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Urban planning in shrinking cities
Strategies to ease resilience and rebirth through Distributism

Dr. Luca LEZZERINI
Polis University, Research and Development Department, Albania,
luca_lezzerini@universitetipolis.edu.al
ORCID: 0009-0003-7441-429X

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Abstract

In both developed and underdeveloped countries worldwide, the phenomenon of shrinking cities is becoming increasingly common. Many communities are disappearing due to intense urbanisation and a demographic shift. This is a widespread phenomenon in Albania as well.
After reviewing some post-socialist cases, guidelines have been developed to support the implementation of a two-way strategy, aiming to both create a cohesive community and build a robust, resilient economy that can attract new people, with a reversal of the migration flow. An approach to develop urban planning strategies to ease the application of a socio-economic doctrine to restart local communities and fuel their growth is then analysed.
So, the paper investigates, starting from similar post-socialist experiences, how to build cohesive, sustainable, efficient, and resilient communities through proper urban planning, and defines a general framework for its application.
The results are a decision-making tool for selecting applicable sites and a development framework to reverse the shrinking process and create new, solid, sustainable, and resilient communities.
Although the development framework has been designed for optimal cases, it could be helpful to define different implementation roadmaps for non-optimal cases.

Keywords:
Urban Collapse, Shrinking Cities, Distributism, Urban Planning (4 to 6 keywords)

Introduction

The phenomenon of urban collapse has emerged in recent years as a key challenge for many cities worldwide. In particular, this phenomenon has reached a very high level of severity in Eastern European nations as a result of their post-communist evolution.

Unlike regular periods of economic stagnation, urban collapse is fundamentally due to demographic decline. It represents a phase of structural and involutionary transformation that requires an entirely different planning approach from that used for growing cities (Pallagst et al., 2013).

Albania is a prime example of this crisis. The Albanian population has shrunk from 3.2 million in 1990 to about 2.4 million in 2023, representing a net loss of about 800,000 residents. This phenomenon in Albania stems in particular from two factors: the first, mass emigration; the second, the progressive decline in fertility rates (Euronews Albania, 2024).

According to the Albanian Institute of Statistics INSTAT, Albania loses about 50,000 residents every year due to emigration. At the same time, the fertility rate has plummeted from 7 children per woman in the 1960s to 1.2 in 2023. In addition, the population is experiencing a massive rise in average age, with the demographic profile changing from 15.2 per cent of the over-65s in 2020 to a projected 29 per cent in 2050 (INSTAT, 2022).

Conventional urban planning systems, which are primarily based on the growth paradigm, have proven ineffective at addressing this collapse. Recent studies have shown that even when the planning sector acknowledges the ongoing urban collapse, it continues to pursue growth-oriented strategies ill-suited to demographic decline.

In this paper, an alternative vision is proposed: an approach centred on strengthening communities, complemented by a policy of redistributing resources, all based on the socio-economic principles of distributism, which favour social cohesion, local resilience, and the development of a sustainable economy.

Literature Review

Collapsing cities systematically present many different interconnected pathological issues that go far beyond mere population loss (Audirac et al., 2018; Lee et al., 2023).

In the case of Albania (Gurashi, 2017; OECD, 2025; European Commission, 2012), urban collapse manifests itself through six main dimensions. The first is economic collapse, which causes unemployment, poverty, and increased crime. A second is cultural decline, in which local social institutions are lost as community cohesion degrades.

The third dimension is the deterioration of infrastructure that supports the population but was designed for larger numbers and is now subject to downsizing or

poor maintenance due to cost-cutting. Then there is a loss of identity that leads to a gradual erosion of the sense of belonging to both the community and the place, with increasing centrifugal forces. Two other phenomena that occur are those of unplanned local development, as the intention, and sometimes even the capacity, for coordinated growth or the application of regenerative strategies is lost. This leads to inconsistent behaviour during local development.

Finally, there is selective depopulation, characterised by emigration mainly of the young and better-educated segments of the population, with a profound impact on the demographic profile, depriving the community of its most dynamic, prolific and productive resources.

Analysing the spatial distribution of depopulation in Albania, the peripheral regions are particularly vulnerable. Indeed, while Tirana retains around 33 per cent of the national population, rural areas and secondary urban centres are experiencing catastrophic population losses. Between 2001 and 2011, 48 Albanian administrative units out of the 373 existing at the time, or 13%, lost at least half of their population (UNSD, 2014).

