

RETAINING LOCAL TALENT IN A GLOBALISED WORLD: HOW SHRINKING CITIES  
CAN LOOK TO A BASQUE FOOTBALL CLUB TO ENHANCE PLACEMAKING,  
PROMOTE URBAN ATTACHMENT, AND MITIGATE BRAIN DRAIN

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## **ABSTRACT**

This thesis examines placemaking, urban attachment, city shrinkage, and brain drain using Bilbao, Spain and its professional football club, Athletic Club de Bilbao, as a case study. By showing that opportunity-making contributes to increases in place attachment, it fills a gap in the literature on human outmigration by pointing to a relationship between a professional football club's local talent retention strategies and urban brain drain. As a rustbelt city that has revived in a postindustrial economy, Bilbao serves as a quintessential example that other rustbelt cities may emulate. A series of qualitative interviews with stakeholders in Bilbao were conducted to gather insights on how a Bilbanian football club manages to retain its local talent. This study's central question is whether shrinking cities can apply Athletic Club's placemaking strategies and pridemaking philosophies as models to strengthen urban attachment amongst residents and mitigate brain drain in the urban milieu. The results reveal that local talent recruitment, cultivation, and retention are three vital steps for talent creation, whereby opportunity-making, pride-making, and placemaking are critical elements to help retain talented residents who contribute to the local economy. As the Rustbelt continues to decline both demographically and economically, it will be critical for rustbelt cities to seek ways to retain their local talent.

### **Keywords**

Rustbelt, Shrinking Cities, Brain Drain, Placemaking, Revitalisation, Urban Attachment

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This thesis is dedicated to my hometown of Windsor, Ontario, Canada.

*Athletic has an identity as an umbilical cord linking men to the land, a geographical-emotional capacity* — José María Arrate, Athletic Club President (1994-2001) (MacClancy, 1996)

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## PREFACE

The connecting flight from Paris to Bilbao was a short one mostly engulfed in cloud cover. Near our descent, we broke through the clouds, revealing a beautiful green mountain range yielding an emerald hue. Small settlements and orange-roofed houses were scattered throughout the foothills of the Cantabrian Mountains. To complement the emerald hue of the valleys on that Wednesday evening was the blue waters of the Bay of Biscay sparkling reflections of the golden-orange sun setting at dusk. Lastly, a white foam created by the crashing waves along the shore formed a picturesque border around the Northern Iberian coastline. Like a fictional setting based in a fairy-tale, this majestic region in Northern Spain truly had reasons to be held sacred by its locals.

Before even landing on Basque soil, I spotted the Lezama training facility through the window of the airplane. The rooftop of the facility had a large print of the Athletic Club logo on it. Upon our arrival at Bilbao-Loiu Airport, I noticed its modern architecture designed by world-renowned Spanish architect Santiago Calatrava (see Appendix F). As the airplane completed its landing, I was eager to get out and see what all the Basque hype was about.

In the airport, my first glimpse was of a digital advertisement of the Athletic Club Museum (see Appendix F). Moreover, several children wearing Athletic Jerseys were recreating around a small indoor playground situated in the centre of the airport. The sliding doors also had Athletic Club prints and slogans. Hence, I began questioning whether we were still in the airport or had already arrived at the stadium in downtown Bilbao. From the onset, it was evident that Athletic Club's placemaking and promotion of local pride was omnipresent in Bilbao.

## TABLE OF CONTENTS

CHAPTER I: INTRODUCTION.....	1
CHAPTER II: METHODOLOGY .....	13
CHAPTER III: THE BILBAO & ATHLETIC CLUB CASE STUDY.....	18
CHAPTER IV: THE ROLE OF URBAN PLANNING & PLACEMAKING IN BILBAO’S COMMUNITY DEVELOPMENT.....	60
CHAPTER V: CONCLUSION.....	81
BIBLIOGRAPHY.....	88
APPENDIX A: INSTITUTIONAL REVIEW BOARD (IRB) APPROVAL LETTER .....	98
APPENDIX B: INFORMED CONSENT STATEMENT .....	99
APPENDIX C: INTERVIEW QUESTIONS WITH THE CHIEF OF ATHLETIC CLUB’S MUSEUM.....	100
APPENDIX D: INTERVIEW QUESTIONS WITH LEZAMA YOUTH ACADEMY’S PEDAGOGUE.....	101
APPENDIX E: ON-SITE ETHNOGRAPHIC FIELD NOTES .....	102
APPENDIX F: PHOTOS OF BILBAO-LOIU INTERNATIONAL AIRPORT .....	104

## **CHAPTER I: INTRODUCTION**

This study explores the topics of placemaking, talent retention, and urban revitalisation through sports based placemaking, using Bilbao, Spain as a case study. Bilbao is used as a case study for three main reasons: 1) it is a rustbelt city that has enhanced its socioeconomic profile and new urban development through numerous revitalisation initiatives including continued investment in its football team, 2) the residents' passion for football is unique as their local club—Athletic Club de Bilbao—only fields locally grown players, strengthening Basque nationalism and pride amongst its players and fan base (Guasch & Zulaika, 2005; MacClancy, 1996), and 3) there is emerging evidence that this club contributes to placemaking and place-attachment. However, it is important to preface that the results from this study are culture- and location-specific and may not apply to all areas.

### **i. Shrinking Cities, Brain Drain, and Football**

Aging cities in Western societies are those that have not yet adapted to the post-industrial economy based on information technology and services; rather, the economies of these cities continue to engage with secondary industries such as manufacturing (Pallagst et al., 2009). However, deindustrialisation is a global phenomenon affecting cities and regions in the global north and south (Felipe & Mehta, 2016; Pike, 2022).

While manufacturing began declining in the 1960s in response to globalisation and technological change (Bell, 1964), the effects were more acutely felt in the 1980s as employment losses spurred population losses in many northern and Midwestern U.S. cities (Atkins et al., 2011). To offer a sense of scale, between 1980 and 2016, manufacturing employment in the U.S. declined from 17.2% to 8.5% of the workforce (Brookings Institute, 2024). Moreover, the rate of



manufacturing job loss in the United States was 33% between 2000 and 2010 (U.S. Bureau of Labor Statistics, 2024).

Most of this decline occurred within the Rustbelt, and cities like Detroit lost more than half of their populations. Some of the problems that arise from extreme population loss include neighbourhood blight, vacancy, decreases in property values, and overall urban decay (Morckel & Hanlon, 2022). However, what occurred in the American Rustbelt was not unique. In the latter half of the 20<sup>th</sup> century, several regions globally suffered from urban decay and population decline. These include Germany's Ruhr agglomeration, Northern Britain's coal and mining towns, and China's Manchurian provinces of Jilin, Heilongjiang, and Liaoning (Wilson & Kassens-Noor, 2021). During this half of the century, additional regions suffered from economic decline as their populations and industries left for more profitable and desirable regions that offered greater opportunities (Rowthorn & Ramaswamy, 1997).

One such region that experienced gains was the American Sunbelt, including states like Florida, Texas, and Arizona. Cities like Phoenix, AZ grew from around 107,000 in 1950 to 1.7 million in 2020—a 1492% increase (U.S. Census Bureau, 2020). In essence, while many Rustbelt cities lost and continue to lose socioeconomically, regions in the Sunbelt continue to gain. As the polarisation between brain gain and brain drain regions widens, it is critical for scholars and practitioners to research and offer ways for shrinking cities to retain their local talent.

Brain drain occurs when skilled, educated, creative, and talented individuals leave their hometowns in pursuit of enhanced life opportunities elsewhere (Carr & Kefelas, 2010). Such migratory trends can significantly impact shrinking regions as they lose demographically and economically (Hartt, 2018). However, it is worth noting that the loss of skilled workers in legacy

cities (often referred to as “shrinking cities” in this thesis) is not the only issue, as outmigration has other negative effects on these shrinking cities (McGranahan, Cromartie, Wojan, 2010). One such externality is the loss of purchasing power (e.g., dollars circulating in the local economy) as people leave the city. To potentially remedy this and retrain educated workers, placemaking strategies could be implemented to increase place attachment, an attachment defined as a personal identification with a location or landscape on an emotional level (Wolf, Krueger, & Flora, 2014).

There is an important connection between deindustrialisation and brain drain that may perpetuate cycles of decline (Green, 2020). The decline of industrial activity can lead to job losses and economic challenges if the region does not create jobs in other employment sectors (Gruss & Novta, 2018). This may encourage educated workers to leave for better opportunities elsewhere, further weakening the economies of shrinking cities. Population decline, economic stagnation, and social challenges like poverty or blight may hinder efforts to diversify the economy and attract new industries in place of declining ones (McGranahan, Cromartie, & Wojan, 2010).

To help us understand urban attachment and outmigration, football (soccer in North America) might be used as a unique case to explain the dynamics of attachment and loyalty to place. As the world’s most popular sport, football has the ability to foster a sense of placemaking, pride, passion, and identity (Foer, 2004; Rojo-Labaien, 2017). Foer (2004) explains how football can “explain the world” by offering a unique lens through which to view global dynamics and the relationship between the sport and society, including hooliganism, corruption in sport’s governance, and football as a global business, as well as its influence on

societal values. Rojo-Labaien (2017) discusses similar affects that sport—specifically football—has on Basque society and identity.

Many cities worldwide have a local football club and stadium where people gather, suggesting that football may play a role in shaping people’s social interactions and possibly strengthening attachment to their urban environments. Nonetheless, the degree to which football influences urban attachment is unclear and this relationship is nuanced and influenced by numerous factors, including local team success, level of competition, and citizens’ cultural values (Foer, 2004). Hence, while evidence points to football as a potential mechanism for shaping urban attachment, further research is required to understand the complexities of this relationship.

Beyond urban attachment, football can promote social cohesion, enhance public spaces, and stimulate local economic development. Social cohesion creates a cultural identity and a sense of belonging (Nathan et al., 2010). Football’s creation of physical and natural infrastructures makes communities visually appealing (Shafer et al., 2013). Football’s ability to increase employment opportunities in the sporting industry also offers residents an additional reason to stay (Kacirek, 2015). Football is also a potential source of tourist revenue as it can attract fans worldwide and stadia have the capacity to be used for events beyond football (Athletic Experience, 2020).

## **ii. Current Knowledge and Gap in the Literature**

Placemaking is a concept used in urban planning to explain the process of creating quality places where people prefer to live, learn, work, and recreate (Wyckoff, 2014). Placemaking strategies include fostering a sense of identity, pride, and belonging and football is an example of a placemaking strategy because of its ability to gather people for a common cause,

usually to cheer on the same club as a collective. Placemaking is vital as people seek to live in high quality places that they have positive feelings about (Wyckoff, 2014). Wolf, Krueger, and Flora (2014) explain the significance of sense of place, belonging, and cultural identity in their definition of *topophilia* [from Greek *topos* (place) and *philia* (love of)].

Existing literature, such as Madgin et al (2016) indicate positive correlations between urban recreational spaces and place attachment. However, a gap lies in identifying football's specific ability to serve as a placemaking tool that increases place attachment and convinces local talent to remain in their hometowns, thereby mitigating talent outmigration.

There are notable connections between place attachment and resident retention, but the literature seldom discusses these connections from a football perspective. For instance, Manzo and Devine-Wright (2013) explain how place attachments are emotional bonds that form between people and their physical surroundings, possibly facilitating communal engagement and invoking a sense of identity and creativity. Altman and Low (1992) elaborate on human health and behaviour in the context of physical spaces and the spaces' effects on environmental psychology, person-place bonds, human movement, and well-being. However, these studies overlook football's role in potentially mitigating human outmigration. Resident retention seems plausible given that football may simultaneously gather people in a physical and social space thereby strengthening connections between people and place.

This thesis contributes to the literature by filling the gap on the intricate relationships between urban attachment, football, and brain drain, providing insights for cities to use football strategies as tools for retaining their educated workers. If place attachment affects resident retention—particularly of skilled professionals—and if football specifically contributes to place attachment, then strategies that promote a local football club might also mitigate talent

outmigration in the urban sphere. The major themes addressed in the following sections include i) post-industrial decline; ii) social/human capital; iii) talent incubation/retention; and iv) football in a global economy.

### **iii. 20<sup>th</sup> Century Post-Industrial Decline**

During the initial stages of deindustrialisation, scholars focused on explaining its effects, (i.e., what was happening and why), while contemporary scholars like Van Leuven and Hill (2023) have shifted the discussion to policy and planning measures that *mitigate* the effects of economic decline (i.e., doing something about it). The rapid shift from manufacturing to employment in other industries like technology and services during the 1990s and early 2000s took many Rustbelt regions and their blue-collar workers worldwide by surprise (Atkinson, 2005). While some Rustbelt cities like Pittsburgh have successfully transitioned from industry to post-industrial employment, many lost manufacturing and were unable to find replacements beyond the most basic services like fast food and retail (Madison, 2012).

While brain drain is a concern in major cities, particularly in the rustbelt, Carr and Kefelas (2010) analyse rural America and find that much of their brain drain problem stems from smaller regions and towns being financially unable to fully invest in their local population. Such disinvestments include inadequate funding for education, lack of job opportunities, and insufficient support for local businesses, which contributes to a lack of job opportunities and the failure to attract and retain young talent.

While university-bound “achievers” might have the means to leave their economic situation through their skills, working-class “stayers” are often left to endure such economic disinvestment. According to Carr and Kefelas (2010), America’s most precious assets are young adults, and as long as shrinking towns continue exporting such valuable assets, they will

continue to decline both demographically and socioeconomically. Consequently, this perpetuates vicious cycles of shrinkage.

To show how deindustrialisation's implications are a global problem, similar discourses have occurred in Europe. For instance, between 2008 and 2018, Spanish manufacturing lost nearly 1.5 million jobs in the industrial sector—a decline of nearly 28% (Eustat, 2022). One such region heavily impacted by deindustrialisation was the Basque Country in northern Spain and particularly its largest city, Bilbao (Zulaika, 1998). Nonetheless, with innovative urban initiatives, Bilbao found ways to address the job losses from deindustrialisation by adapting to the new economy, which will be elaborated upon in the succeeding chapters.

Contrary to Thomas Friedman's (2005) nearly two-decade-old hypothesis that globalisation would level the so-called economic playing field, globalisation in the quaternary economy seems to have shifted the playing field, benefiting merely a handful of regions at the expense of most others (Florida et al., 2020; Sassen, 2001; Venables, 2021). As “superstar” cities attract talent and gain innovation, rustbelt cities lose economically and demographically.

According to Florida et al. (2020), cities are containers that collect and generate knowledge, creativity, wealth, and innovation. They are talent-attracting mechanisms that function like incubators as they cultivate suitable ecosystems for such processes to thrive in. Educated workers migrate to cities that cater to their skills, needs, and wants and where like-minded individuals and opportunities agglomerate (Florida et al., 2020).

