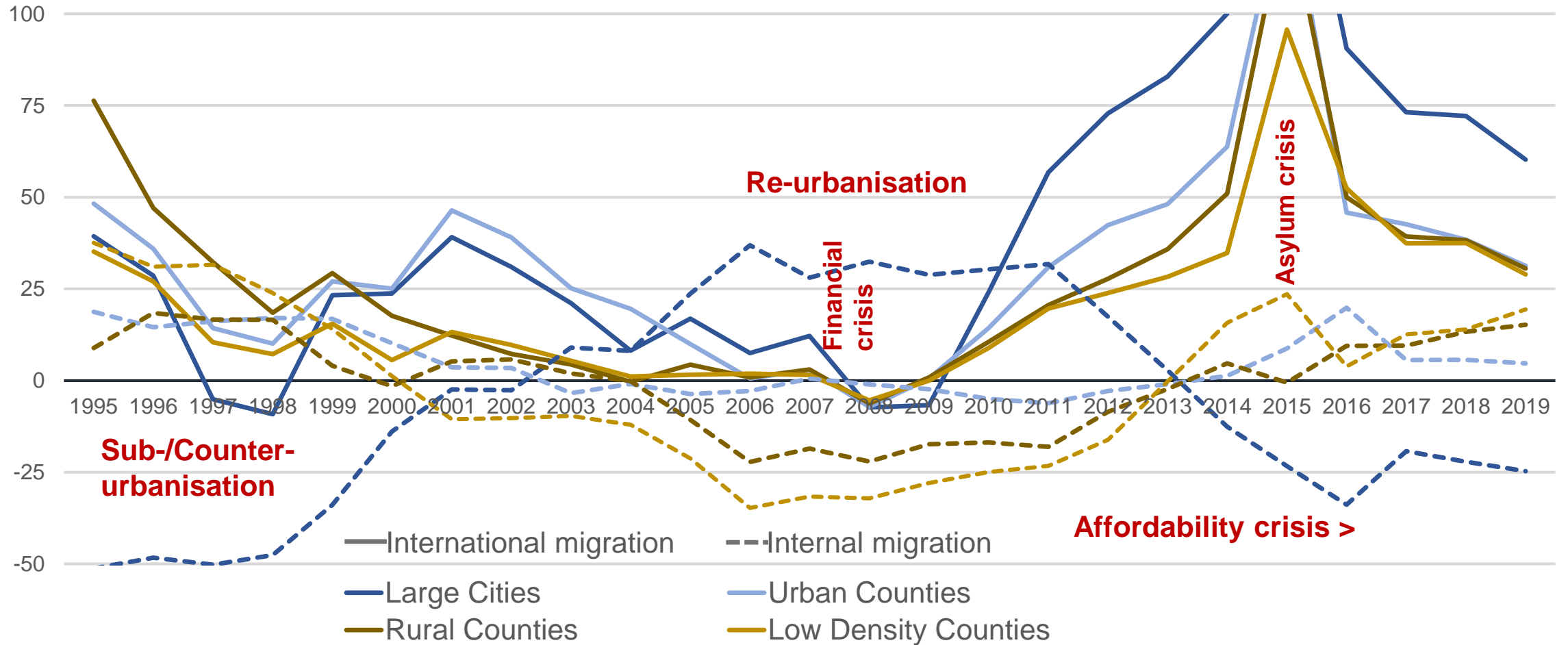
Internal migration

By age, per 1,000, 2020



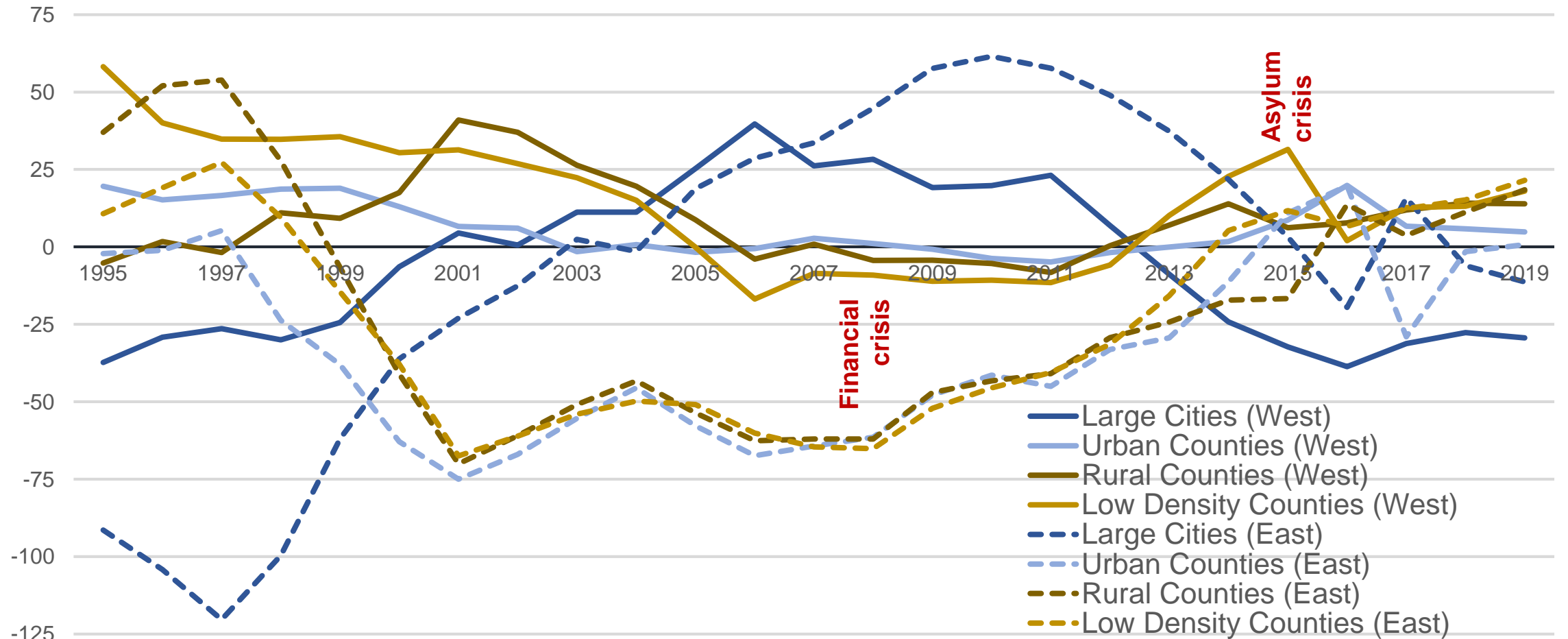
International vs. internal migration