Albania's urban collapse must be read through a broader lens informed by the country's trajectory since the communist era. During this post-communist transition following the fall of the regime in 1991, there was a massive wave of migration, both internal and outward. Initially, migration was essentially only internal, from the rural periphery to urban centres, particularly Tirana. Such displacements were characteristic of the immediate post-communist period and represented the movement of rural masses towards urban areas, following development paths typical of middle-income nations. This then gradually shifted to international emigration, indicating a depletion of domestic emigration potential and a disaffection with national potential, or an overall and substantial economic devaluation.

A critical analysis of the most recent electoral data shows the extent of emigration: between 2021 and 2025, Albania lost approximately 200,000 voters to emigration, and further analysis suggests this figure is underestimated. This silent democratic erosion, which should be distinguished from citizens' disaffection with politics or outright electoral boycotts, reflects a systematic flight of citizens that undermines not only the participatory democratic system but also Albania's economic and productive system (Tirana Times, 2025).

Methodology

The research project aims to define a set of tools for urban planning to reverse the urban collapse of shrinking cities.

The research question is: what methodology (in the sense of creative process and domain language) can urban planners use to reverse the process of collapse of an urban or regional environment?

This paper focuses on an intermediate step of the research, namely the definition of a first, core set of guidelines for urban planning.

The research project is structured according to the following methodology:

- A literature review has been done to examine the absolute need for a new set of guidelines and/or a new methodological approach to urban planning in the case of urban/regional collapse
- Develop a first set of raw guidelines. This step is nearing completion and is the focus of the present paper.
- Refinement of these guidelines through theoretical application to some example cases
- Finalisation of the guidelines and definition of a creative process to implement them in an urban planning context
- Definition, if needed, of a specific language
- Formalisation of the methodology

Results

Need for different urban planning strategies

Current approaches to countering urban collapse are primarily based on growth-oriented strategies. Although there is clear evidence of their inadequacy, research examining the plans of 18 Rust Belt cities in the United States (Marjanović, 2024), also impacted, as in the Albanian case, by industrial decline and population loss, revealed that planners, despite being aware of the strong trend of decay underway, set growth-promoting strategies that were inconsistent with predictable demographic trajectories. Only four of the 18 cities analysed adopted planning strategies aligned with sustained population decline. This mismatch between reality and the strategic response perfectly reflects the still-frequent determination to apply growth paradigms where they are not possible in the short to medium term. At other times, urban planners develop coherent strategies to manage contraction. However, political actors tend to resist the idea of ongoing collapse and aim to reverse it through conventional economic development policies that systematically fail.

Distributism: historical background

History and principles

Distributism emerged as an economic theory during the late 19th and early 20th century, taking its cue from the principles of Catholic social teaching, in particular those expressed by Pope Leo XIII in his 1891 encyclical ‘Rerum Novarum’ and by Pius XI in his 1931 ‘Quadragesimo Anno’. Rather than following one of the two principal economic doctrines, capitalism or the socialist state, both of which are also criticised for the extreme concentration of productive assets, Distributism proposes a third way based on the diffusion of productive

resources through distribution among independent artisans, cooperative enterprises, mutual aid organisations and small and medium-sized enterprises. In practice, Distributism seeks a synthesis of the good aspects of Capitalism and Socialism, avoiding their limitations by promoting equitable resource distribution without undermining private property (Belloc, 2006; Médaille, 2013).

This distributist framework can be understood as grounded in three cardinal principles. The first is subsidiarity, i.e. that decisions should be taken at the lowest possible level, as long as this level is competent to do so, thus maximising participation and accountability.

The second principle is that of solidarity: economic relations must be structured to benefit the community as a whole, not only for the profit maximisation of individuals. This, in practice, means following a path that points straight to the so-called 'Common Good', i.e. a state of society that allows each individual to realise himself and that is not seen as the sum of each individual's goods, but as a condition of overall social well-being.