Shrinking cities face the loss of their talent to larger, more attractive hubs (Carr & Kefelas, 2010; Peck, 2005; Hartt, 2018). The consequence is a few “superstar” cities concentrated amidst a pool of smaller cities—or a “spiky” world of “winners” and “losers” (Florida et al., 2020; Venables, 2021). The rapid rate of polarisation between “brain gain” and

“brain drain” regions in the 21<sup>st</sup> century is alarming and seeking ways to mitigate this polarity is critical to balance economic development across regions and promote overall prosperity. Thus, cities should be mindful of their local interests by tending to their citizens’ needs and wants.

#### **iv. Literature on Social/Human Capital Theory in the Context of Placemaking**

Social and human capital theories offer valuable insights into the dynamics of regional development, particularly in the context of placemaking strategies. These theories, rooted in understanding socioeconomic changes, emphasise the importance of fostering both communal identity and local human resources to promote regional prosperity. These theories and their associated forms of capital can also serve as a framework for understanding the factors and motives for skill-based migration.

Social capital theory highlights the significance of human connections and relationships in enhancing productivity and economic potential within a region (Schuller, 2001). Similarly, human capital theory underscores the role of individual talents and skills as drivers of economic growth (Schultz, 1960). Horace Mann argued that investing in one’s education would reciprocally improve quality of work; thus, increasing the economic growth of the overall community (Vinovskis, 1970). Social and human capital theories emphasise the need for investments in education and skill development to nurture a skilled workforce capable of contributing to regional development.

Human capital theorist, Daniel Bell focused on the sociology of labour and foresaw a transition from blue-collar to white-collar labour due to a shift in the type of work and skills required. Bell recognised that the future of labour necessitated higher-skilled, academically educated “knowledge workers” (Bell, 1964). Alas, while some regions struggle to attract outside talent, others face the challenge of simply retaining their own talent. Thus, the phenomenon of

talent outmigration poses significant challenges to regions seeking to retain skilled individuals (Carr & Kefalas, 2010). Factors such as economic disparities and inadequate infrastructure contribute to the migration of talented people who seek better opportunities elsewhere (Carr & Kefalas, 2010).

This trend not only reduces the local talent pool but also hinders regional economic development (Hartt, 2018). Addressing these economic challenges requires innovative placemaking strategies that harness local human capital and foster a strong sense of place attachment. Football academies represent an example of such a strategy, serving as focal points for talent development and community engagement. By providing opportunities for skill development and fostering a sense of belonging, football academies serve as talent incubators and contribute to building a supply of local talent, thereby enhancing place attachment among residents. In essence, football academies might exemplify how placemaking strategies can leverage social and human capital to mitigate talent outmigration and promote regional development.

The rate at which shrinking cities continue to decline is a cause for concern. Weaver et al. (2016) demonstrate the importance of urban shrinkage and find that it is no longer merely a rustbelt issue. It is also important to note that population shrinkage is closely intertwined with economic shrinkage, or what Weaver et al. (2016) refer to as “negative cumulative causation.” Hence, as economic opportunities decrease, brain drain increases, reverting to Carr and Kefalas’ (2010) mention of vicious cycles of socioeconomic decline that must be broken. This thesis tests whether football academies can be used as an example of placemaking to break this cycle of shrinkage by strengthening social bonds and people-place attachments.



**v. The Importance of Incubating and Retaining Local Talent in Shrinking Cities**

It is critical for shrinking cities to use their local resources and human capital to combat the brain drain issue. Whereas Carr and Kefelas (2010) use the term “assets” for young, educated adults, Castillo (2007) adopts the term “local resources” in his article *Play Fresh, Play Local* (resembling local food system campaigns like “Buy Fresh, Buy Local”) to define athletes and support the use of such local products. Both sets of scholars reiterate a theme suggesting that offering various opportunities to homegrown talent—whether in cities or in sports—is vital for encouraging talented people to stay and contribute locally rather than leave for ‘greener pastures.’

According to the publication “Seven Types of ‘Global Cities,’” *Knowledge Capitals* are types of global cities that are typically underpopulated but produce some of the highest GDP per capita (Trujillo & Parilla, 2016). This suggests that generating talent and a robust economy is not necessarily dependent upon the quantity of workers but on training quality and tradition in a said field. Thus, a shrinking city can still thrive economically if it possesses knowledge workers.

Coinciding with such notions, research has also found that regions with effective talent incubators can produce enhanced economic results compared to those that lack such support systems (Abbott, Abrahams, & Groysberg, 2023). As talent incubators facilitate the exchange of ideas and knowledge, they may lead to knowledge spillovers, further igniting creativity and healthy economic environments (Karlsson, Rickardsson, & Wincent, 2021). Moreover, talent incubators do not solely provide an enhanced level of knowledge or wealth generation but also facilitate increased survival rates of small businesses via mentorship and funding (Abbott & Groysberg, 2024).

Additionally, regions with talent incubators spur job creation and opportunities in the area—often to the tune of thousands of jobs—as they attract, expand, and hire human capital to contribute to the local economy (Kauffman Foundation, 2020; Brookings Institute, 2024). In 2019, small businesses—including start-ups—generated nearly \$8.8 trillion in revenue, which speaks volumes on the impact talent incubators can have in a region (Abbott & Groysberg, 2024). Data also suggests that firms with talent incubators retain more employees (Abbott & Groysberg, 2024).

Fascinatingly, Raya-Castellano & Uriondo (2015) reveal comparable results in regard to football academies and find similar notions for achieving optimal athlete potential through player development, mentorship, and financing of young, prospective talents. However, their scholarship does not directly examine sports academies as urban talent incubators or their potential role or effectiveness in mitigating brain drain. Chapter 3.12 of this thesis will make these parallels and explore these relationships further.

#### **vi. Literature on Football in a Global Economy**

Globalisation made most football clubs victims of what Groves (2011) calls “standardisation and rationalisation,” meaning they are “contentless.” Essentially, most clubs are vulnerable to losing their identity as they go through the standardised process of purchasing global talent rather than cultivating their own.

Football’s role in urban pride, identity, and passion is not mutually exclusive but rather complementary. Castillo (2007; 2008) suggests that football is a form of community-building. Yet, physical urban structures are not the only means to spur placemaking. Football may uniquely facilitate sentimental forms of placemaking via identity-shaping and cultural expression (Llopis-Goig, 2017).

Historically, football clubs resorted to their local talent when assembling their teams (Foer, 2004). While the quality of clubs may have been limited, their regional identities remained largely intact. In an increasingly global landscape, poorer clubs must develop their talent from the ground up while richer clubs simply attract and purchase the fully formed talent from those smaller clubs (Foer, 2004). Like cities, rich clubs usually get stronger as poorer clubs get weaker (Vaczi, 2022). Such a polarising effect increases the gap between rich and poor, as poor clubs lose talent to rich ones (Vaczi, 2022). Ironically, globalisation has made for less competition—not more—making the sports field equally as “spiky” as our economic world.

Another negative externality that functions in similar ways in the sports world as it does in the urban context is the gentrifying forces and crowding out. Just as knowledge workers tend to displace local residents from knowledge hubs (Peck, 2005), in the sporting realm, international players are the gentrifiers who displace local talent from playing for their home club. While the local youth are trained in the local academy, the importation of international talent might crowd out locals from the first team and offers them no choice but to seek a new destination. Clubs also subsequently lose their true identity for every local who is replaced by an outsider. This displacement ties back to the notion that if local talent is deprived of opportunities locally, they tend to relocate to places that will offer such opportunities, ultimately leading to urban shrinkage.

## CHAPTER II: METHODOLOGY

### i. Purpose & Hypothesis

This thesis analyses Bilbao and Athletic Club as a case study of optimal talent retention that shrinking cities may consider when attempting to mitigate brain drain in a hyper-globalised world. It adds to the literature by providing potential evidence that a local football club can increase place attachment, thereby encouraging more people to stay in a city. Since Athletic Club (often referred to as just “Athletic” in this thesis) functions as a successful local talent generator, their initiatives might be emulated in various urban contexts.

While the concept of talent incubation is not novel, the contribution lies in the fact that Athletic incubates and *retains* local talent which shrinking cities may consider. Athletic’s talent incubation is further highlighted through an analogy of an egg’s incubation cycle to illustrate the stages of care they invest in from one’s birth to their full development. The use of football academies as an example of a placemaking strategy will help test the similarities with urban talent incubators so that they both inform the other on new ways to encourage place attachment.

Moreover, given its parallels with the Fordist concept of providing worker benefits to increase company loyalty, a section is dedicated to Athletic’s Fordist-like operations that keep its talent at home. To stay competitive in a globalised market, this thesis also argues that shrinking cities should develop a niche, using Athletic’s niche development as one of the only clubs worldwide to strictly use local talent as an example.

This thesis tests the hypothesis that football academies might be used as an example of a placemaking strategy that increases place attachment via effectively fostering a strong sense of communal identity and harnessing local human capital, thereby mitigating talent outmigration. To test this hypothesis, the Chapter 3 case study highlights Athletic Club’s robust local talent

engagement and retention strategies and philosophies that may inform shrinking cities on how to retain their human capital in the urban milieu. It also includes a section on Bilbao's physical construction and community development (which incorporates Athletic Club's stadium) to demonstrate how physical urban planning can influence the social aspects of placemaking, thereby potentially increasing place attachment and mitigating talent outmigration. The case study begins with a setting of the scene and a historical context of the region.

## **ii. Site Selection and Data Collection**

Bilbao is the quintessential example of a former Rustbelt city that has undergone a successful postindustrial urban revival (Zulaika, 1998). More specifically, this study is conducted in downtown Bilbao because it is accessible to a large number of citizens and home to Athletic Club's football stadium, San Mamés.

This qualitative study uses semi-structured, one-on-one interviews with two community leaders who can speak to Athletic's history, values, and operations: 1) the Director of the Athletic Club Museum, and 2) an educator/pedagogue at the *Iribar Egoitza Sporting Residence* within Athletic's Lezama Youth Academy. The responses were digitally recorded using an iPhone 8 for more in-depth analysis post-interview.

The interviewees were explicitly informed of the purpose of this study, their rights, responsibilities, and confidentiality as participants. They were issued a consent form detailing the study's purpose which was translated in Spanish and read prior to any recordings or interactions (see Appendix B for the IRB approved consent form). Both participants were interviewed separately on different dates to avoid one person's responses affecting the other's.

The interviews were a method of gathering information about the ways Athletic Club utilises forms of placemaking, marketing, identity-shaping, and opportunity-making amongst its

talented youth, ultimately to retain them. The interviews were also used to gather information about some of the tactics that were successful in local talent recruitment, cultivation, and—most importantly—retention to help shrinking cities ascertain which tactics may be “pull factors” [factors that attract people (Cambridge Dictionary, 2024)] for talent retention in the urban world.

During the one-on-one interviews, cultural and linguistic differences were acknowledged to build rapport with the interviewees. As an icebreaker, prior to the formal interview, an informal conversation (that was not recorded) was initiated to discuss topics such as the City of Bilbao, football, and Athletic Club. The interviewees were told when the formal, recorded interview began. The interview commenced only once the interviewee formally consented to the terms and conditions of the recording.

While the interviews had a list of pre-planned questions (refer to Appendices C and D in the Appendix section), they were semi-structured to allow for natural, free-flowing conversations. Active field notes of impressions were taken *post-factum* and securely stored in a Google Docs folder for easy access. Content analysis was used to identify key themes in the responses using open and focused thematic coding techniques to better interpret the data. This coding helped identify and categorise patterns and themes in the answers from the participants for further theory building. Both participants gave permission to have their names revealed in this study.

### **iii. Results**

The interviews conducted with Athletic Club’s key stakeholders offered valuable insights into the strategies used to retain local talent that may be tested in shrinking cities. The interview conducted with the museum director highlighted Athletic’s marketing as a local talent generator—which offers the importance of place marketing to instilling a sense of pride in the community.

The interview with the Lezama pedagogue revealed the inner workings of Athletic's talent recruitment and mentorship programs that emphasise broader education, cultural identity, and pride for talent retention, which may inform shrinking cities on the importance of opportunity-making to increase people-place bonds. Via the various opportunities offered by the academy, including the chance to represent Bizkaia (a province of the Basque Country), such opportunities show why its talent prefer to stay and contribute to their community, which may inform shrinking cities on how to reduce outmigration.

#### **iv. Research Limitations**

The first interview was conducted in Spanish and the subsequent in English. The first interview was with the Chief of Athletic Club's Museum Mr. Asier Arrate Sustatxa. Mr. Arrate had limited knowledge of the English language; thus, the interview was entirely in Spanish. Another limitation was my lack of Spanish to maintain conversations and ask follow-up questions. In essence, the interview was a series of translated questions read out loud and followed by a series of answers from Mr. Arrate without any probes or follow-ups.

The second interview was conducted in English with one of Lezama's pedagogues Mr. Iñaki Azkarraga Ripoll. However, Mr. Azkarraga's English proficiency was also limited, though he tried to accommodate for an English interview. Hence, there were plenty of misused words and some miscommunication. For instance, on several occasions he wanted to use the word "iron" to explain Bilbao's steel industry. However, given the history of the city (Zulaika, 2001), it was assumed that he meant to say the word "steel-production."

Another limitation of this study was the fact that these were the only two interviews conducted, representing just two perspectives. However, this study was complemented by an

audio recording of a San Mamés Stadium Tour Guide, along with ethnographic observations and a few short, informal interactions with local passers-by over a two-week period.



## CHAPTER III: THE BILBAO & ATHLETIC CLUB CASE STUDY

### i. Location, Population, & Industrial Profile of the Basque Country and Bilbao

This Chapter explains the Basque Country in greater detail to set the context for their localist values. Situated along Spain's northern coastline (See Figure 1) —wedged between the Bay of Biscay to the north, the Cantabrian Mountains to the west, and the Pyrenees Mountains to the east, about 120 kilometres from the French border—lies the lush green autonomous region of Basque Country (Britannica, 2023). The Basque Country maintains a population of roughly 2.2 million inhabitants, while its most populous province, Bizkaia, has about 1.14 million residents (Eurostat, 2024). Its largest city, Bilbao, has about 345,000 people (Eurostat, 2024).



**Figure 1:** Bilbao's Geographic Location  
(Source: Alamy)



**Figure 2:** Athletic Club  
Logo (Source: Wikipedia)

During the Industrial Era, northern Spain was heavily reliant on manufacturing (Zulaika, 1998). Bilbao experienced significant population growth during the late 19<sup>th</sup> and early 20<sup>th</sup> centuries in part due to its industrialisation, especially in sectors such as steel manufacturing and shipbuilding. Conversely, with a postindustrial decline in steel manufacturing and simultaneous rise in technological innovation from the mid-20<sup>th</sup> century onward, as with most manufacturing cities, Bilbao suffered years of economic hardship, demographic decline, and urban decay (Plaza, 2007; Zulaika, 2001).