By type of county, per 1,000, 1995-2019



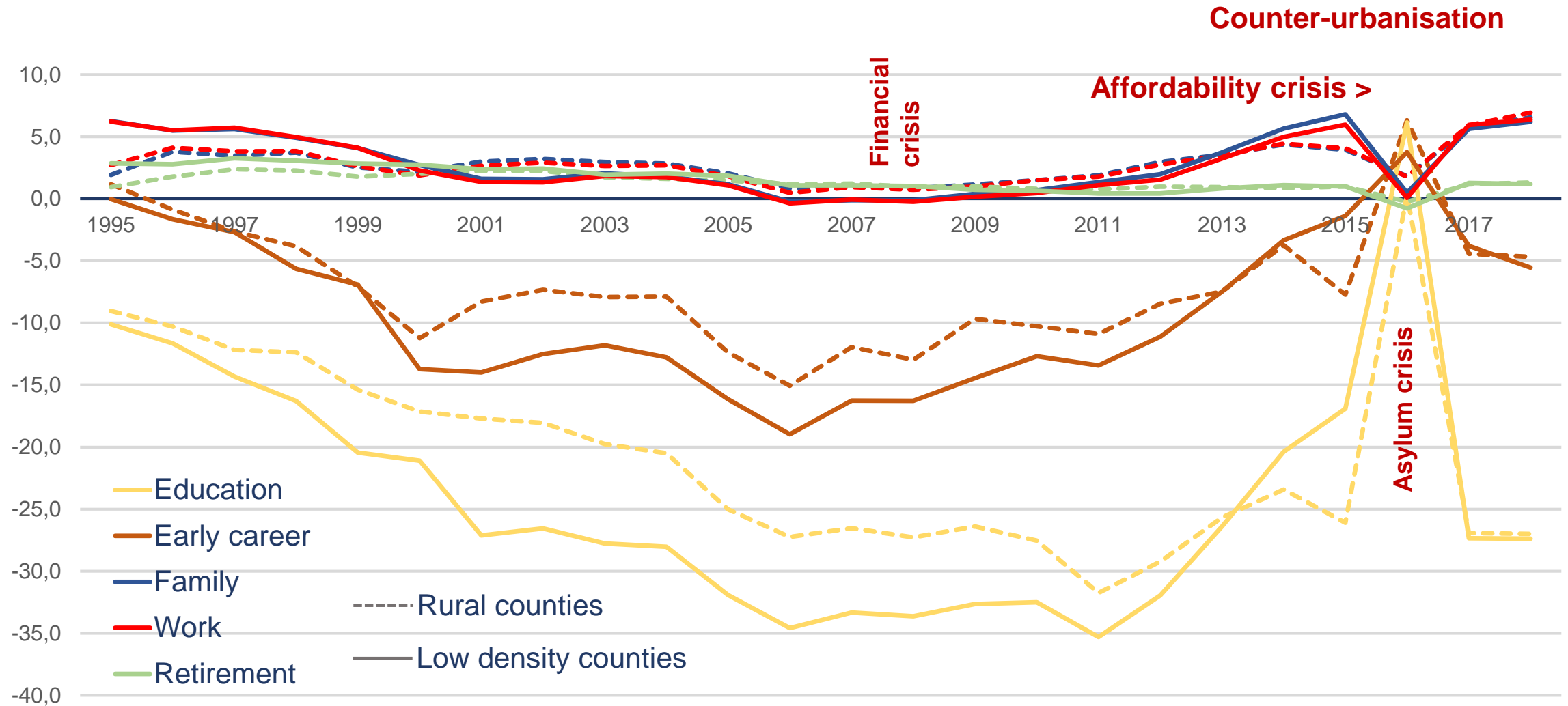
Internal migration

By type of county, per 1,000, 1995-2019