Finally, there is a peculiar characterisation of private property, seen as indispensable for aspects of livelihood and production, including housing and working tools, which, for distributism, must be owned by individuals. In the case of a change of scale from family-owned to medium- or large-scale enterprises, Distributism stipulates that ownership must be with the workers, favouring cooperative forms of enterprise and direct participation of each worker in governance. This model, centred on private ownership, implies, however, that it must be oriented towards social responsibility, with an explicit duty to support the overall welfare of the community (again in the sense of the Common Good, i.e., to allow each individual to achieve his or her own fulfilment). These principles directly contrast the centralisation mechanism that exists, albeit in different forms, in capitalist monopoly and state socialism. They promote, in fact, the real distribution of property so that it is diffused among all the actors involved and not concentrated, as happens in liberalist turbo-capitalism, in the hands of a few or in the social-communist state, in the hands of the state, an entity often far removed from the element of the social body that is to benefit from it.

The guilds

A fundamental element of the distributist view is the revaluation of the medieval system, in particular the role of the guilds and guilds of arts and crafts. For distributists, the Middle Ages represented the historical period in which ownership of the means of production was most equally distributed, preventing both capitalist concentration and statist centralisation. Guilds (or guilds of arts and crafts) were associations of like-minded professionals formed from the 12th century onwards in many European cities, particularly in Italy, the Netherlands, England and the Holy Roman Empire. The Italian term 'corporazione' derives from the Latin corporatio (unitary body), whereas in the British context 'guild' is more commonly used.

In the distributist model, the guild should have the following characteristics: distribution of ownership of the means of production, as a plurality of small, associated owners, who maintain their independence and ownership but group themselves into a stronger entity; cooperative control of competition, regulating competition between the various members to avoid excessive disparities and, above all, monopoly or oligopoly; local territorial organisation, the guilds being local; managerial autonomy, as they are outside state control but are managed directly by their members.

In practice, guilds are cooperative structures that preserve economic order without centralised state control.

A key concept in the distributist view is the distinction between the 'servile state' and 'economic freedom'.

Distributists define the servile state as a condition in which the majority of the population is forced to work for those who own the means of production, without freedom of choice or the possibility of autonomy. According to Belloc, both capitalism and communism lead to this situation:

- In capitalism, the economic elite own the means of production and force the rest of the population to work for them
- In communism, the political elite (the state) holds the means of production and forces the population to work for the state

The guild, in the distributist view, represents the primary mechanism for preventing the servile state, as it: distributes ownership of the means of production among many members, prevents the excessive accumulation of wealth in the hands of a few, ensures that workers are 'co-operators and protagonists in their own right' and not 'dependents'.

In the following, we will analyse some realities in which these principles of distributism apply across various sectors.

Case studies

Although it has repeatedly been accused of being a utopia, Distributism has demonstrated, in numerous cases, that it can be feasible in practice and at a very significant scale. Six exemplary cases will be considered below, of which only one is of Catholic origin, while the others are of non-denominational origin.

Mondragon Corporation

The first case is that of the Mondragon Corporation, which originated in Spain in the 1950s. It was founded on the initiative of a Catholic priest who inspired and guided local entrepreneurs in Mondragon, an impoverished city in the Basque region, torn by deep socio-economic contrasts. The Mondragon Corporation has since grown to include 81 cooperatives employing 70,000 workers, 35,000 of whom are members. In 2022, the Mondragon Corporation generated revenues of EUR 10 billion and an EBITDA of EUR 1.10 billion through its 104 branches operating in 150 countries (Mondragon Corporation, 2022). The

most important operational aspects of the Mondragon Corporation are numerous, and we can summarise them as follows. The first is a strongly democratic governance: the workers intervene by voting on salary decisions and strategic issues, and have a wage ratio between the maximum and minimum wage allowed that varies from 3:1 to 9:1, with an average of about 5:1, which allows resources not to be dispersed among a few, but redistributed on many and on investment and research and development activities. A second aspect is profit-sharing: the Mondragon Corporation's working partners are included in the redistribution of profits each year, allowing them to accumulate wealth in a way unlike that of the traditional wage earner.

Thanks to its policies, the Mondragon Corporation typically invests heavily (EUR 150-200 million per year) in research and development, employing over 2,000 people. These research and development activities are on both the technology and cooperative development fronts, demonstrating a strong loyalty to the original values. Another significant effect of the Mondragon Corporation's policies, especially taking into account the starting context, a situation of extreme poverty and social divide, is that the Mondragon region today shows a wage inequality (measured by the Gini coefficient with a value of 0.24 in 2021) comparable to that of Norway (0.22) and Finland (0.27) and other Nordic countries (Sweden, Denmark, Iceland). The analysis of these data and each nation's taxation system showed that while Nordic wage equality derives fundamentally from wage compression, the effect of Mondragon's policies is real wealth creation (Mondragon Assembly, 2022; Kelly, 2023; CIA, 2024).