Plaza (2007) highlights Bilbao's two major problems during the late 20<sup>th</sup> century: the loss of the steel industry and high unemployment. Between 1970 and 1990 during the initial stages of deindustrialisation, Bilbao was considered to be one of Spain's most depressed regions for it experienced a 14% population decline (Power, Plöger, & Winkler, 2010).

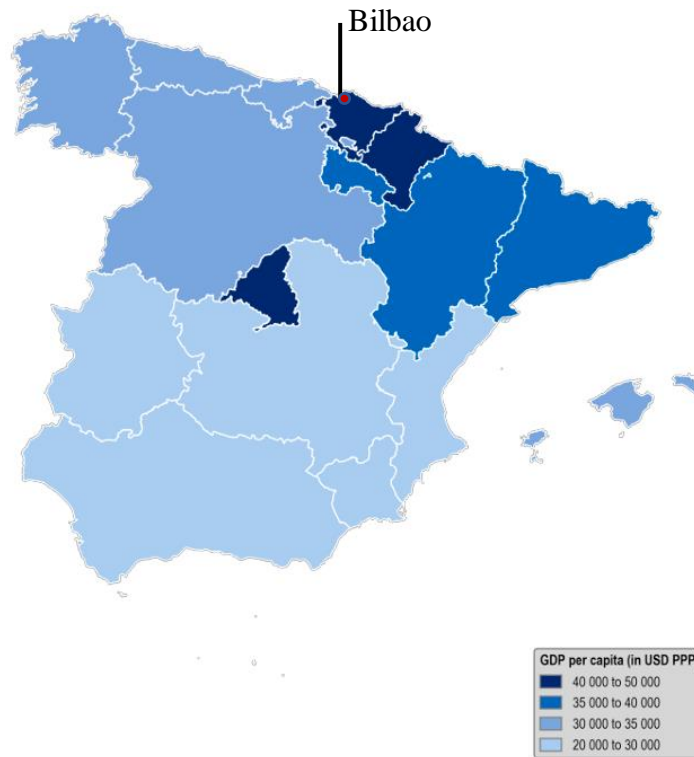
In recent decades; however, Bilbao has undergone rapid urban revitalisation, including urban renewal projects and the creation of, or reinvestment in, cultural and tourism infrastructure (Plaza & Haarich, 2015). This transformation has aided Bilbao's population stabilisation, with the city now experiencing modest growth rates of about 0.07% annually (Eustat, 2022). Meanwhile, while cities like Bilbao are steadily growing, many of Basque Country's rural areas are losing a population, with a third of the population migrating to Bilbao as the main economic centre (Delgado, 2010).

## **ii. Bilbao's Economic Profile/History and the 'Bilbao Effect'**

According to data from *Eustat* (The Basque Statistics Office), Metropolitan Bilbao lost twenty-five percent of its industrial jobs between 1979 and 1985, and by 1985 it had among the highest unemployment rates in the European Union (Eustat, 2022; Frick, 2023). Nevertheless, the Basques are a prideful and resilient ethnic group who maintain blue-collar work ethics and a strong entrepreneurial prowess (Glas, 1997). By the mid-2000s, Bilbao's unemployment rate fell below five percent (Frick, 2023). As of 2022, the Basque Country is amongst the richest regions by GDP and enjoys Spain's second-highest standard of living just behind the autonomous Community of Madrid by HDI metrics (see Figures 3 and 4) (OECD, 2022). Their unemployment rate is now lower than Spain's average (8.32% compared to 11.84%), and their median incomes are some of the highest (€32,400 compared to €27,155) (Statista, 2024).



**Figure 3:** Spain's Unemployment Rate, 15 Years & Over & Basque Country in 8-10% Range (Map Source: OECD)



**Figure 4:** Spain's GDP Per Capita in USD PPP & Basque Country's \$40,000 to \$50,000 Range (Map Source: OECD)

Urbanists often refer to the *Bilbao Effect* to explain the revival of other Rustbelt cities (Plaza, 2007). Much of these urban successes can be attributed to their local population, ranging from university graduates, urban planners, architects, politicians, and overall society who have contributed to their city's revitalisation through innovative design, character, and identity in the region (Aparicio & Charterina, 2015). With urban regeneration projects such as Bilbao's Guggenheim Museum, the Basques persisted over years of cultural domination, political suppression, and economic depression during the Francoist Era and recovered via collective empowerment, community-making, and a strong sense of identity (Vaczi, 2015).

### **iii. Bilbao's Local Professional Football Club—Athletic Club de Bilbao**

Bilbao is also a historically distinctive city and home to a unique football club known as Athletic Club. Athletic Club's origins date back to 1898 when it was established by a group of Spanish steel workers who had returned from their time working in Southampton, England and introduced the game of football to the Basque Country (Vaczi, 2011). The club's red and white-striped jerseys are in honour of Southampton's football club whose jerseys also have red and white (Vaczi, 2011).

Athletic Club is unique for many reasons, most notably for its policy which philosophically rejects the internationalism of modern globalised football via their unique Cantera policy (Groves, 2011). In doing so, they shifted their attention from the global market onto a rigorous network of local youth teams as a form of resistance to becoming a "Public Limited Company" (Castillo, 2008). Operating along autarchic lines, Athletic Club goes against the grain as an independent, self-sufficient club that strictly relies on its homegrown talent (Vaczi, 2011).

From being owned by its member supporters to rejecting to wear sponsors on uniforms unless it is a local sponsor to ensure money remains in the community, or having supporters bring homemade food instead of selling food at concession stands, Athletic Club has created a community-building philosophy that might be translated to a shrinking city milieu. Groves (2011) underscores how, unlike other clubs, Athletic Club is one of the few to continue maintaining tight links to its local community by promoting the use of its local resources. Groves' sentiments revert to the hypothesis that utilising local talent and offering them opportunities in the form of education, employment, recreation, and so forth, builds a sense of communal attachment amongst players and residents that might reduce talent outmigration.

Vaczi (2015) explores Athletic Club's culture and their role in Basque identity using an anthropological lens. Athletic's fan base affects the broader community in multiple ways, from facilitating forms of nationalism to pride-making—both on and off the pitch. Similarly, Castillo (2007, 2008) builds off the notion that football is a form of community-building, delving into Athletic Club's unique 'Basque-only' recruitment policy. The overarching commonality between Vaczi (2015) and Castillo (2007; 2008) is the concept of local community and the promotion of engaging local human capital.

#### **iv. The Socio-Historical Context of Athletic Club in the Broader Basque Struggle**

This section explores in greater detail the history of this region to explain why Athletic Club has been so determined to invest in local talent. Athletic Club first implemented its "Basque-only" policy in 1912, a grassroots *Cantera* policy based on poaching local talent in a specific geographic area, in this case, the Basque Country. A response to a hyper-globalised sporting industry where club identity was threatened, Athletic Club aimed to preserve their individuality by solely recruiting, cultivating, and—most importantly—retaining homegrown

talent (Vaczi, 2015). Consequently, this recruiting philosophy has garnered criticism over the years for being too exclusionary (Lang, 2021). However, it is imperative to understand the broader sociohistorical context of the Basques and their Region to realise the rationale for their localist values.

Although *Euskal Herria* (Basque Country) is located within Spain as indicated on a political map, the Basques might argue otherwise (see Figure 5). Throughout their history, the Basques endured a series of occupations by the Romans, Visigoths, Franks, Normans, and Moors (Veyrin, 2011). Despite being ruled for centuries, the Basques preserved their distinct language, an isolated language belonging to no common linguistic family (Vaczi, 2015). Contrary to some of the languages spoken by their oppressors, such as Latin spoken by the Romans, *Euskara* (the Basque language) never became extinct. Moreover, the Basques are one of the oldest ethnic groups in the world and still maintain a strong identity (Veyrin, 2011).



**Figure 5:** “Freedom for the Basque Country” separatist graffiti, Downtown Bilbao (Source: Nikolovski)



**Figure 6:** Basque Flags for Sale in Downtown Bilbao (Source: Nikolovski)

After the Spanish Civil War of 1936–1939, *Euskara* was prohibited under the dictatorship of Fascist leader Francisco Franco (Vaczi, 2015). Any sign of Basque nationalism warranted punishment in the form of imprisonment, torture, or assassination (Vaczi, 2015). Following Franco’s death in 1975, Basque separatists like the *Euskadi ta Askatasuna* (ETA) continued

fighting for independence from Spain (Vaczi, 2015). This was known as the Basque Conflict, and despite this Organisation's recent dissolution, the struggle for autonomy continues today (Vaczi, 2015). This demonstrates why Athletic Club is so determined to retain a unique, local identity, which is relevant to my research question as it speaks to the importance of using existing human capital that benefits the region and instills a sense of pride in its workforce that may convince them to stay.

**v. The Meaning of Society and Human Capital in Basque Country & Athletic Club**

As mentioned in Chapter 1, it is critical for shrinking cities to consider ways to retain their local talent by increasing place attachment and reducing brain drain. This section explores human capital theory in relation to place attachment by highlighting three broad local talent-retention strategies used by Athletic Club: 1) pride-making, 2) opportunity-making, and 3) placemaking. These three talent retention strategies resulted in an increase in talent retention at the club that may inform talent retention in cities more broadly beyond football.

The *Cross of the Tree of Gernika* is the highest civil medal awarded by the Basque Government to those who defend Basque identity in socioeconomic and cultural fields and is a testament to the cultural values that are important in this region (Basque Government, 2022). This highlights the value of cultural capital in the region (Coleman, 1988). Many Basque cities, residents, industries, and sports clubs nicely represent the region's general values and principles.

For instance, in the corporate world, Mondragón Corporation is a co-op company headquartered in the Basque Country that—like Athletic Club—operates through similar autarky principles (Mondragón Unibertsitatea, 2018). It stands on humanist business philosophies of participation and solidarity. While it does not have a strict Basque-only philosophy, it actively recruits local talent. Mondragón attracts human capital by hiring local university graduates right

after graduation (Mondragón Unibertsitatea, 2018). It is a worker-owned corporation where employees have the power to hire managers. Local control makes outsourcing less likely to occur, avoiding the economic devastation wrought by the outsourcing of jobs (Peck, 2017).

This is where Athletic Club also plays its part in the Basque narrative, for the club is an extension of Basque identity and cultural expression (Feixa & Juris, 2000; Gómez-Bantel, 2018; Llopis-Goig, 2017). Athletic represents the broader city both on and off the pitch, as each player has some ties to the Basque Region (Vaczi, 2015). The club's policy of retaining their own talent is deeply woven in territoriality and strong kinship to their ancient roots.

It was evident through both sets of interviews that Athletic's robust youth academy plays a crucial role in instilling a strong sense of identity and pride in its young players. Their programs and trainings are where aspiring athletes are taught the importance of representing the region of Bizkaia and embodying the values associated with the club's badge. This emphasis on regional identity and club loyalty helps cultivate a deep connection between the players and their community, motivating them to strive for excellence, both on and off the field.



**Figure 7:** Draped Basque & Athletic Club Flags (Source: Nikolovski)

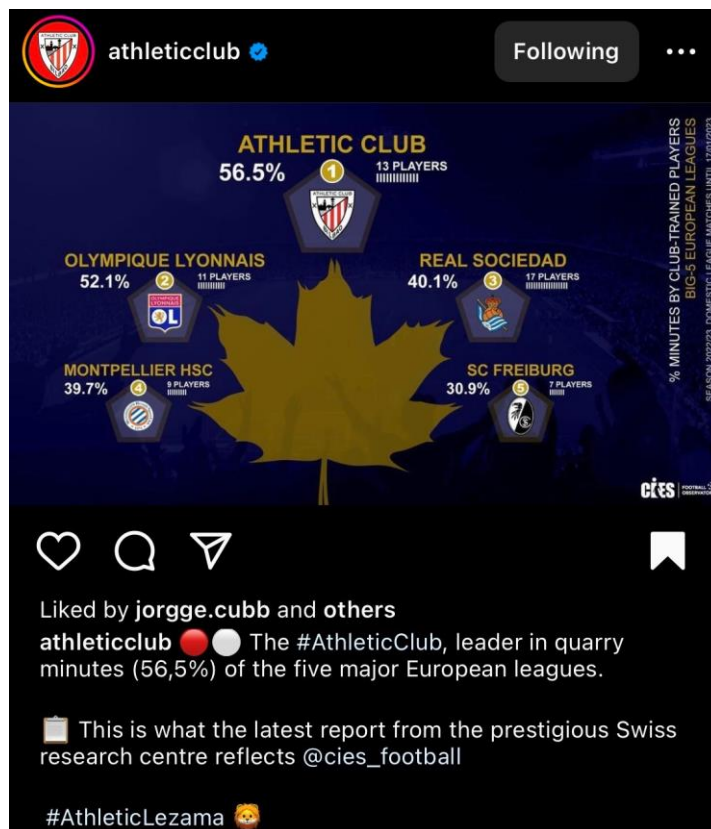


**Figure 8:** Athletic Club Flag Hanging Over Balcony (Source: Nikolovski)



Some like Mr. Azkarraga even refer to Athletic Club’s jerseys as “skin” since their jerseys represent the Basque People. There is mutual respect between the club and its players as they understand the values and responsibilities of playing for Athletic. Such a community-making, pride-producing, and identity-shaping policy convinces their players to stay and contribute their talents locally.

Athletic prides itself on offering their prospective talent such opportunities to represent their people and land on the football pitch. This is exemplified in their social media post (see Figure 9) celebrating their top spot in Europe in the number of minutes their graduates play per game for their first team (CIES Football Observatory, 2023). Their rigorous program goes beyond sports to teach their players cognitive skills, discipline, and life values beyond football and nurtures them to become well-rounded citizens.



**Figure 9:** Athletic Club’s Official Instagram Post Priding Themselves on Being the Leader in the Number of Minutes Their Academy Players Play for Their First Team Across Europe’s Top-Five Leagues (Source: A.C. Instagram)

In the interview with one of Athletic's Lezama Youth Academy's pedagogues Mr. Iñaki Azkarraga, he elaborated on some of the teachings Athletic engages with. He stated, "We have a program about teaching values about the, you know, the 'new masculinities,' betting the money, about drugs." Moreover, in 2018, thirteen out of the twenty-one professional youth players studied at university, mindful that football is a short-lived career (Clapham, 2018).

Newborns in Bizkaia are gifted an Athletic Club bib (see Figure 10) as a gesture of welcoming their future into the greater 'Family' and a form of community-building (Athletic Club, 2023). It was evident from the field site visit that community-building was extended in the physical form via Athletic Club flags that decorated the cityscape, from murals to shops, balconies, restaurants, and more. It is a truism that if one is from Bilbao, they likely know someone who has either played, coached, or has been involved with Athletic Club in some way, suggesting the club's strong communal connections and ground-up operations.



