# Spatial planning, natural capital and public land. International trends and national policy for the capitalization of state-owned property in Greece.

## Extended abstract

Under the global ecological crisis and national economic recession, land management regimes are affected by policies reform and prevailing practices, concerning the sustainable development of public land assets in protected areas (PLAiPAs) both of the coastal transition zone and the mainland. Socio-economic phenomena and neo-liberal politico-administrative tendencies at a wider scale give rise to key issues of privatization process in Greece and put emphasis on simplifying procedures for building permits and environmental licensing; challenging or questioning the role of spatial planning. A previous allegedly "flexible" spatial planning system aimed to put exploitation of public sector's private property on fast track facilitating large-scale investments as "a driver of sustainable growth". This spatial organization model provides special plans as institutional alternatives to traditional land-use planning without regard to translate the abstract concept of sustainability into tangible actions. The transfer of Greek public land in PAs to the Hellenic Republic Asset Development Fund (HRADF) and later to the Hellenic Corporation of Assets and Participations (HCAP) for privatization remains a controversial issue of great importance, since it may easily stimulate a development model shift into uncontrolled economic growth with short-term benefits but long-term costs; producing extensive territorial restructuring and deep spatial transformations at a national, a regional and a local level. Having in view the foregoing, such policies consider public property as 'dead capital' threaten to transform public goods into rivalrous and excludable private goods. Therefore, rapid urbanization of land resource areas in PAs affect adversely the natural heritage reserves, imposing unreasonable limitations on alternative and more profitable future uses of a highly-valued natural capital asset.

Social systems, economic activities and ecosystem functions are interlinked with complex reciprocal interactions through dynamic processes. The anthropogenic impacts have adverse and ancillary effects on ecosystem services (ESs) causing irreversible changes that reduce their capacity and availability to support human wellbeing (MEA, 2005). The intensity of use and overexploitation of natural ecosystems have been correlated to the absence of property rights or (in-)security of land tenure under particular property regimes (Hardin, 1968). When managed under state, private or common-property regimes, land resource areas are usually treated as essentially limitless before they become scarce or permanently depleted (Hardt & Negri, 2009). As non-rival and non-excludable public goods in "free-access", they are menaced by practices that allow deriving benefits without any regulation on consumption; aggravating the "free-rider" problem (concept of indivisibility). As rivalrous and excludable private goods with access restrictions, they are threatened by practices that maximize the producer surplus rather than enhance the consumer surplus as well (divisibility of benefits or subtractability), and excluding those unable or unwilling to pay for benefits (exclusion principle). Government control, private or community ownership is offered as a panacea; "the" single universal solution. However, governmental or community solutions, or privatization, each system, operational rule and organizational structure works in some settings (Ostrom, 2011), fitting in local circumstances, socio-economic conditions and ecological characteristics of the natural resource (UNEP, 2016). Policy contexts gradually are focusing on socio-economic and environmental sustainability (WWF, 2009; TEEB, 2010; World Bank, 2011; A/RES/70/1), enriching development with

two fundamental key components; the concept of “needs” and the idea of limitations (intra/inter-generational equity) (WCED, 1987). Spatial planning system goes beyond all traditional methods and available tools, when reconsidering the rivalry of consumption and the excludability of beneficiaries from natural or human-constructed resources (EEA, 2015). Therefore, it seems crucial to perform a demanding strategic and regulatory role on macro/micro scale, which relies on decision-making processes (OECD, 2001) that promote multi(-level/actor) governance and require stronger synergies among authority agencies and (in/ex-)ternal key actors, such as indigenous people, local community, regional authorities, central and local government agencies, knowledge institutes, universities, non-governmental organizations (NGOs), the public-private partnerships (PPPs), etc.