In summary, the Mondragon Corporation achieves these results, i.e. it implements Distributism while maintaining both high industrial efficiency and very competitive performance in global markets. It thus demonstrates that Distributism is not incompatible with the challenges of the modern economy but, on the contrary, is applicable on a large scale in a highly differentiated and competitive industrial context.

Cooperative system of Emilia Romagna

Another very significant element that does not originate in a Catholic confessional context is the cooperative system of Emilia Romagna. Emilia-Romagna is a region in northern Italy that has developed a complex network of cooperatives, born in parallel and independently since the 1950s. This system has demonstrated, again on a large scale, that applying principles such as distributist principles across even very different economic sectors, including the production of goods, agriculture, and services, creates stable employment, fair income distribution, and resilient local economies that can withstand economic shocks (Médaille, 2013).

Wogeno Zürich

A third example, also from a non-denominational area, is the 'Wogeno' housing cooperative in Zürich. In this case, a cooperative society buys real estate, which it then rents to its members at favourable rates. Wogeno is managed directly by the members through a two-tier governance model: one central and one by the residents' associations in the various buildings. This is why it was selected for the present study among the many similar cooperatives in Switzerland and elsewhere.

In Wogeno (Wogeno Zürich, 2024), property allocation proceeds through a first decision-making phase at the cooperative level, during which basic requirements are assessed. The second and final phase of the decision-making process takes place at the property's resident association (called Hausverein). Among the various conditions the members of the individual association consider is the candidate resident's ability to align with the association's principles, in particular, the motivation to volunteer an average of 3-4 hours per week at the Hausverein.

This modus operandi not only delivers, as will be seen in a moment, a respectable business performance but also drives a virtuous cycle and the creation of strong, resilient communities.

The 2024 financial indicators for Wogeno (Wogeno Zürich, 2025) reveal a capital-to-assets ratio of 14.1%, which can therefore be considered moderate but sustainable; an operating margin of 15.4%, i.e., an excellent operating efficiency; and a sustainable exposure to mortgage financing, as it accounts for about 57% of the real estate. These metrics, and others, interpreted through the cooperation aspect, demonstrate financial viability that, while prioritising affordable rents, guarantees a very democratic governance model and a return on investment. In a nutshell, Wogeno, which is one of the many housing cooperatives in Zürich, manages to reduce rents to its members by about 15-20%, in line with other cooperative structures, demonstrating that the application of the principles of solidarity, subsidiarity and the common good is practical, not only from the point of view of business management, but also for the establishment of cohesive societies based on strongly shared principles. In Zürich alone, several other similar cooperatives, albeit with more traditional governance models, confirm the approach's validity. Regarding the two-level governance characteristic of Wogeno Zürich, it is a timely application of the principle of subsidiarity at an advanced, well-structured level. The first decision, in fact, is taken at the cooperative level for the more technical aspects, the competence of the 'cooperative' social body, which is at a higher level than the Hausverein. The second, and final, decision concerning the more specific aspects of the actual residence is taken by the local association, a lower level of competence but more suitable for this phase.

Milan Food Policy

In addition to the aforementioned cases of the application of distributist principles, others are only hinted at, one being the Milan Food Policy (Municipality of Milan, 2015), conceived in 2015, which consists of the definition of a municipal food system in which approximately 1.4 million residents are served through a food policy that prioritises local food from regional producers and is recognised internationally as a model for the creation of sustainable urban food systems. This mechanism includes a democratic governance model that involves citizens in policy decisions. In addition, 2300 urban vegetable gardens and a specific agricultural hub have been developed through it.

Mumbai Grahak Panchayak

Also in Mumbai, there is the Grahak Panchayat (Pai et al., 2017), a reality similar to the Milan Food Policy, which is essentially a consumer cooperative serving about 36,000 households and offering an average 20 per cent discount on market prices thanks to collective purchasing power. The Grahak Panchayat has been in operation for about fifty years (it was founded in 1975 to defend consumer rights), which has proven its long-term sustainability, also thanks to the ownership by members as cooperative members, democratic governance and the ability to self-organise in self-help groups, where at least 11 households join together to make monthly collective food purchases.