**Figure 10:** "Welcome to This Great Family" Bib Gifted by Athletic Club (Source: A.C. Instagram)

To be clear, Athletic’s policy does not intend to discriminate against foreign players; instead, it prides itself on producing and preserving its own talent. The former is separate from the latter. Discrimination of any kind from Athletic supporters towards their players is seldom to none as they understand that anyone who plays for their club also represents them (Aquino, 2017). Another common source of criticism for this “local-only” policy stems from those who postulate that maintaining a Basque-only team would hinder Athletic’s potential to be competitive when playing against clubs that have opened their markets to global talent (Smith, 2020). Contrary to this assumption, Athletic Club is remarkably just one of three clubs in Spanish first-division league history to have never experienced relegation to a lower-tiered league (Lowe, 2023). The only other two are global powerhouses Real Madrid C.F. and F.C. Barcelona, both of which Athletic has triumphed over on numerous occasions (Lowe, 2023). Further proof lies in the fact that in April 2024, Athletic Club had won their twenty-fifth *Copa Del Rey* (Spanish Cup).

The key takeaway is that talent requires a system and culture in which to operate (Florida et al., 2020). Sports can be considered a cultural trope that might explain the complex social dynamics within cities and regions. In the Bilbao and Athletic Club case, they offer their existing populace opportunities and seek locals before outsiders. The intention is not to discriminate but instead preserve and uplift their citizens. Through social innovation tactics, they convinced their local workforce that contributing locally is in the name of the greater good. In turn, their locals reciprocate the favour by contributing to their urban revitalisation through resilience and synergy. Placemaking allows locals to realise opportunities offered in their region that meet their needs and desires, lessening the need to leave (Wyckoff, 2014).

The examples of pride-making, opportunity-making, and placemaking pursued by Athletic Club supports the hypothesis that harnessing local capital influences a greater attachment to place. While Bilbao and Athletic might not be the largest or wealthiest entities, they thrive above most of their counterparts in the competitive global market (OECD, 2022; Golson, 2018). Hence, perhaps great things can start locally.

**vi. Athletic Club’s Local Talent Recruitment, Cultivation, and Retention & The ‘Egg Incubation’ Analogy**

Juan Carlos Castillo’s (2007) *Play Fresh, Play Local* analogy is one of great significance as it highlights the importance of utilising local talent. However, his metaphor connotes that athletes are simply “products” to be used, whether it be for foreign or local consumption. This parallel radiates an impersonal notion that talent are products to be exploited, shipped, or disposed of post-effectiveness.

Rather, this section proposes the analogy of a bird, its nest, and the egg incubation process to illustrate the importance of raising local, talented youth in a delicate and nurturing manner. By raising—or ‘incubating’—talent in ways that offer them an array of opportunities to attain their utmost potential and satisfy their goals, their willingness to produce for the land in which they are from may be reciprocated organically. The egg incubation analogy is particularly fitting in this context considering the way Athletic Club operates as a ‘talent incubating system.’

The lifecycle of an Athletic footballer begins at the local Basque hospital the day they are born. This ‘laying of the egg’ is the first step in the many that follow. Being born in the Basque Country qualifies them to play for and represent their club. As Mr. Azkarraga mentioned in the interview, “It’s like a shield for life, you’re going to be ours now for all of your life...getting born in Bilbao is like a guarantee to be a football player in Athletic Club.” Moreover, as

mentioned above and shown in Figure 10, in 2023, Athletic Club gifted all newborn Bilbaínos Athletic Club bibs to celebrate its 125th Anniversary (Athletic Club, 2023).

The second step is the ‘incubation of the egg.’ This is where their youth are taught the philosophies of life, etiquette, academics, their histories, politics, and the world of football, among other teachings. This process makes their talent well-rounded and informed citizens of the world in which they live and proud to be where they are from. Subsequently, the ‘cultivation’ of the talent occurs whereby world-class trainers and mentors provide their city’s youth with elite-level training in the Lezama Youth Academy (Athletic Experience, 2020).

This cultivation is what Mr. Azkarraga refers to as “the factory” or “laboratory.” A salient point to make is that this “laboratory” hosts classrooms for learning both football *and* academics. The team’s mission, as per Athletic Club Academy’s official website, is: “To produce players and humans who can represent our Club, and all its values, both on and off the pitch” (Athletic Club, 2022, para. 9).

Finally, the ‘hatching of the egg’ takes place when the mature ‘product’ is brought to Bilbao’s greatest stage of performance—San Mamés Stadium—to reciprocate the favour after being ‘fed’ years of top-quality ingredients, training, and utmost care. This is where talent has the opportunity to ‘spread its wings’ and showcase its value. It is also worth noting that San Mamés Stadium’s architecture does have some resemblance to a bird’s nest.

It is important to mention that such a youth academy is not unique to Athletic Club. Almost all professional clubs have a youth academy where they train regional talent. What is germane to Athletic—unlike most other clubs (and cities)—is their ability to fulfill three important criteria while others seemingly only fulfill two. Most cities and clubs *recruit* and *cultivate* local talent, and clubs such as AFC Ajax’s *De Toekomst* in the Netherlands, F.C.

Barcelona's *La Masia* in Spain, and Manchester United's *Carrington Academy* in England are all arguably superior youth academies to Athletic's *Lezama* (CIES Football Observatory, 2023). However, most of these clubs do not have the ability—nor desire—to *retain* their local talent once they have been fully formed (Kuper & Szymanski, 2009). Conversely, most of these clubs purposefully export their talent with the intention of making a profit from them (Kuper & Szymanski, 2009).

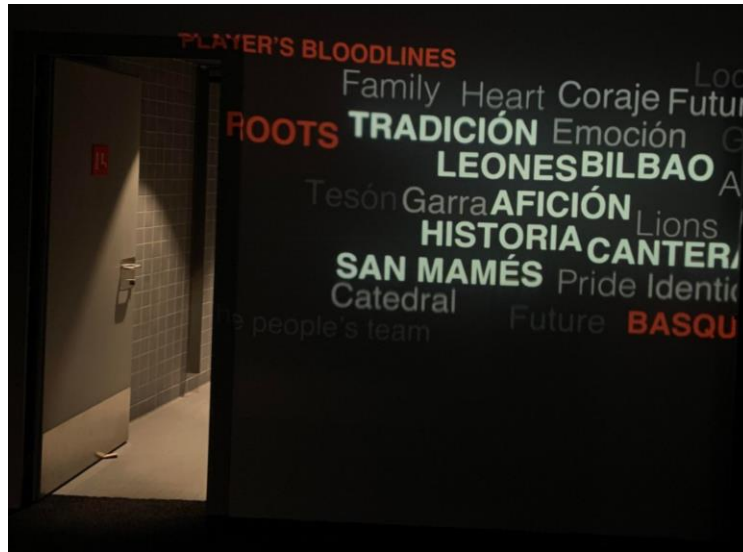
As other clubs seek profit, Athletic's return on investment is preserving regional identity and the honour of claiming their achievements as entirely their own. Despite Athletic's policy being tacit and flexible, ever since its implementation in 1912, the overwhelming consensus has been a preference to lose with identity rather than win without identity (Vaczi, 2015).

During the interview, Mr. Arrate detailed Athletic's sentiments when it comes to preferring to risk all and lose with an identity rather than win without one:

So, for us, the most important thing—more than winning titles—is how we compete. And how do we compete? With people from the Cantera. With people who have been trained in the lower teams of the Athletic school or with records that are from Basque players. So, the Basque quarry or own quarry.

So, a little more about the mission is that it is playing football with our people, with our model, knowing that we are giving up triumph as it is understood because we transfer the triumph to working with children from our "House," to playing with the idea of competing with Basques, of creating community, of attachment to the public, and of, well, of that pride every Sunday—or any day—that we go to the field to see our players play and see this football model.

The work of Athletic's would be very difficult and we have an uncertain future, right? But that same uncertain future is what makes us right now be more united and prouder of the team model we have. So, Athletic is a football club but it is a very special football club because it only plays with people from the community and all the fans support this risk-taking, sports risk, economic risk, and the rest.



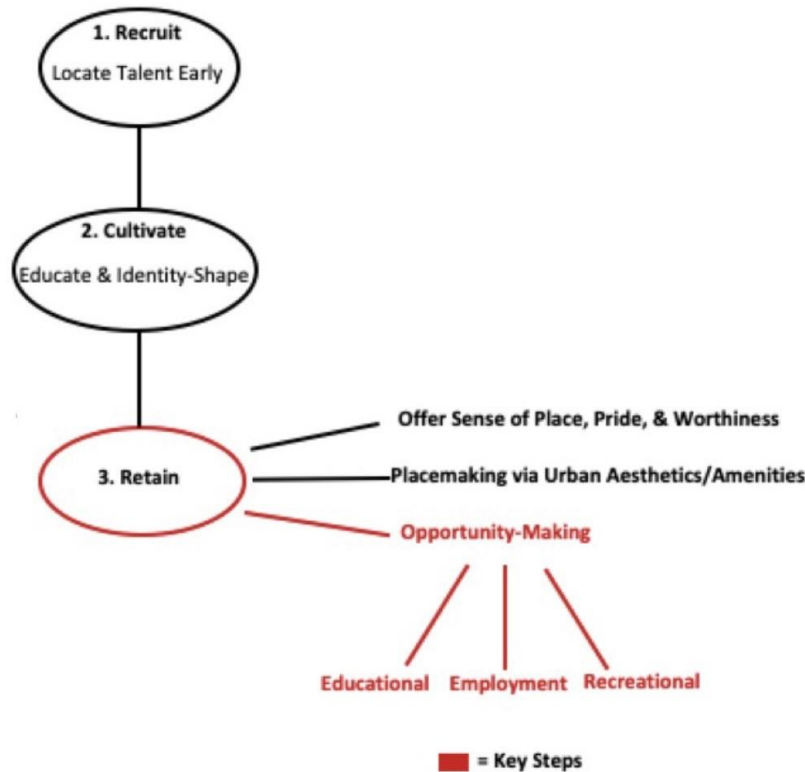
**Figure 11:** Visitors' Input Key Words Defining Athletic Club at the A.C. Museum (Source: Nikolovski)

This local investment is also how Athletic successfully created a loyal squad and fan base. As former Athletic Club President José María Arrate stated, “We only wish for the sons of our soil to represent our Club, and in doing so wishing we stand out as a sporting entity, not a business concept” (Shulman, 2004, p. 69). Athletic's Director of Football Mikel González further elucidates how Athletic translates football matters into broader Bizkainian Society to form stronger communal and urban attachments:

The philosophy limits you in theory but while you lose in one way, you gain something greater. That comes with a deep sense of identification with what is often referred to just as the *Tierra*, the Land. It's not just sporting in *Euskadi*: it's business, education, per capita income, economic strength, and that goes hand in hand with a cultural level, a professional level. It's a successful society, you can say, and that's all mixed in together. That idea of an academy that's so much a part of its environment, those values, that society, the fact that you play with people from here means that you keep the talent you develop more than most clubs. Very few go (Lowe, 2023).

The way Athletic actively strives to retain their local talent is what shrinking cities may also want to consider when attempting to keep their local talent. While the example drawn from sports academies may not directly align with the conventional complexities of brain drain associated with varying levels of education and social class, the underlying premise remains relevant to the broader discussion of talent retention and community development in shrinking cities.

Figure 12 below is a diagram based on the coding of the interviews that highlight three main pillars and steps shrinking cities could pursue to keep their local talent at home. It begins with local talent recruitment and cultivation followed by retention as the final and most important step. Retention is then divided into three main steps: pride-making, placemaking, and opportunity-making (opportunities are in the form of education, employment, and recreation).



**Figure 12:** Nikolovski’s Local Retention Plan to Reduce Brain



## **vii. Athletic Club's Ability to Strengthen 'Roots' to Home**

Another analogy quite germane to the Basque Country is that of planting a tree. The Tree of Gernika is a 1000-year-old tree and a symbol of Basque uniqueness and resilience (Athletic Experience, 2020). In 1937, during the Spanish Civil War, the Town of Gernika was bombed by Nazi forces under the orders of General Francisco Franco. Most of the Town was levelled; however, the Tree of Gernika stood tall and strong. Symbolically speaking, the tree might have been able to survive these harsh circumstances given its deep roots to the soil.

Growing a tree is much like incubating an egg, requiring plenty of patience, love, care, dedication, nutrients, warmth, and sunlight. However, a large tree like the one in Gernika begins as a small seed, much like a fully formed adult begins as a baby. As they grow, they require support, and the more nurturing, the deeper, stronger, and healthier their roots get into the soil. Translating this analogy to football, this means scouting talent early, evaluating their abilities, educating them in various disciplines, instilling pride, and offering numerous opportunities.

Once the tree and people fully mature, whether they detach from the soil depends on how well they were raised and tended to. The Tree of Gernika is a powerful symbol showing how and why Basque roots tend to be strong. The more investment in the tree, the more nutritious its fruit becomes. Cities should likewise invest in their citizens to bear the fruits of their talents. To this day, the Tree of Gernika stands the test of time and is actively preserved and safeguarded by the Basque People as a symbol of resilience (see Figure 13). Athletic Club, along with the Basque Country more broadly, serves as a good case study of establishing strong roots to home. Such placemaking strategies used by a football academy like Athletic Club tie back to the hypothesis that strengthening ties to home might increase place attachment, thereby potentially mitigating talent outmigration.



**Figure 13:** The Tree of Gernika Safeguarded & Preserved in the City of Gernika, Basque Country (Source: Talent Bizkaia)



**Figure 14:** The Tree of Gernika Trophy for the Friendly Between Athletic Club & Chivas (Source: 24 Horas)

### **viii. Athletic's Social Impact on Urban Attachment and Youth Pride**

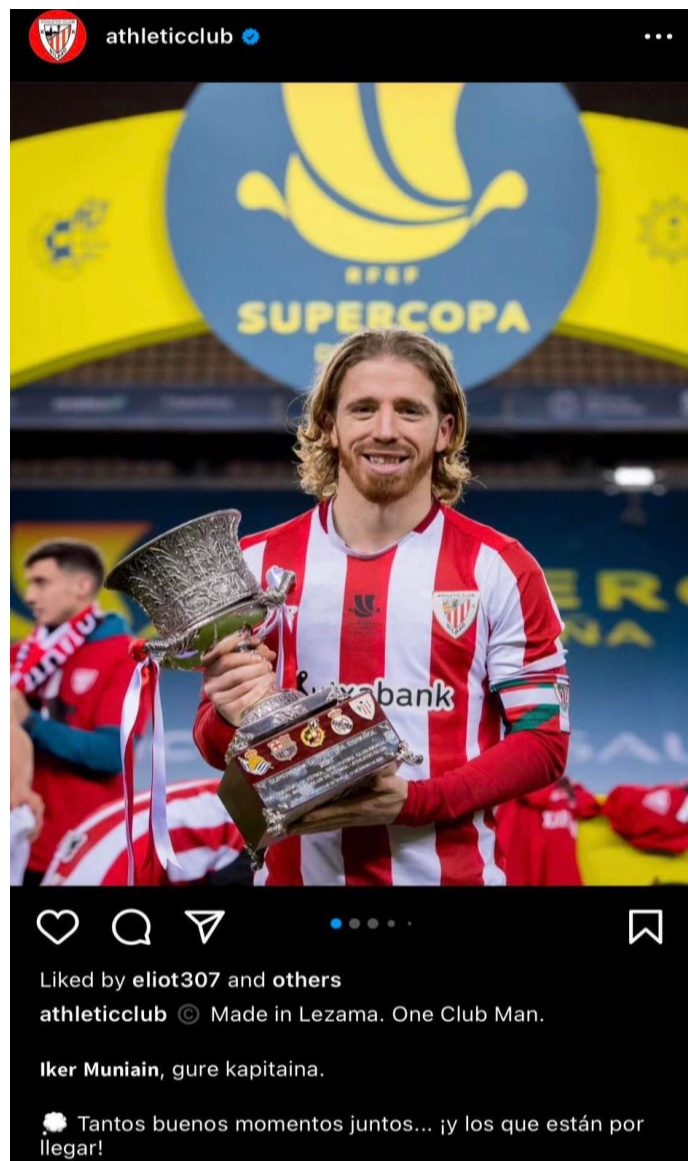
Athletic Club symbolises more broadly an important social component to urban attachment. Often, it is not the physical environment such as buildings that strengthens urban attachment. Rather, it is the people with whom one socialises and interacts (Putnam, 1995). There is something intrinsically special about knowing your neighbours, colleagues, friends, and family that makes life in a community more enjoyable (Jacobs, 1961).