Internal migration of rural & low density counties

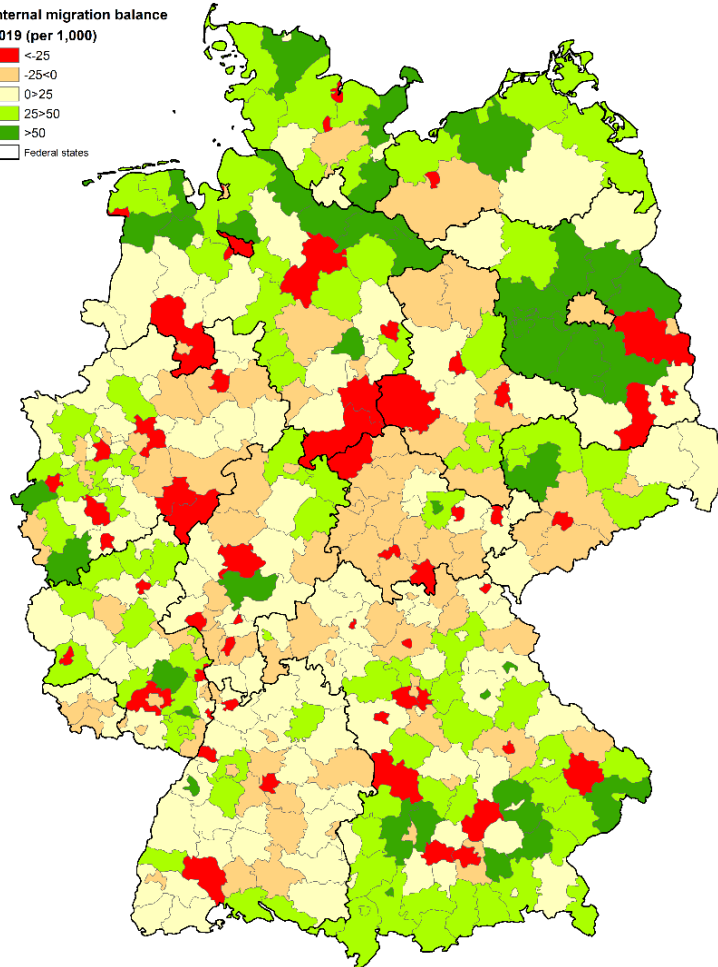
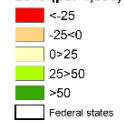
By age groups, per 1,000, 1995-2018