Also in this case, the economic model is based on Distributism principles and follows the rule, very common in such contexts, of 'no profit, no loss', which leads to managing the system in such a way as to cover, with adequate safety margins, the running costs, without aiming at profit in economic terms as much as at improving the common good.

Mutua Sanitaria Besnate

The latest example of the application of distributist principles is the Mutua Sanitaria di Besnate (MSB). Although it is a unique model in Lombardy today, in the past it was a model virtually ubiquitous in Italy. The MSB was founded in 1921 as a mutual aid society, a model of local aggregation for the provision of both medical-health and insurance-pension services. In 1978, with the start of the reform of the Italian National Health System (SSN), the other experiences all ended and merged into the SSN, while the MSB continued. MSB today is a cooperative society based in the small municipality of Besnate (around 5,000 inhabitants) in the province of Varese that provides medical services according to a not-for-profit principle, reinvesting all profits in improving services, and with a participatory governance model involving patients. Here, too, there is a strong identification with the territory and, although the MSB also serves non-residents, its core is within the municipality's population.

In this example, one can see how Distributism principles apply in contexts beyond the classic enterprise or food supply.

Distributism and Urban Shrinkage

As exemplified in the previous cases, the application of Distributist principles through cooperative systems or public-private collaboration brings several advantages that, analysed in the course of this research project, are summarised in the following table, where we consider some of the various challenges imposed by the socio-economic and demographic collapse, the consequent response (in synthetic terms) produced by the implementation of a Distributist philosophy and the operational mechanism that allows, in practice, to mitigate or even reverse the negative trend. All these elements, it should be noted, require medium- to long-term timeframes to deliver results.

Shrinkage Challenge	*Distributist Response*	*Operative Mechanism*
Lack of local identity	Create territory-based community identity.	Communities define cultural and economic identity through local institutions and enterprises, primarily through participatory governance and local networking and cooperation.
Economic collapse	Build a cooperative-based local economy.	Create small and large-scale enterprises with genuine cooperative governance across all economic sectors.
Cultural decline	Establish cultural circles and apprenticeships.	Community-owned schools and cultural institutions creation or empowerment; integrated apprenticeships within productive enterprises.
Infrastructure decline	Empower local infrastructure governance.	Delegate infrastructure management to local communities with microfinance support for local operations, and at the same time, create a network for cooperation among neighbouring communities.
Absence of planned growth	Create guild-based governance.	Guilds and cooperative enterprises provide participatory planning containers and collaborative implementation vehicles.
Population decline	Create local economic opportunity.	Develop the local economy by attracting workers through job creation and facilitating home acquisition, for example, through cooperative housing or cooperative credit initiatives.
Population aging	Support families with children.	Distributist enterprises allocate earnings fraction to social development, particularly family support and schooling; increased local wages support family formation.

Table 1 - How Distributism can fight the urban shrinkage

A framework for Urban Planning

This section presents a framework for urban planning that integrates the growth principle with realistic planning, effectively counteracting the decline of

collapsing cities. Such a framework requires various elements of participation and planning that Distributism facilitates.

The first is participatory design: urban planning must be based on genuine involvement of the entire community and be continuous, without interruption, throughout all phases, from planning to implementation and on to the various fundamental operational phases that follow.

The second type of participation is a structure based on a distributist guild, creating an institutional mechanism for sustained, persistent participation well beyond mere initial consultation.

A third pillar is multidimensional development. Urban interventions must address the physical, social and economic dimensions simultaneously. Approaches that are based solely on the infrastructure, and thus the physical issue, fail to deal with collapsing contexts. The economic development of the community, its social reinforcement, must be well represented in planning and thus complement the physical infrastructure. It could be said that, from the point of view of urban planning, it is necessary to work on three types of infrastructure at the same time, i.e. traditional physical infrastructure, social infrastructure and economic infrastructure, considering that social and economic infrastructure are a much broader context that also includes the creation of virtuous dynamics.

Finally, there is flexibility at the scale transition level. This means that it is necessary to create a planning tool that initially facilitates organisation in elementary forms, typically self-organisation at the small-scale level, but then, over time, provides for their replacement by larger-scale expansion, creating development pathways from small to large without requiring the abandonment of participatory governance.

Thus, it is possible to hypothesise three main directions for planning in collapsing cities.