Athletic's Lezama youth academy can be considered a small 'football town,' particularly given its seclusion from Downtown Bilbao. As Mr. Azkarraga mentioned in the interview, the youth who spend years together here form lifelong kinships and relationships, making it difficult to leave in the future. This attachment is why anecdotes of Athletic alumni leaving for heftier price tags and larger clubs elsewhere are rare (Golson, 2018) and is further elaborated upon in Chapter 3.10. Hence, such deep sentiments of urban attachments stem from social interactions which strengthen roots to home. Athletic Club is stellar in retaining its talent and engaging with Basque society through placemaking, and like birds, their players return home to their 'nests.'

Nonetheless, while having hometown pride is a good start, this thesis argues that pride is not sufficient when discussing brain drain if the city lacks a sense of value for its citizens. They can feel proud of where they are from and also feel a lack of opportunities offered by their city, ultimately leading them to leave. People can have what I call 'pride from afar,'—i.e., hometown pride while living somewhere else that better meets their desires and needs.

Also argued in this thesis is that value can mean a plethora of things, ranging from offering educational opportunities to job opportunities offering livable wages. It may imply providing citizens with aesthetically pleasing parks and recreation to enjoy. Thus, pride and worth must complement one another to ensure less talent outmigration.

Athletic Club provides its talented youth with a sense of worthiness and a vision of future success which is paramount for their youth’s willingness to reciprocate their efforts. Athletic offers such worth by explicitly showcasing their devotion in their youth (see Figure 15). People like Mr. Azkarraga do not merely pride themselves on their first team and ostensibly take more pride in their youth academy. The youth academy is precisely what makes Athletic distinct and why many supporters—both in and out of the Basque Country—are intrigued by this club.



**Figure 15:** Athletic’s Instagram Post Priding Themselves with Lezama Graduate and Long-Serving Athletic Capitan Iker Muniain with the Caption “Made in Lezama. One Club Man.” (Source: A.C. Instagram)

While conversing with Mr. Azkarraga whilst touring the Lezama training facility, he mentioned that he prefers to interact with their youth more than with members of the first team. Moreover, in the back room of Mr. Arrate's office stood a large trophy about a metre tall (See Figure 16). It was one amongst an array of youth trophies showcasing their triumphs and youth pride. Dedicating trophies and rewarding their youth with larger, more grandiose trophies than those given to the first team revealed the significance this club has for raising a robust youth squad. More youth trophies were displayed in their official Museum as well.



**Figure 16:** Large Youth Trophy in Mr. Arrate's Office (Source: Nikolovski)

Athletic treats their youth as professionals rather than as supplementary pieces to a greater puzzle. Conversely, Athletic is synonymous with their youth who are *the* central piece in their philosophy and their most valuable asset. As their Instagram (2023) post suggests, "We are not the future, we are now: the voice and opinion of children is essential to building safe and

well-being environments, also in football.” This detail contributes to the hypothesis that harnessing local human capital in a way that explicitly showcases a demand for their contributions may convince talent to remain and contribute locally.

By taking pride in their future, as well as rewarding them for their efforts and achievements, it is not a secret why Athletic’s youth strive to offer their best to their club and prefer to stay and contribute locally. Cities should also strive to value and reward their citizens so they feel welcomed, worthy, and important. These actions provide them with added motivations to stay, and there are several ways to do this, such as offering their locals opportunities to showcase their talents and attain their life aspirations.

Athletic’s first team frequently visits Lezama’s training facility to engage with their youth and inspire a vision and sense of hope for their future (Instagram, 2023). Mr. Azkarraga mentioned in the interview that the first team also trains in Lezama before every home game while the youth often play on San Mamés’ centre stage. This offers the youth a chance to envision their future and allows the first team to remember their humble beginnings. Below is an excerpt from the *Athletic Experience Magazine* (2020) describing their Lezama “Factory”:

To speak of Athletic is to speak of Lezama, the cradle where the future Lions and Lionesses [club’s mascot] are trained. Lezama was already forward-looking in its time and has inspired other major sports facilities, acting as a symbol of the youth academy. Admired and emulated by many, it looks after the players from the Basque Country and trains people in all the values of a club that boasts a unique philosophy (p. 24).

What started as a small school in 1971 is today one of the envies of the world for its latest technology applied to sport and its qualified and experienced sports professionals. Throughout its 50 years of history, almost 10,000 footballers have played on its turf, of whom 192 men and 56 women have made it to the first team. A visit to the red and white factory is the perfect excuse to watch a training session of the men's or women's first team, get an autograph and enjoy the 13 hectares of the most successful sports academies in the world (p. 24).

In short, Athletic Club trusts its own talent. As mentioned in Chapter 1.3 in the shrinking cities context, Carr & Kefalas (2010) argue that disinvestments in talented youth often lead to their outmigration. To avoid this, Athletic financially invests in their talent and donates to 150 “brother clubs” in the Basque Region to form a solid foundation and monitor youth progress (Clapham, 2018). While Athletic often considers themselves to be Bilbao’s “beating heart,” these smaller regional clubs supply Athletic with prospected talent and are often considered its “bloodlines” (Instagram, 2023). With a solid and dependable youth foundation, Bilbaínos are cultivated for long-term success rather than simply being successful commodities to be purchased or exported.

**ix. Athletic Club’s Engagement of Local Talent as a Form of Human Capital**

Another club with similar histories to Athletic is Glasgow Celtic. While Celtic has since abandoned their homegrown policy, they continue to host traditional friendly games with Athletic (Athletic Club, 2023). Celtic hoisted the 1966-67 Champions League trophy with a squad consisting of only local players whose hometowns were all within a 50-kilometre radius of Glasgow (Lennox, 2009).

After defeating an internationally assembled Inter Milan team in the final, Celtic’s squad was dubbed the “Lisbon Lions” as the final took place in Lisbon (Lennox, 2009). Celtic exemplified how local talent can produce effective results as long as they are efficiently engaged. The rest of this section examines Athletic Club to further test this claim in support of the hypothesis that football academies might be used as examples for harnessing local human capital through opportunities that may increase place attachment and lessen talent outmigration.

Athletic Club is Spain’s third-most trophied club in La Liga history with thirty-five trophies claimed to its name (Lowe, 2023). Additionally, La Liga is one of the world’s most competitive football leagues and Athletic has managed to thrive amongst such competition

(Global Football Rankings, 2023). This level of performance is an extraordinary feat that will be difficult to replicate by other clubs since the Basque Country accounts for just 1.4% of Spain's territory and 4.9% of Spain's population (Lowe, 2023). In other words, their talent pool is restricted to a region smaller than that of the U.S. State of Rhode Island and a population smaller than that of the U.S. city of Houston (U.S. Census Bureau, 2023). Hence, this is the pool from which Athletic must draw all their talent.

When asking Lezama's pedagogue Mr. Azkarraga the "secret" behind Athletic Club's successful feats using just their people, his response was "Team chemistry, bonding, and a family environment." As he continued: "The sense of the team. That's our secret. The team, the people behind the team, all the community, that's our secret." Put simply, the support from their fans is what fuels their players to perform for their people and function as a united 'Family.'

While Mr. Azkarraga frequently mentioned that none of their players are anywhere near the superstars that other larger clubs may have, their players have played together since they were children and know each other very well. Hence, it makes it easier for them to assemble as one unit and compete with a passion and desire to prove their worth. In short, Athletic engages in grassroots, bottom-up approaches that cultivate players who fulfill a role and complement each other with their unique strengths. All players understand each other, which enables their play to be much more efficient compared to teams that utilise newly integrated players.

In the same vein, while bigger clubs may possess more talent, Athletic aims to show what they are made of and that they can compete alongside these 'giants' and represent their people. As Greek philosopher Aristotle famously remarked: "The whole is greater than the sum of its parts" (Cohen & Reeve, 2021), and Athletic nicely embodies the meaning and power of synergy, solidarity, and team chemistry over individual brilliance.



One of the fondest memories that Athletic supporters like Mr. Azkarraga enjoy retelling is of their 2-0 victory over Real Madrid in the 1958 *Copa del Rey* Final. During the interview, he mentioned that this was a time when Madrid was three-time consecutive European Champions while Athletic's squad was entirely comprised of players born within 40 kilometres of Bilbao.

Athletic's team was colloquially dubbed the *Once Aldeanos* (Eleven Villagers) to symbolise their amateur status but who shockingly went on to triumph over Madrid who fielded international players such as Argentinian Alfredo Di Stefano—one of the world's greatest players of that time (Lowe, 2023). The fact that this fixture was played in the City of Madrid made such a victory all the more satisfying for the Basque side (Lowe, 2023). This was especially true given General Francisco Franco's allegiance to Real Madrid and his presence in the Estadio Chamartín (now the Santiago Bernabéu Stadium) (Lowe, 2023).

Athletic demonstrates how success can come from within and that clubs and cities may not need to attract outside talent to be successful as long as they invest in their own. Internationally speaking, countries with a population of just over three million, such as Uruguay or Croatia, have claimed several World Cup titles or runner-up spots (FIFA, 2023). Conversely, nations with over a billion inhabitants, such as India or China, have either never qualified or underperformed at the World Cup (FIFA, 2023). However, such successes may also depend on the culture and education in a said field, which other regions need to consider.

As Athletic's motto suggests: “Con cantera y afición, no hace falta importación,” meaning “With homegrown talent and support, there is no need for imports” (Stacey, 2016). This motto elucidates Athletic's commitment to bolstering a sense of attachment to the local club and region. Through prioritising homegrown talent development over expensive outsiders, Athletic does not merely promote a cost-efficient approach but simultaneously tightens connections to the

region. As Mr. Azkarraga stated in the interview, “So, we have to create with our own players, is like a ‘zero kilometres product,’ it’s a modern concept but for us it’s been the same thing during the Century.” This sentiment underscores the value of local talent cultivation and establishing a solid sense of place attachment. This dedication to place-based identity and investment in local human capital aligns with football’s placemaking qualities highlighted in the hypothesis.

According to Mr. Azkarraga, Athletic Club has about fifteen scouts spread across the Basque Country in pursuit of future Basque talent. They visit playgrounds, schools, and other public spaces. The importance of physical spaces in forming people-place connections are further discussed in Chapter 4. In essence, prospective talent does not need to seek Athletic as Athletic seeks them, which cities may also consider when attempting to proactively retain talent.



**Figure 17:** Athletic’s Famous Motto on Wall (Source: Flickr)

Castillo (2007) also states:

The promotion of local products has had a long tradition in the Basque Country, and can therefore be assimilated to Athletic's philosophy. The case of football, like that of food, is just one example of this struggle between the local and the global. Athletic is living proof that, even in professional sports, the rules of globalisation can be bent and a community with strong values can sustain a product made entirely of local talent (p. 15).

It is imperative to mention; however, that while Athletic Club restricts their talent to only the Basque Country, their coaching staff are not required to be from the Region. This openness to coaching talent shows how knowledge production is valued in the Basque Country and that they are willing to gain insight from foreign perspectives as long as it is advantageous and benefits their locals. While Athletic Club has had numerous Basque coaches, one of their most successful coaches includes the coach of the 1958 “Eleven Villagers” victory over Real Madrid, Ferdinand Daučík—a Czechoslovakian (Corrigan, 2020). Athletic actively recruits top foreign tactical and technical minds and a few of their most successful coaches include Britain’s Fred Pentland, Yugoslavia’s Milorad Pavić, and Argentina’s Marcelo Bielsa (Transfermarkt, 2023). Hence, Human Capital in Bilbao is used to the locals’ advantage.

**x. Athletic’s Niche Development in a Highly Globalised Football World**

In Athletic Club’s 126-year history, there have only been four major transfers, all in recent years (Transfermarkt, 2024). Essentially, Athletic Club is seldom convinced to sell their local assets for hefty price tags as their philosophies go beyond just profit-making (Golson, 2018). Moreover, their players often reject such offers (see Figure 18) suggesting an attachment to their home club as they have all the amenities they need and desire domestically. Thus, shrinking cities might be able to look to Athletic Club for similar ways to retain local talent.

Conversely, in the rare event that Athletic Club does purchase players outside of their Youth Academy, they strictly pursue Basque players who have left the club or the Basque Region to bring them back home. Athletic Club spends significantly less to acquire players, as the most that Athletic has ever spent on a player to come home was €32 million in the 2017-2018 season in pursuit of Iñigo Martínez who played in the neighbouring Basque club, Real Sociedad (see Figure 19) (Transfermarkt, 2024).

These statistics also highlight how developing local talent can be financially viable for Athletic Club (see Figure 20). It does not cost them much to satisfy their local population and develop their players into highly sought-after ‘commodities.’ Thus—while it does not occur often—Athletic can sell their talent for substantial profits if bigger clubs do seek them.

Athletic is also one of the most financially stable clubs in the world due, in part, to such conservative and responsible business practices (Golson, 2018). Hence, Athletic Club can be considered a prime example of not only talent retention but also a successful niche developer that has remained competitive in a highly globalised football economy, highlighting the importance of capitalising on all existing assets.