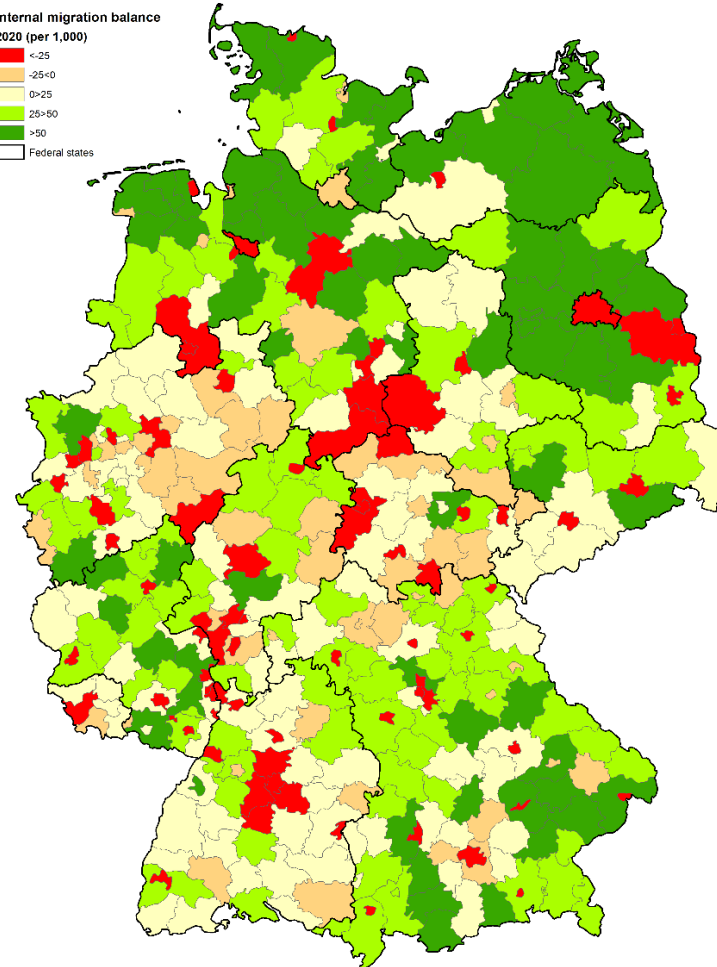
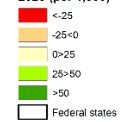
Internal migration 2019 vs. 2020

Per 1,000 and change 2019-2020 per 1,000

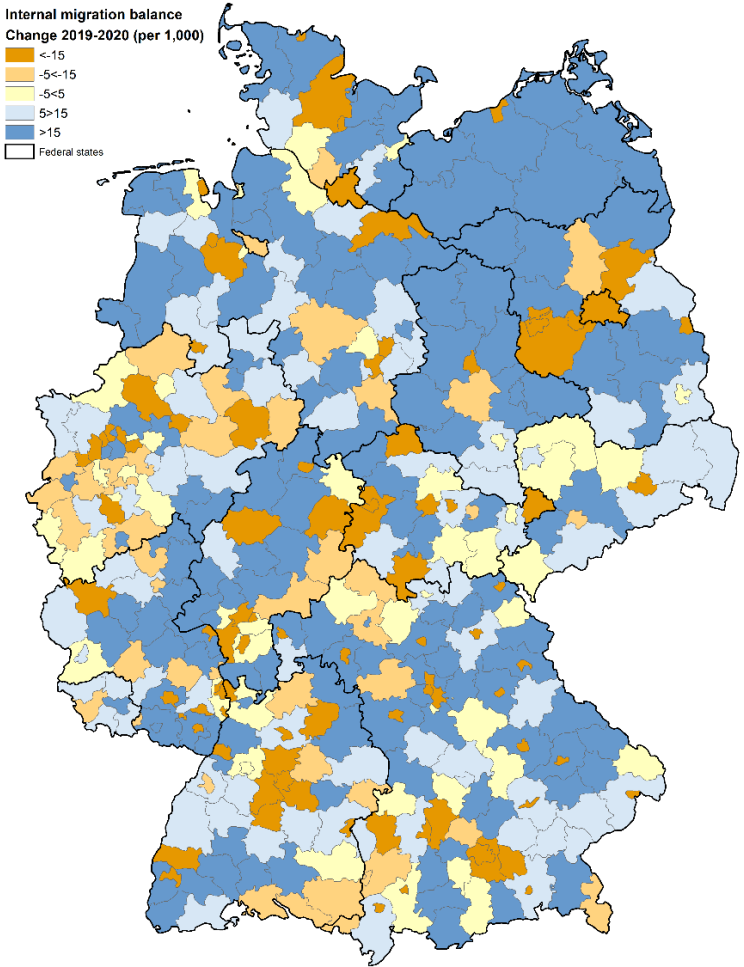
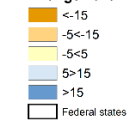
Internal migration balance
2019 (per 1,000)