The first guideline is to create a community-based organisation that is flexible during the growth phase. Urban planning must, in fact, initially be based on a small-scale self-organisation that preserves, however, the capacity to evolve towards a larger scale. This approach recognises that it is not possible to suddenly reverse a trend and then implement infrastructure at the city or significant institution level, because this would prove ineffective. The correct approach is to lay the foundation for future expansion as the population stabilises and potentially reverses the trend. The distributist solution enables this approach because guild structures provide an organisational framework that is highly effective, scalable and easy to activate. Guilds of local artisanal producers and those of cooperative enterprises can begin at a very local scale but quickly confederate into regional structures, as demonstrated by the Mondragon and Emilia-Romagna cases, creating both immediate improvements and enabling subsequent capacity building.

The second direction is to build a place-based economy and thus develop connecting infrastructure. Sustainable distributive economies require a strong connection with neighbouring communities. Therefore, the aim is not an autarchic village, but an economic exchange of goods and services that involves working regionally with partnership activities at the regional level, but maintaining control and ownership at the local level, thus a place-based economy of goods and services that is grafted onto a logistical network and is regionally coordinated, while keeping its roots firmly planted in the local area. This means that a communication and transport infrastructure must be developed to facilitate connectivity, particularly remote connectivity. Intelligent transport systems integrated with intelligent logistics nodes can be a modern, feasible example of such a network, enabling local producers to reach regional markets while maintaining local economic control easily.

The third guideline is the use of technology as a catalyst. Indeed, technology, in particular the use of software systems and blockchain, the latter especially in terms of smart contracts, can:

- Dramatically accelerate the growth of a distributist economy, enabling the rapid creation of a network of collaboration and communication between distributist companies,
- Enable rapid and reliable information sharing,
- Facilitate peer-to-peer economic transactions,
- Create a transparently managed supply chain.
- Enable participatory governance through digital platforms.

Of course, all this requires a digital infrastructure. In the case of Albania, for example, this would already be possible due to the narrow digital divide. Where such an infrastructure is lacking or deficient, it is the task of urban planning to provide for or enhance it.

At this point, it is possible to define spatial tactics for urban planning.

In the following table, the principles of a distributist economy have been applied to urban planning tactics, with examples of how they can be implemented.

Discussion

While distributism offers compelling solutions to urban shrinkage, its implementation faces substantial challenges. In this section, a SWOT analysis developed during the research is reported.

Strengths

The main strengths are summarised below:

- Local sustainability: Community-based organisations demonstrate intrinsic stability and resistance to external shocks
- Self-organisation capacity: Communities develop internal governance with-

Distributist Principle	*Urban Planning Tactic*	*Spatial Implementation*
Local communities living and operating in the territory	Plan rapid local recovery; create expansion rooms for future growth.	Quick-development districts, reserved expansion land, and phased master planning
Small-and large-scale cooperative enterprises across sectors	Develop productive districts at dual scale.	Handicraft zones and industrial areas; hybrid zones combining residence with workshops/laboratories; logistic exchange nodes
Apprenticeship and community-owned schools	Plan education near productive activity.	Schools positioned adjacent to handicraft and industrial zones; integration of learning with productive work
Local work opportunity with microfinance	Develop smart local transportation systems.	Public transit connecting residential areas to productive zones; fibre-optic and digital infrastructure; accessible microfinance access points
Guilds as planning and implementation containers	Systematic guild involvement in all planning and execution phases.	Guild representation in planning committees; guild coordination of implementation; guild management of operation and maintenance
Local economy producing private property with solidarity awareness	Develop mixed housing, retail, and production zones.	Integrated residential-commercial-industrial neighbourhoods; community-owned social housing alongside private ownership; retail activation
Social earnings allocation for family support	Reserve planning capacity for community social investment.	Designated spaces for kindergartens, healthcare facilities, cultural centres, planning for community governance and ownership

Table 2 - Urban tactics derived from Distributism

out dependency on external expertise (know-how preservation)

• Participatory governance: Integrated involvement increases legitimacy and implementation effectiveness (and creates identity and sense of belonging)

• Economic stability: Distributed ownership creates resilient enterprises less vulnerable to asset-stripping and capital flight

Weaknesses

The main weaknesses identified in the research are summarised below:

• Slow developmental process: Guild formation and cooperative enterprise development require time; expectations for rapid results often lead to abandonment