Evaluation 1	Player 1	Club 1		Player 2	Club 2		Player 3	Club 3
	<b>Aymeric Laporte</b> Athletic Bilbao Market Value: 25.00m	Joining Real Madrid?		<b>César Azpilicueta</b> FC Chelsea Market Value: 4.50m	Joining Athletic Bilbao?		<b>Nico Williams</b> Athletic Bilbao Market Value: 50.00m	Joining Real Madrid?
	<b>Aymeric Laporte</b> Athletic Bilbao Market Value: 25.00m	Joining FC Chelsea?		<b>Iñigo Martínez</b> Real Sociedad Market Value: 8.50m	Joining Athletic Bilbao?		<b>Nico Williams</b> Athletic Bilbao Market Value: 50.00m	Joining Bor. Dortmund?
	<b>Kepa Arrizabalaga</b> Athletic Bilbao Market Value: 20.00m	Joining Bayern München?		<b>Aymeric Laporte</b> Athletic Bilbao Market Value: 25.00m	Joining Bayern München?		<b>Nico Williams</b> Athletic Bilbao Market Value: 50.00m	Joining Aston Villa?
	<b>Iñaki Williams</b> Athletic Bilbao Market Value: 25.00m	Interest from Bor. Dortmund		<b>Mikel San José</b> Athletic Bilbao Market Value: -	Joining Manchester Utd.?		<b>Unai Simón</b> Athletic Bilbao Market Value: 25.00m	Joining Al-Hilal?
	<b>Mikel Merino</b> Bor. Dortmund Market Value: 50.00m	Joining Athletic Bilbao?		<b>Óscar de Marcos</b> Athletic Bilbao Market Value: 1.50m	Joining FC Chelsea?		<b>Aymeric Laporte</b> Manchester City Market Value: 25.00m	Joining Athletic Bilbao?
	<b>Sabin Merino</b> Athletic Bilbao Market Value: 500k	Interest from Panathinaikos		<b>Aymeric Laporte</b> Athletic Bilbao Market Value: 25.00m	Interest from Manchester?		<b>Iñigo Martínez</b> Athletic Bilbao Market Value: 8.00m	Joining FC Barcelona?
	<b>Fernando Lorente</b> Athletic Bilbao Market Value: -	Joining FC Chelsea?		<b>Aymeric Laporte</b> Athletic Bilbao Market Value: 25.00m	Interest from FC Barcelona?		<b>Iñigo Martínez</b> Athletic Bilbao Market Value: 8.00m	Joining Atlético Madrid?
	<b>Iker Muniain</b> Athletic Bilbao Market Value: 6.00m	Joining Ol. Marseille?		<b>Iñaki Williams</b> Athletic Bilbao Market Value: 25.00m	Joining Real Madrid?		<b>Nico Williams</b> Athletic Bilbao Market Value: 50.00m	Joining FC Liverpool?
	<b>Mikel Oyarzabal</b> Real Sociedad Market Value: 50.00m	Joining Athletic Bilbao?		<b>Iñaki Williams</b> Athletic Bilbao Market Value: 25.00m	Joining FC Liverpool?		<b>Ander Herrera</b> Paris SG Market Value: 2.50m	Joining Athletic Bilbao?

**Figure 18:** List of a Few A.C. Players Rumoured to Join Other Clubs & Their Rejection (Red) or Acceptance (Green) of those Transfer Offers (Source: Transfermarkt)

#	Player	Age	Nat.	Season	Left	Fee
1	<b>Iñigo Martínez</b> Centre-Back	26		17/18	<b>Real Sociedad</b> LaLiga	€32.00m
2	<b>Yuri Berchiche</b> Left-Back	28		18/19	<b>Paris SG</b> Ligue 1	€24.00m
3	<b>Álex Berenguer</b> Left Winger	25		20/21	<b>Torino</b> Serie A	€12.00m
4	<b>Roberto Ríos</b> Centre-Back	25		97/98	<b>Real Betis</b> LaLiga	€12.00m
5	<b>Raúl García</b> Centre-Forward	29		15/16	<b>Atlético Madrid</b> LaLiga	€10.00m
6	<b>Beñat Etxebarria</b> Central Midfield	26		13/14	<b>Real Betis</b> LaLiga	€8.00m
7	<b>Ander Herrera</b> Central Midfield	21		11/12	<b>Real Zaragoza</b> LaLiga	€7.50m
8	<b>Javi Martínez</b> Defensive Midfield	17		06/07	<b>CA Osasuna Prom</b> 2ª B - Grupo III	€6.00m
9	<b>Santiago Ezquerro</b> Centre-Forward	21		98/99	<b>Atlético Madrid</b> LaLiga	€6.00m
10	<b>Iban Zubiaurre</b> Right-Back	23		06/07	<b>Real Sociedad</b> LaLiga	€5.90m

**Figure 19:** Athletic Club's Top 10 Most Expensive Player Purchases in its History (All Players are Basque (Source: Transfermarkt)

TRANSFER RECORD		
	Arrivals/Departures	Fee
Income	11	0
Expenditure	12	0
<b>Overall balance</b>		<b>+ - 0</b>

**Figure 20:** Athletic Club’s Total Transfer Fee Record for the 2023-2024 Season (Source: Transfermarkt)



**Figure 21:** Athletic Club’s 2023-2024 Starting Eleven Roster and Their Market Value (Source: Transfermarkt)



**Figure 22:** “Unique in the World” Caption on Pitch (Source: A.C. Instagram)

Another plausible reason for Athletic’s success can be attributed to their close-knit niche development. While they may not be the most successful football club in the world nor in Spain, they have made it their unique mission to handle most operations self-sufficiently. Similar to Molotch’s (1976) article “The City as a Growth Machine,” and Sassen’s (2001) *Global City* concepts, most football clubs, like cities, tend to fit the norm and are smaller “cogs” within a larger “global economic machine.” However, as Schlichtman (2009) exemplifies in *The Niche*

*City Idea*, smaller towns that hone niches can thrive in a globalised market as long as they engage in what they know best.

Moreover, being different tends to intrigue people, hence why many tourists are interested in understanding Athletic's mantras and visiting their museum). Tourism generates revenue for the club, which, in turn, is invested into Basque society through *Fundazioa*—Athletic's Social Foundation (Fundazioa, 2023). According to Mr. Arrate, the Museum hosted 111,463 tourists in the 2022-23 fiscal year. Of those, 33% came from the Basque Country.

Hence, while the club also draws foreign tourists and revenue (including those from the rest of Spain), the locals are the largest consumers of this local entity. Thus, it can be argued that this club and what it represents is greatly appreciated by its local populace. Since the club offers its citizens sources of pride, identity, entertainment, and revenue, among other positives, their locals appreciate what their club has built and reciprocate their appreciation by supporting their team—a virtuous cycle of socioeconomic growth. This reciprocal investment was exemplified in the fieldwork, as it was observed that Athletic Club paraphernalia was omnipresent, not only at the museum, but at the airport, restaurants, and the city centre. The team is supported by all demographics, from the men and women, rich and poor, and young and old.

A key to economic development is leveraging strengths and building on a niche, and all cities are unique and have the predisposition to develop niches to profit from. This is especially true if society's industrial and cultural fabric has been embedded throughout decades or centuries of specialising in a niche. Specialising helps with already maintaining an established workforce possessing the know-how and skills to perform services and produce products more efficiently.

Discovering a niche that can be capitalised on or modernised to fit the new economy should be a natural process, for all cities possess one (Schlichtman, 2009). As Mr. Arrate stated



during the interview in the Athletic Club case, “The truth is that Athletic does not have a marketing strategy to build its identity as such because it is something that is very much its own and does not need to be sold because it is something very natural.”

According to Porter’s (2000) *Cluster Theory*, specialised hubs in an agglomeration economy hone competitive advantages as they are sought after in a globalised world for producing quality products and services efficiently. This niche is what smaller cities should capitalise on since they cannot compete with larger hubs of innovation in the realm of information technology in the Knowledge Economy. While Bilbao was a steel manufacturing hub, the city has adapted to the new economy and is leveraging its strengths in services, tourism, leisure, and hospitality (Plaza, 2000). In essence (and figuratively speaking), like Athletic, smaller cities should ‘play the game they know best.’

Athletic’s uniqueness is celebrated with like-minded clubs like C.D. Guadalajara *Chivas* from Mexico who only field Mexican players and are the most successful Mexican team never to have been relegated to a lower-tiered league (Chivas, 2022). These two teams are separated by an ocean but are united by the same love for the land and the players who genuinely represent them (Chivas, 2022).

This *Árbol de Gernika Cup* friendly (named after the Tree of Gernika mentioned in Chapter 3.7) is hosted semi-annually, once in Bilbao and once in Guadalajara (Chivas, 2022). As Chivas President Amaury Vergara stated, “I think it is a very strong message to the football community: these two teams believe in the talent of their people and believe in their traditions and their values” (Chivas, 2022). This Trophy, as per Chivas’ Official Website, is defined as:

A duel between two extraordinary teams, connected by the principle of regionalism that governs their sporting policy. A principle that was common in the origins of soccer and that still remains in amateur sport, but that in the 21st century ratifies

Athletic Club and Chivas as two exceptional clubs and turns the two-game duel into a tournament as attractive as it is exciting (Chivas, 2022).

This is a way that the few teams like Athletic build partnerships to market and promote their unique identity-building missions. Another manner in which these clubs are unique is in the way that they celebrate their successes. While other clubs celebrate their victories from the top of a double-decker bus or on the balcony of a symbolic plaza, Athletic celebrates by sailing the Nervión River (Athletic Experience, 2020). This event is called *La Gabarra*, or “The Barge” (see Figure 23) a flat-bottomed boat that sails this iconic waterway that was a historically vital passage for shipping iron during the Industrial Era (Athletic Experience, 2020).

Athletic Club sails these waters each time they win an important title. This tradition began in the early 1980s, and it has flooded Bizkainian streets with passionate fans ever since (Athletic Experience, 2020). In April 2024, Athletic sailed the Nervión again as their fans celebrated winning the Spanish Cup after forty years (Athletic Club, 2024). The *Athletic Experience* Magazine picturesquely defines the celebration as: “A party where football, success, and tradition merge, involving the whole city and creating spectacular images to remember” (Athletic Experience, 2020, p. 15). Since this club is tightly linked to its city, history, traditions, industry, and people, all of Bilbao’s entities function as one unit—efficiently and to one another’s benefit. This celebration is significant as it ties the club to its land and people, likely strengthening communal pride and attachment.



**Figure 23:** *La Gabarra* Victory Parade on April 11, 2024, Celebrating Athletic Club's *Copa Del Rey* with the Caption "Soñar" ("Dream") in the Back (Source: A.C. Instagram)

## **xi. Athletic Club as a Fordist Model for Retaining Local Talent**

This section explores how Athletic's approach to identity, opportunity, and loyalty intertwines and contributes to talent retention by drawing on parallels with Fordist concepts in support of the hypothesis that effectively harnessing local human capital and providing benefits may potentially increase loyalty (thus, attachment), thereby mitigating talent outmigration.

During the Fordist Era, company allegiance served as a tool for mitigating worker outmigration as it fostered commitment and reciprocity between employers and employees (Pietrykowski, 1995). There was less movement among workers leaving from company to company due to company-worker loyalty (Pietrykowski, 1995). Work culture during this era extensively focused on investing in one's workforce, which not only enhanced job-specific skills and knowledge but provided avenues for personal and professional growth (Pietrykowski, 1995).

Such investments strengthened reciprocity among employees who realised the benefits of these training programs, mentorships, and skill development opportunities. They recognised that their employer enabled them to hone their skills, advance their careers, and bolster their job security (Pietrykowski, 1995). While many large employers are multinationals that have numerous locations beyond merely one place, the concept and importance of investing in the talented workforce (whether it be local or outside talent) incentivises them to produce quality results, in turn benefitting the company and region in question.

Opportunities allow for people to fulfill their potential. In turn for their company's commitment to employee growth, many workers felt a profound sense of gratitude towards their employers and intrinsically reciprocated their devotion and dedication to their company's success (Lee & Kim, 2023). In essence, if employees are assured of stable employment, job security, and upward mobility, they will be less likely to seek opportunities abroad

(Pietrykowski, 1995). Moreover, employees who feel morally bound to their employers are less inclined to leave, even in the event that more lucrative opportunities present themselves elsewhere (Pietrykowski, 1995). This employer-attachment is a crucial component to mitigating the brain drain phenomenon, which not only benefits the individuals but also the corporations for which they work and the city in which they live. Thus, a key to mitigating urban brain drain is to strengthen local commitment amongst the populace.

These loyalty and reciprocity principles extend well beyond the corporate world and find their way into the unique world of football, especially in the Athletic Club case. With its unique approach to identity-shaping and talent retention, Athletic stands out as a binding force that not only keeps its local talent at home but also convinces its players to reciprocate their loyalty. While Athletic's identity-making provides a strong foundation for loyalty by creating a sense of belonging, its commitment to opportunity-making solidifies their talent's faithfulness. This practice echoes Fordist approaches to job creation and opportunities for broad sections of society and the loyalty that workers showed their employers in return.

Athletic functions much like a Fordist corporation. Basque newborns are future human capital and serve as daily just-in-time 'products.' As they mature, they are scouted, inputted, and assembled in Athletic's system much like in an assembly line. Then, they are imbued with the club's values and ethos, making them a part of a grander narrative of Basque loyalty. Once they are molded into fully formed 'products,' they are subsequently 'packaged' and 'shipped' from the Lezama 'factory' to San Mamés to perform as local Basque ambassadors.

The coaches in Lezama are the bosses, the players are the workers, and the fans are the consumers. The academy provides each player with the utmost care, attention, and the know-how to perform well. Since the youth academy has been Athletic's cornerstone since 1912, they

hone over a century of refined teachings and methods specifically designed for cultivating local talent and identity to keep their local talent committed (Athletic Club, 2023). Another reason for their player's commitment is that Athletic already offers them competitive wages which was also characteristic during Fordism (FBREF, 2024).

The relationship between identity, opportunity, and loyalty is what makes Athletic Club a fitting example of local talent retention. The club's approach to an unwavering commitment to Basque identity and homegrown talent, along with its opportunity-making does not merely help it maintain a competitive edge but also highlights how cultural values can be leveraged to retain local talent in a competitively globalised world (Rojo-Labaien, 2017).

By nurturing and offering young players a platform to showcase their skills at the highest level, Athletic Club becomes more than just a football club, mirroring the Fordist notion of providing employment that goes beyond the factory floor. It becomes a vehicle for realising dreams and ambitions, reinforcing a sense of loyalty amongst its players.

The players recognise that the club has not only provided them with a chance to play professionally but also gives them a platform to represent their identity and the broader community—akin to the sense of security and opportunity that Fordist employment provided its workers. Athletic serves as a compelling example of how loyalty, whether to a company, city, or sports club, might be a powerful tool in mitigating talent outmigration and facilitating commitment and reciprocity amongst its locals.