Internal migration balance
2020 (per 1,000)



Internal migration balance
Change 2019-2020 (per 1,000)



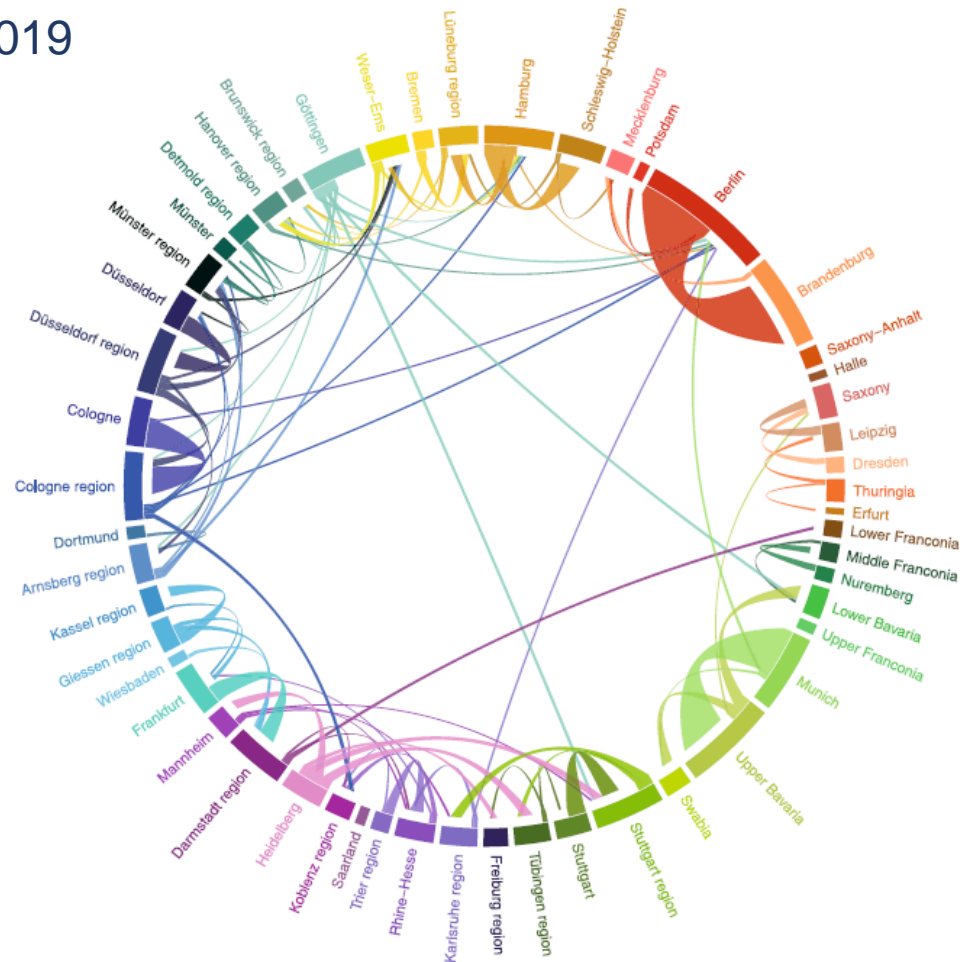
Internal Migration between 52 NUTS-2 regions