• Awareness and capacity requirements: Communities must develop business literacy, governance skills, and cultural commitment to cooperation; these capacities may be underdeveloped in areas experiencing decades of state socialism or market abandonment

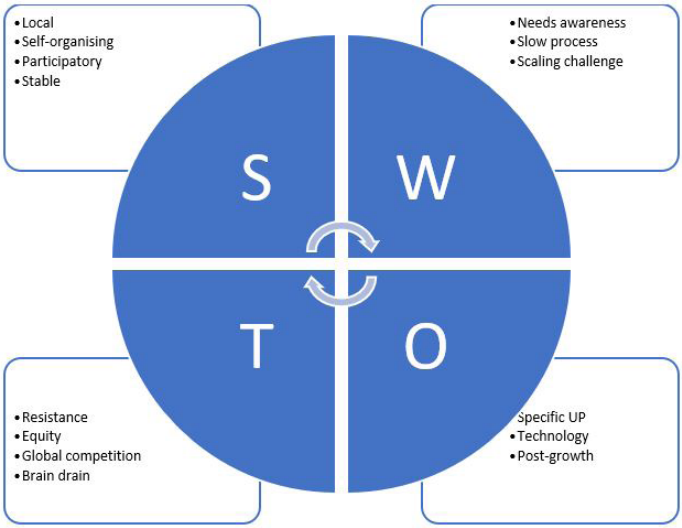

Table 2 - Urban tactics derived from Distributism

• Scaling challenges: While Mondragon demonstrates large-scale viability, the transition from small craft enterprises to industrial scale remains complex and incompletely documented (and could be a future research direction).

Opportunities

Various opportunities have been identified and are described below:

• Specific urban planning methodologies: Developing specialised planning approaches designed explicitly to support local communities and reverse shrinkage could substantially improve distributist implementation

• Technology integration: Digital platforms and blockchain could dramatically accelerate cooperative coordination and market access

• Post-growth paradigm shift: Growing intellectual acceptance of degrowth economics creates favourable conditions for non-conventional development models based not only on growth but also on social and economic justice

Threats

Various threats have been reported, and they are summarised below. Mitigating these threats can represent new research directions.

• Institutional resistance: Existing power structures and professional planning cultures resist paradigm shifts

• Capital requirements: Initial development of cooperative enterprises requires access to capital; traditional financial systems often resist cooperative lending

• Global competition: Local enterprises face competition from multinational corporations with superior capital, technology, and market access (in this case,

the local market is the flyingwheel to preserve enterprise stability)

•Brain-drain continuation: Even successful local economies may struggle to retain educated youth attracted to global opportunity (sense of belonging can reduce this)

Conclusion

This paper shows that collapsing cities pose a specific challenge for urban planners and require a fundamentally different planning approach. In the context of urban growth, Albania exemplifies the severity of this change, with an accelerating population decline and structural economic decline threatening the long-term viability of some peripheral regions.

Conventional growth-oriented planning paradigms have proven ineffective and, paradoxically, have often worsened the collapse, consuming resources, attempting to attract immigration, and failing to meet the needs of existing residents.

An alternative paradigm, based on the socio-economic principles of distributism, can offer prospects for creating cohesive communities, generating a robust local economy and reversing the flow of migration.

The examples of the Mondragon Corporation, the Emilia-Romagna cooperatives, and others demonstrate that Distributist principles can be implemented at any scale, providing both economic efficiency and social justice in a manner not possible with conventional capitalist or socialist state approaches. However, translating Distributism into a collapsing environment requires the development of specific urban planning methodologies explicitly designed to support local communities by fostering distributist enterprises, guild-based governance, and integrated interventions that address physical, social, and economic aspects simultaneously.

The economic and demographic challenges many Albanian cities face today are not a temporary cyclical phenomenon but structural transformations that require awareness, intellectual honesty, and the capacity for strategic innovation. Accepting the reality of this situation creates a space to develop approaches that are more effective and efficient in recovering urban conditions, rather than continuing to pursue failed growth strategies. Distributism, well-rooted in centuries of cooperative experience and contemporary successes, offers a viable path towards the rebirth of urban centres. Rigorous academic research, active community involvement, and policies that support these aspects can translate Distributist principles into an urban planning methodology capable of reversing the collapse while creating more equitable, participatory, and sustainable cities in the meantime.

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