Athletic Club's model offers valuable insights into how cities might shape and foster social and place attachments while providing opportunities for citizens to thrive. The club is a testament to how a sports organisation can be more than just a club. It can be a curator of culture, a provider of opportunities, and a catalyst for unwavering commitment. By intertwining these

elements, Athletic has effectively retained its local talent (see Figure 18) and demonstrates how cities can shape loyalty, drawing intriguing parallels with 20<sup>th</sup>-century Fordism's impact on workers and communities. These outcomes further support the hypothesis on the importance of harnessing local talent in the pursuit of retaining them.

### **xii. Athletic Club's Value and Investment in Education**

As mentioned in Chapter 3.6, educational opportunities are one of the three types of opportunities argued as vital for harnessing and retaining local talent (see Figure 12 on page 33). Athletic's youth academy might be used as an example of an entity that values, emphasises, and invests in education in pursuit of local talent retention. Oftentimes, shrinking cities struggle to offer their citizens ample educational opportunities or they lack the quality in the options they offer (Faster Capital, 2024). Athletic's teaching philosophies are not solely restricted to those who make it to their first team. Mr. Azkarraga mentioned that the club is mindful of the fact that its roster consists of only twenty-six players out of a population of just over two million in the Basque Country. Only a select handful of Basques will have the privilege of playing for this club at any given time.

For the rest of the youth players who do not graduate from their football Academy, Athletic's *Fundazioa* provides civilians with career opportunities and other life endeavours, including academic, employment, and recreational ventures (Fundazioa, 2019). As Mr. Azkarraga asserted during the interview, "The Foundation is bringing back the values; the Bizkainian society loves Athletic, but Athletic must give back something to the Bizkainian society." Through interviewing Mr. Azkarraga, he also revealed that Athletic Club offers their youth players many academic incentives. For example, he stated:

We give them a scholarship. We have sent some of them to the United States to do study, to get a Master, to get grades, or whatever. To make you an idea about this.

Yeah, every year we choose one boy and one girl. We want engineers, we want medics, or whatever, to represent the Basque Country as a whole.

These scholarships are called the *Lezama Scholarships*, and below is a description of Athletic Club's educational investment as per Fundazioa's official website:

The Athletic Club Foundation maintains a scholarship program, Lezama Scholarships, for players who have been discarded in Lezama for sporting reasons, but who for several years have shown a firm commitment to combine the practice of football with their studies. The objective is to reward the determined effort of the players so that both formations, football and academic, are compatible. The scholarships consist of the payment by the Foundation of a year of studies, adapting to the needs of each player (Fundación Athletic Club Fundazioa, 2019, Para 1).

From the excerpts above, it is evident that the Basques seek to form exemplary citizens for the broader world and not solely for the football pitch. While their study abroad opportunity is limited to two winners annually, Mr. Azkarraga further mentioned that there were various other academic incentives offered domestically, such as scholarships to attend post-secondary education for former players who wish to pursue an education post-football.

Additionally, since football is a short-lived career compared to other professions, their current players are also taught valuable skills in areas like entrepreneurship, teaching, coaching, and commentating to extend their careers in other areas. Mr. Azkarraga confirms this by stating, "It's not the same to be another part of Spain. Well, you want to be a footballer? Okay, but you have to go to the university as well, that's the point." He eloquently concluded by saying, "Athletic strives to return their people back into society better than the way they were taken."





**Figure 24:** A Lezama Classroom with Mathematics Equations (Source: Nikolovski)

Mr. Arrate also confirmed Athletic's serious attention to academics and the teachings of their rich Basque history during the interview, as he stated:

With the youth, we have didactic programs with all the schools... We have three programs, communication, different media, gender, how to fight for equal rights, the history of Vizcaya, industrialisation, Francoism, democracy, all of this is a very direct interaction in the sense that we explain a story to them and they answer us, and we have a workshop with schools.

What we want is to generate good football players but that they are good people who have a scale of values and that itself translates to the field, that they have good qualities, that the workers have good workforces. In other words, what is intended is for it to be a very long-term institution in which people have a quality of life, both footballers and everything that is around them.

In summary, Basque footballers—as all people—are multifaceted; thus, Athletic Club aims to create well-rounded citizens who happen to play a sport along the way. As a talent incubator, Athletic’s educational investments are critical for socioeconomic prosperity and well-being (Shultz, 1960). This thesis also argues that by learning about the history of one’s place, it instills a sense of pride, which may increase attachment and decrease outmigration.

While football academies offer a promising example of placemaking strategies to increase place attachment and mitigate brain drain, it is essential to recognise the broader socioeconomic challenges facing shrinking cities, including inadequate investments in education (Carr & Kefalas, 2010). By bolstering educational opportunities and nurturing local human capital, shrinking cities can cultivate a skilled workforce that contributes to community resilience and sustainable development (Shultz, 1960; Vinovskis, 1970).

However, it is important to recognise that the effectiveness of retention strategies aimed at athletes may differ when compared to other talented professionals. For instance, strategies applied in sports seemingly emphasise camaraderie, teamwork, and communal identity. Conversely, retention strategies tailored to other professionals may focus on career advancement opportunities, access to specialised training, and overall work environment quality emphasised in Chapter 3.11.

Moreover, the influence of socioeconomic status, educational level and type, and cultural factors cannot be overlooked. While there are overlapping retention strategies—such as sense of community and belonging—shrinking cities should tailor their retention strategies according to the needs of each profession and demographic. By recognising these differences and implementing targeted retention efforts, communities can better address the diverse challenges of talent retention across various sectors and promote sustainable growth and development.

## CHAPTER IV: THE ROLE OF URBAN PLANNING & PLACEMAKING IN BILBAO'S COMMUNITY DEVELOPMENT

This section connects the socially focused aspects of placemaking discussed thus far with the physical construction of places to support the hypothesis that football (including its physical components) is a form of placemaking that affects social interactions and enhances attachment between people and places. Athletic Club may be one of the largest, most beloved, and omnipresent entities in the City of Bilbao with a physical stadium to complement it (Vaczi, 2015). Its Lezama Youth Academy training facility is also a physical construction that cost €12 million to complete (Athletic Club, 2014). However, according to Mr. Arrate, Athletic Club is immersed in Bizkainian society—not vice versa (see Figure 28).

Immersion is especially true given the fieldwork in Lezama as it was observed that the training facility was nicely cradled within the town next to family homes and parcels of farmland. “Cradled” seems to be the appropriate term given that this is also where the cradle of Basque football talent is cultivated. Ultimately, their €12 million Master Plan had a forward-driven outlook focused on investing in raising their future talent (Athletic Club, 2014).



**Figure 25:** Lezama Training Facility Viewed from Airplane Window (Source: Nikolovski)



**Figure 26:** Lezama Training Facility, Town of Lezama, Basque Country (Source: Nikolovski)

Below is an excerpt from the interview with Mr. Arrate as he described Athletic's link to the land and people:

So, in that aspect, being with Athletic, well, it benefits the people of the community more than the eleven who are playing. Well, there are all the social aspects that the Foundation does, because the Foundation works with many social groups from several different areas of the city and the territory because it covers much more than Bilbao, it is all of Bizkaia and even a little more, different points of *Euskal Herria*.

But hey, all these are not marketing actions as such, but are actions that Athletic does for the benefit of the community because it is inserted in it. The link with the territory, the importance that industrialisation had, the importance of the fans, the importance of not getting nervous when you don't win...Athletic wants to show that a bit, right? It is easy, it is not forced, that we are part of the community, that we are part of the entire Territory.

And in fact, if a team reflects what society is, it is Athletic because they are the ones who are playing, their parents, their friends, their grandparents are watching them on the field. So, when they say that the kids now only think of the Athletic players when they are criticised, they are basically criticising society because they are children of that same society.

To illustrate this, the importance that Athletic puts on the land to which they are tied and their homegrown talent can be exemplified through their official hymn:

Athletic, Athletic, Athletic hurrah! Athletic red and white. For everyone, you are ours. Because you sprang from the people. The people love you. Red and white youth. On the green field. An example for Euskal Herria. Let's all sing...  
(Athletic Experience, 2020, p. 15).

Moreover, according to the Athletic Club stadium tour guide whom I consensually recorded during the site visit, the construction of the new stadium took into consideration the surrounding environment and preserved all of the pre-existing buildings and structures. In other words, the new stadium worked around its environment, not vice versa. Athletic Club also serves its people through *Fundazioa*, not vice versa. In turn, its citizens built strong emotional connections and attachments to their urban environment making it more difficult to leave. Put

another way, as cities increase urban attachments, they decrease the likelihood of brain drain.

The passage below is a transcript of the Athletic Club stadium tour guide describing Athletic Club's link to the land and its people:

So, the fact that it was, that this second stadium was built here is related to precisely that connection to the land and to the people. It was like, there was no point in going into the outskirts like other clubs, big clubs do because we are so tightly related to this place and this city...the, what's the point in going away? Like, all our fans and all our purpose is right here. So, the club decided to stay here, and that meant some compromises in terms of the design and architecture, because obviously, we're right in the city centre, we also want to have tourism and we don't want to have this huge concrete piece of building in the middle of the city.

So, obviously a lot of things that you will see, and I will highlight, are inextricably linked to the compromise that was needed to remain in the city centre, right? For example, have you seen the sails on the outside around the perimeter [pointing to the stadium's façade]? It provides some sort of, you know, movement to the building, and it also, again, relates the building to the community, because the Basque Country was Bilbao, was very industrial, especially the ship industry was huge here. So, you will see all the time sort of, all these kinds of details that are related to the history and the place.



**Figure 27:** New San Mamés Stadium's Construction Adjacent to the Old San Mamés Before its Demolishment (Source: Pinterest)



**Figure 28:** Old San Mamés’ Arch Temporarily Installed as a Bridge in the Town of Plentzia, Basque Country as a Form of Placemaking & ‘Bridging the Gap’ Between Club & Region (Source: A.C. Instagram)

It is essential to revisit the “Bilbao Effect” mentioned in Chapter 3.2 to emphasise the vital role urban planning plays in community development. Bilbao’s postmodern urban landscape can be a model for other rustbelts to consider when attempting urban redevelopment. As urban activist Jane Jacobs (1961) would argue, a prosperous cultural district is crucial when attempting to create unique and lively cities. Bilbao is synonymous with its eccentric Guggenheim Museum—one of its most visited cultural attractions and a major source of their revenue (see Figure 29) (Guggenheim Museum, 2022).



**Figure 29:** Iconic Guggenheim Museum, Bilbao (Source: Nikolovski)

However, it is imperative to be mindful that a single structure or event cannot fully revive a city; rather, holistic efforts must be made (Plaza, 2000). While Frank Gehry's Guggenheim Museum positively enhanced Bilbao in job creation, tourism, and culture as an economic engine, it was merely a small piece of the revitalisation 'puzzle' (Plaza, 2007). While it may be at the core of the city, the most notable cultural icon, and the catalyst for its urban renaissance, it is not the lone activator for all subsequent successes (Guasch & Zulaika, 2005).

The Guggenheim Foundation designed Bilbao's renewed urban 'hardware,' but Bilbaínos ultimately filled their city's 'software,' further strengthening urban attachments. Cultural investments surrounding Bilbao's iconic Guggenheim Museum (i.e., concert halls, art promotions, and tourism) diversified its economy and reduced negative externalities, ranging from unemployment, pollution, traffic, and urban decay (Plaza, 2007). As Wyckoff (2014) suggests, placemaking prioritises function over form. Thus, while the physical aesthetics of a city or neighbourhood are important for attracting residents, these physical investments are

complementary to the sentimental and social aspects that form connections and networks that make placemaking unique.

When the Museum was constructed in 1997, Bilbao's Government had a progressive and long-term vision regarding equitable urban renewal projects surrounding the Guggenheim (Zulaika, 1998). Some plans included increasing green infrastructure and accessible public transport (see Figure 30), restoring the Nervión River (a major yet heavily contaminated commercial waterway during industrialisation), and adding architectural structures designed by Spanish Architects like Santiago Calatrava's Zubizuri Footbridge offering pedestrians and cyclists easier access to the Museum (see Figure 31) (Zulaika, 1998).



**Figure 30:** Green & Sustainable Infrastructure, Downtown Bilbao (Source: Nikolovski)



**Figure 31:** Zubizuri Footbridge Over the Nervión (Source: Nikolovski)





**Figure 32:** Outdoor Escalator Offering Pedestrians Easier Uphill Mobility, Downtown Bilbao (Source: Nikolovski)

Many rustbelts aim to replicate the Bilbao Effect but fail as they do not have the appropriate or adequate social, political, or economic infrastructure in place to facilitate such long-term goals (Peck, 2005). Peck (2005) cautions us of the gentrification implications of urban renovations—such as low-income housing demolitions and evictions of low-income residents via eminent domain—which cities must bear in mind. The negative effects of gentrification support the hypothesis that local human capital must be effectively harnessed to form place attachments, since displacement either directly or indirectly pushes the local workforce out of the region.

Echoing Mumford (1970), many cities look to utopian movements such as Daniel Burnham's *City Beautiful* Movement cited in his Plan of Chicago (1909), or Ebenezer Howard's *Garden City* Movement (1902) as “quick fixes” while overlooking the social aspects that make for a quality place. Cities should locate their peculiar sense of identity to fit their abilities, needs, and social structure which reverts to the importance of developing a niche discussed in Chapter 3.10.

**i. Bilbao & Athletic's Placemaking, Social Innovations, and Urban Regeneration**

Perhaps one reason Athletic Club effortlessly scouts talent in the Basque Country is due to the large number of recreational facilities in the Region. The on-site field observations noted an array of talent scouting flyers and football fields scattered on almost every corner of Bilbao (see Figures 33 & 34). The abundance of facilities not only enhances urban greenspace, the environment, and urban aesthetics, but also provides citizens with places to recreate, socialise, and engage in healthy living. Such city planning is not merely physical but sociological, as it increases social bonds and connections within the community, strengthening urban attachments and emotional ties (Jacobs, 1961; Wirth, 1938; Wyckoff, 2014). These connections highlight the power of physical city planning for a better quality of urban and social life.



**Figure 33:** Football Advert Showcasing Bilbao's Proactive Approach to Talent Scouting (Source: Nikolovski)



**Figure 34:** Urban Football Facility, One of Many Recreational Spaces in Bilbao (Source: Nikolovski)

Ethnographic annotations noted many bike lanes and wide sidewalks that were nearly double the width of most streets enabling people to comfortably walk and socialise (see Figures 35, 36, & 44). There were multiple bars known as *Txosnas* where people gathered to network and enjoy traditional Basque social snacks like *pintxos* and Basque beer (see Figures 37 & 38). Moreover, there were many interactive public spaces beyond just football fields, including outdoor chessboards, interactive bench pedals, and playgrounds (see Figures 39-43). The way people gathered around these recreational spaces had some resemblance to bees around honey.

The encouraging news for other rustbelt cities is that Bilbao was not always as green and recreationally friendly (see Figures 45 & 46). Rather, it was once considered one of Spain's most polluted and depressing regions that people fled (Zulaika, 1998). However, through care and effort, they managed to change their fate and are now one of Spain's most prosperous and enjoyable places (Plaza, 2000).