Flows > 400 persons in 2019 vs. 2020

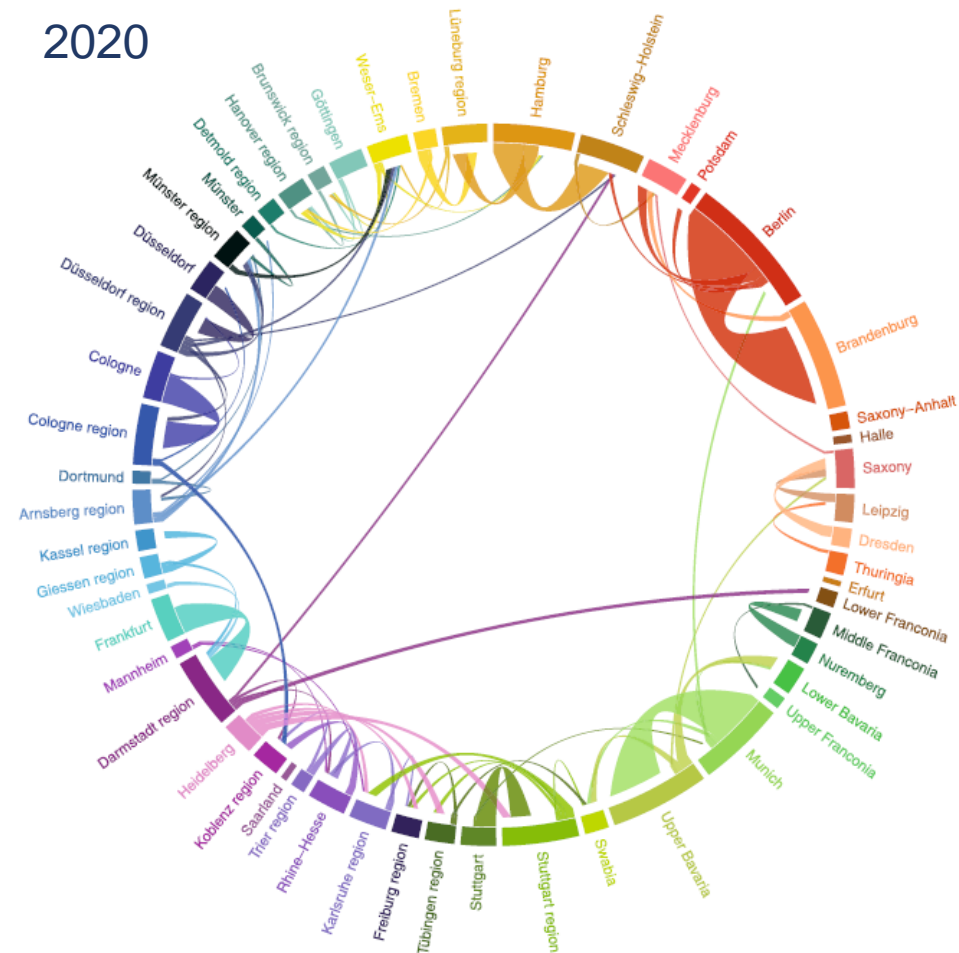


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2019



2020



Source: Stawarz, N. et al. 2022: The impact of the COVID-19 pandemic on internal migration in Germany – DOI: 10-1002/psp.2566.
Data: BBSR, Federal and State Statistical Offices. Calculation and Circular plot: BiB

Conclusions

- **Affordability crisis in urban (and suburban) areas predates COVID**
 - Long phase of urban growth due to positive migration balance of international migrants and young adults
 - Slow construction after financial crisis resulted in increasing housing costs and shortages in urban (and suburban) areas
 - Low mortgage and interest rates contributed to fast growing housing prices
 - Preference for single family homes pushed young families out of urban areas (spill over)
- **COVID reinforced existing spatial trends**
 - Temporary decline in international and internal migration (towards urban areas) didn't relieve tense housing markets
 - Remote work arrangements created demand for larger homes and green environments (in suburban and rural areas) and facilitated rising commuting distances – reinforcing increasing appeal of rural living in recent years
 - Exploding construction costs due to shortages in material and labour and rising mortgage rates aggravated affordability crisis and slowed new construction everywhere
- **Future trends or rural areas**
 - Population dynamics of urban areas are closely related to volatile international migration balances
 - Rural areas are losing younger population through migration and are determined by momentum of negative natural balances of their ageing populations. However, refugees are also placed in rural areas and may stay there permanently
 - Shortages of qualified workforce, related to demographic change, may create new job opportunities in (some) rural areas
 - Lack of affordable and available housing in urban and suburban areas may continue to push families towards rural areas
 - Increasing prices of single-family homes in rural areas may limit future internal migration towards those regions
 - Future of remote work, commuting conditions and affordability of owning property in rural areas are unpredictable
 - Internal migration is unlikely to compensate negative natural growth balance and ageing in peripheral areas
 - Appeal of rural living in peripheral countryside with a shrinking and ageing population is uncertain



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Thank you

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