Whereas increasing demands for prosperity and growth place enormous pressure on natural ecosystems, land is considered no more as a commodity but as a common resource within market (Tira et al., 2011). Towards a data-driven policymaking (ESPON, 2012), there is a great interest in innovative forms of PPPs, assessment of land transformations and valuation methods of natural capital to estimate the potential wealth benefit or loss from large development projects through environmental-economic accounting systems (Constanza et al., 1997; Credit Suisse et al., 2014). In this context, serious contemporary attempts to update and adequately harmonize the institutional and legal frameworks for spatial planning, land tenure and environmental protection with emerging issues of privatization bring into focus the need for equitable (re-)distribution of ESs within society.

Nevertheless, the 2008 global financial crisis has significantly affected spatial planning and development models. In both theory and practice, sustainable land management (SLM) strategies, public policies and land-use planning are expected to reverse the negative investment climate, to activate the interest of private (inter-)national investors, and so maximize the value of state-owned property; gradually paying off public debt in Greece after 2010 (BoG, 2016). Insuperable budgetary constraints call for effective uses of an increasingly scarce reserve of public land assets in or near protected areas (PLAiPAs) by tailoring interventions to territorial specificity in order: (a) to assure legal certainty for strategic investments; (b) to serve public interest; (c) to ensure common benefit. Based on a development-oriented approach, the newly established controversial spatial organization model provides special plans for development receptors (aka ESHASE/ESHADA) as prime institutional instruments alternatives to traditional land-use planning in areas within or out of the official plans; producing major territorial modifications, via ad-hoc changes in the strategies of structural plans and in the legal provisions of land-use plans. A patchwork of developed and undeveloped areas (often spatially disconnected or segregated) is produced, altering the natural and cultural landscape, reducing the productivity of agricultural territory and demanding the expansion of infrastructure networks. Public land in PAs includes valuable natural resources which continue serving as a priceless stock of wealth and fundamental input in production with multiple intrinsic and instrumental values. A part of these can be replenished over time by slow natural processes, to overcome only incipient or mild resource depletion that is caused by usage and consumption. Land is considered as a limited resource with infinite useful life, which can be used for a variety of purposes. In this context, Greek public lands in PAs is environmental, economic and brand assets as well, associated with a wide range of future uses, able to perform as highly-valued assets in perpetuity (Litsardou & Klabatsea, 2017).

The purpose of this research is: (a) to explore the utility of land management strategies and land mobilization methods in Greece and (b) to identify a potential alternative policy cycle to current planning practices, towards performance planning, under the current institutional context and

circumstances. Strategically deployed, spatial planning of investments in PAs can be a determinant for public land's sustainability in generating sustainable outcomes within market and society; *iff* turning strategic and regulatory plans into actions to regenerate consensus-based decision-making and public leadership in a more operational and effective way. Within that framework, establishing an optimal equilibrium among the allocation of natural resources, broader conservation goals, sustainable development and (multi-level/actor) governance modes becomes a prerequisite in qualitative and quantitative terms. Thus, it is critical to develop specific criteria and indicators in order to evaluate the spatial impacts of privatization at different spatio-temporal scales and various consecutive stages of implementation, with a view to outperform all conventional coordination and reconciliation of sometime conflicting conservation goals with development objectives.

The research is done as a deductive study, a logical process in which conclusion is based on the premise that natural capital can operate as an essential economic factor, being a major comparative and competitive "advantage-privilege" that triggers potential development initiatives; optimizing the social, economic and environmental characteristics of the affected areas in Greece. The first aim is to define the typology of public land assets to be transferred into private ownership, highlighting both the land property regimes and the context of planning system. The second aim is to analyze land management strategies, as revised in the last years, setting special regulations and restrictions regarding the land-use control. In a time of rapid change of constitutional systems, territorial organization and planning standards are crucial to maintain natural heritage from excessive use. This elaborates on "why/ how" research questions, identifying the current situation, the internal and external drivers of change, their consequences, and phenomena affecting a complex socio-ecological system with long-term effects or irreversible losses.