**Figure 35:** Bike & Pedestrian Lanes, Bilbao  
(Source: Nikolovski)



**Figure 36:** Pedestrian-Only Street, Bilbao  
(Source: Nikolovski)



**Figure 37:** People Gathered Around San Mamés Stadium as a Social Space (Source: Nikolovski)



**Figure 38:** People Gathered in a Social Place for Food & Drinks Decorated with Basque Flags (Source: Nikolovski)



**Figure 39:** Interactive Pedals in Park Encouraging Healthy Living (Source: Nikolovski)



**Figure 40:** Children Playing Basketball and Interacting in Downtown Bilbao (Source: Nikolovski)



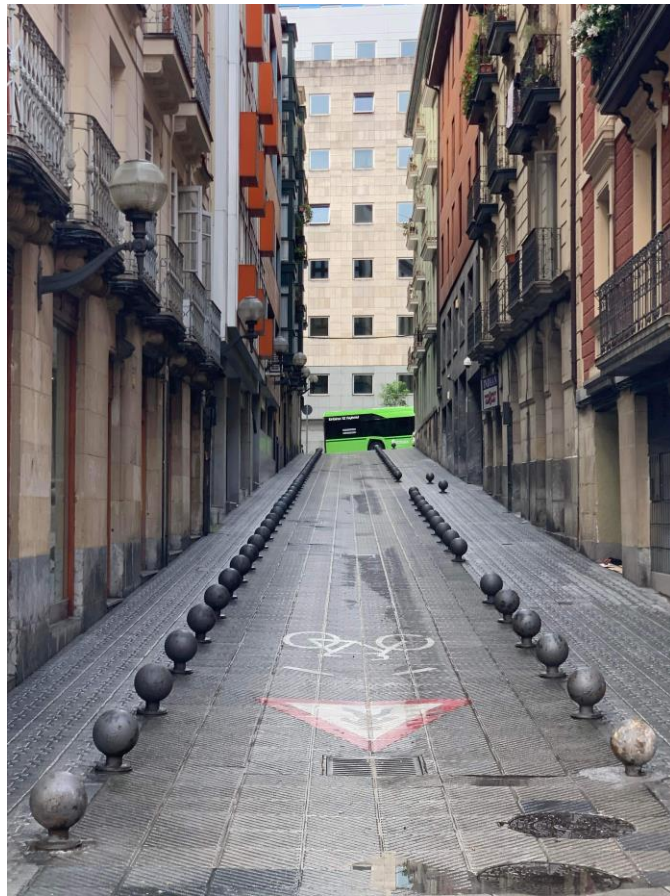
**Figure 41:** Interactive Outdoor Chessboard with Chairs, Downtown Bilbao (Source: Nikolovski)



**Figure 42:** Construction for a New Children's Playground in Doña Casilda Park Financed by *Bilbao Garbi*—City Maintenance Company (Source: Nikolovski)



**Figure 43:** Playground in City Centre (Source: Nikolovski)



**Figure 44:** Bike-Only Street with Eco-Bus on Adjacent Street, Downtown Bilbao (Source: Nikolovski)



**Figure 45:** Bilbao During the Industrial Era Showcasing its Heavy Shipping and Steel Manufacturing Core (Source: Greenpeace)



**Figure 46:** Bilbao's Urban Revival Showcasing Modern Architecture, Greenspace, and San Mamés Stadium as its Centerpiece (Source: Alamy)



As mentioned in the beginning of this chapter, physical spaces should complement the social aspects of a quality place. This was exemplified during the site visit as I asked a passerby for directions to the San Mamés Stadium to which they responded, “Ah, you mean the Cathedral?” Beheld as a sacred symbol, the stadium is one of Bilbao’s most iconic structures and is dubbed by the locals as the “Cathedral” rather than simply a stadium. Located in the heart of the city, the Cathedral can be considered Bilbao’s ‘heartbeat.’ In the evenings before matches, the stadium is lit up. As a ‘holy place,’ its illuminations gleam as a halo above the city where people gather to ‘worship’ their club. On match days, Bilbao’s central business district transforms into a ‘central sporting district’ and fans of diverse backgrounds unite as one.

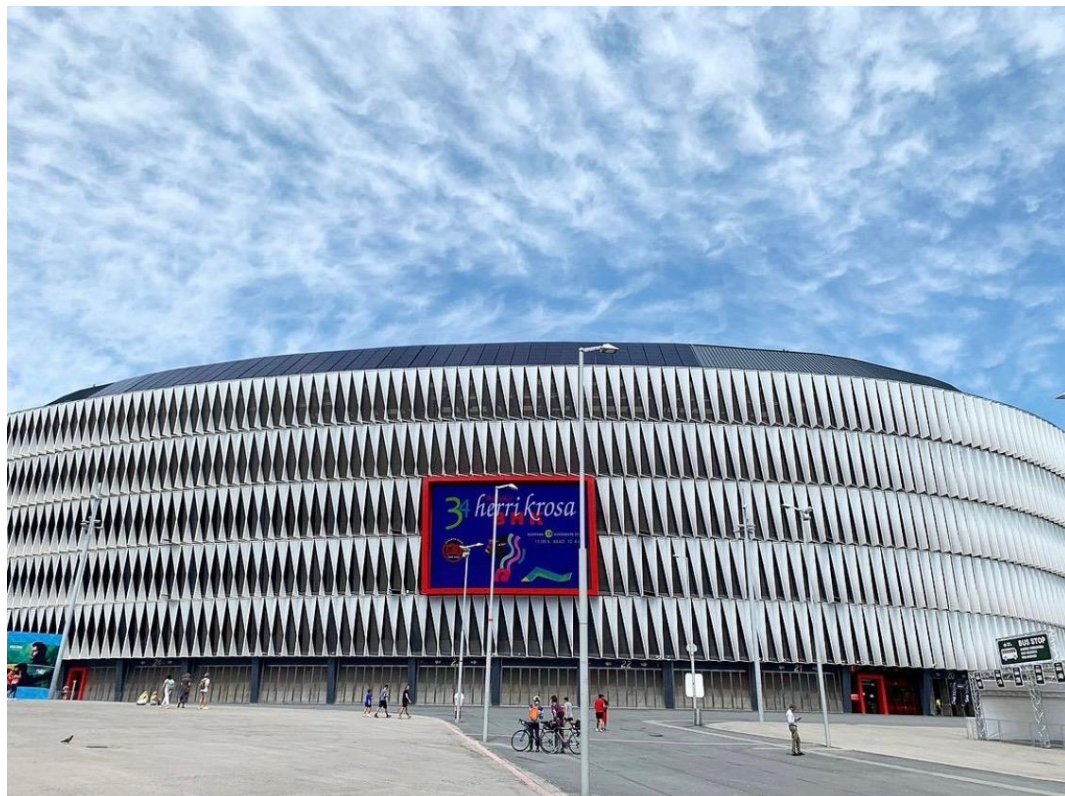
Mr. Azkarraga confirmed such sentiments in the interview by claiming: “The club is very connected with the people. You know, people here they say, or we say, that Athletic Club is like a religion. It’s a way of thinking and it’s a sense of something like a material and everyone is here. Every Bizkainian is an Athletic supporter. It’s like by genetics or whatever, right?”



**Figure 47:** People Gathered Around San Mamés for an Event (Source: Nikolovski)

Football in the Basque Country is not only a cultural outlet allowing for the display of Basque Nationalism (MacClancy, 1996; Llopis-Goig, 2017), but it was also used as a form of emotional refuge from cultural oppression during the Francoist Regime, namely during the Basque Conflict and ETA Era (Rojo-Labaien, 2017). As Mr. Azkarraga mentioned, “So, it was in the, you know, the violence problem here during the, the well, the Eighties, the Seventies, the Nineties, the only thing that could get together of the society was Athletic Club. The only thing that brought people together.”

As Vaczi (2015) noted in her fieldwork, the locals seemingly consider San Mamés to hold stronger cultural significance than the internationally renowned and touristic Guggenheim. Thus, the demolition of the old San Mamés in place of the new one in 2013—marking its centennial—entailed intense emotional significance (Vaczi, 2015). Bilbaínos took home all kinds of construction remains as relics and pieces of grass were sold *en masse* (Vaczi, 2015).



**Figure 48:** New San Mamés Stadium (Source: Nikolovski)

Cronin (1998) lists five ways stadia have topophilic qualities. First, they can be considered sacred spaces for supporters, as exemplified above. Second, they are often sites with scenic qualities. Third, they are a kind of ‘home’ to the team and its fans which creates psychological advantages. Fourth, they can be tourist attractions for visitors like myself; and lastly, they are spaces that instill deep local pride and patriotism attached to the place. Thus, as hypothesised, the various place- and pride-making strategies offered by Athletic Club created a topophilic attachment which might potentially lessen outmigration amongst its residents.

Another example to solidify football’s sentimental value is the fact that the old stadium’s iconic arch was preserved and is now the centrepiece of Athletic’s Lezama youth training facility (refer back to Figures 25 & 28 on pages 60 and 63) (Vaczi, 2015). The stadium’s reconstruction was also Bilbao’s last major renovation project to date (Vaczi, 2015). To add to Bilbao’s effective use of local talent, the new stadium was architected by Basque native César Azcarate who was educated in the Basque Country and now contributes to his Region by teaching Architecture at the University of Navarra (Azcarate, 2023).

The stadium is more than just a stadium, it is an ideal venue for hosting a plethora of social events (Athletic Experience, 2020). It is also accessible to all citizens. For instance, *La Campa de Los Ingleses* Tavern has a panoramic glass view overlooking the football pitch and any civilian can walk in for a drink (Athletic Experience, 2020).

To conclude this section, since Bilbao planned for an array of recreational spaces, its citizens utilise these spaces accordingly. If Bilbao had opted to build major highways through their downtown, their citizens might have driven rather than recreated. Instead, Bilbao prioritised people, recreation, and leisure over vehicles and traffic which strengthened social bonds and urban attachments. This is a social innovation tactic that coincides with Louis Wirth’s *Urbanism*

*as a Way of Life* (1938) idea that physical urban spaces can have sociological impacts on how people live and interact in a city. As the cliché suggests: “build and they shall come” (Alden, 1989); though, this thesis argues that people will only come if urbanism is built around humanity—this is placemaking.

Bilbao shows how cities are social constructs as much as they are physical constructions. It is the people within cities that make a city a city. The physical design of a city serves as a ‘container’ or ‘placeholder’ where people coexist. People require a physical space to live, and cities provide organisation for more efficient networking (Florida et al. 2020). However, this thesis argues that cities are *human* settlements and if people are removed from the city, it cannot be classified as a proper city. A vacant city is space (a collection of concrete and construction materials), not a place imbued with meaning. Yet, if we remove physical buildings and preserve the concentration of people and social networks, this thesis suggests that the foundational components of a community will remain.

Bilbao and Athletic do an immaculate job of making its people a priority over any physical structure (Guasch & Zulaika, 2005). The construction of the Guggenheim Museum in 1997 was only the catalyst for Bilbanian society to come together and strive for a common goal to continue revitalising their hometown (Plaza, 2007). While Bilbao is a physical city, its citizens, policymakers, urban planners, and politicians turned to the intrinsic and sentimental aspects of what makes a city a city to strengthen roots to home (Power, Plöger & Winkler, 2010).

It is also critical to underscore that much of Bilbao’s recreational spaces are relatively small and simple additions to its urban form. The examples of the stationary chessboard, interactive bench pedals, and basketball court all demonstrate how placemaking does not require grandiose alterations or planning. These minor touches are not only cost-efficient but have

significant impacts on strengthening social interactions within a city, thereby connecting people, increasing people-to-place attachments, and potentially lessening human outmigration (Project for Public Spaces, 2017).

**ii. The Basque Country’s Use of Local Products & Human Capital Beyond Football**

Athletic Club is not the only Basque entity to engage in such philosophies of local talent recruitment, cultivation, retention, placemaking, pride-making, and opportunity-making. For instance, according to the field observations, the marketing of locally harvested yield and freshly grown Basque produce was also quite evident in the Region (see Figure 49). Moreover, the Basque-based *Euskaltel* cycling team used to engage in similar Basque-only philosophies (Lowe, 2023).



**Figure 49:** Poster Promoting Local Fresh Produce (Source: Nikolovski)

Additionally, businesses such as the Mondragón Corporation poach Basque-educated alumni to work for their company post-graduation (Mondragón Unibertsitatea, 2018). By actively poaching talent, it ensures that Basque graduates are guaranteed jobs and lessens the need for them to seek employment elsewhere. Mondragón has a plethora of human capital to work with given that the Basque Country is home to two major universities—The University of Basque Country and the University of Deusto (Britannica, 2023). Mondragón also has an affiliate University working in tandem with the corporation ensuring that its workforce is well-educated (Mondragón Unibertsitatea, 2018). The University of Navarra in the adjacent Navarra Province is another university available for harnessing talent.

It is important to note that attending university in the Basque Country is relatively affordable—ranging between €1,600 to €2,600 per annum—which allows residents to easily pursue their intellectual and professional endeavours (Universidad del País Vasco, 2023). The affordability also attracts both internal and external youth into the area. While Mondragón does not have a strict local recruitment policy, per se, they make it a priority to utilise their local human capital via co-op initiatives (Mondragón Unibertsitatea, 2018).

Athletic Club, Mondragón, and many other Basque enterprises operate and brand themselves along similar nationalistic and autarkic principles as they actively seek local assets to benefit from (Ray & Bieter, 2015). However, they also reciprocate the favour by prioritising and benefiting their local talent, making this another example of a virtuous cycle of socioeconomic growth. For instance, as mentioned in Chapter 3.3, Athletic Club rejects wearing sponsors on their jerseys unless they are from the Basque Country to ensure that only their local firms and partners benefit from them (Castillo, 2008). Athletic Club is also one of only four La Liga clubs to be owned by *Los Socios* (member supporters) —or what Athletic calls their “backbone”

(Castillo, 2008). C.A. Osasuna is another Basque team on this short list of fan-owned clubs in Spain (Castillo, 2008).

In the context of shrinking cities, the principles of talent retention utilised by Athletic Club offer valuable insights generalisable across various non-sporting sectors. Just as Athletic fosters a sense of belonging and engagement among its players through opportunities for performance, similar strategies might be employed to encourage local talent to contribute within their communities. By nurturing a supportive environment and providing platforms for showcasing skills and expertise, sectors beyond sports can also enhance worker morale and productivity, thereby bolstering the local economy and benefiting all stakeholders involved (Pietrykowski, 1995).

The more that clubs and cities seek to invest in outside talent, the less likely they will be able to fully invest in their domestic talent. As hypothesised, cities that harness local human capital through opportunity-making may enable local talent to contribute to their region and offers them a reason to stay. If cities do not harness local talent, then they risk that their talent will relocate to places where they will be offered the opportunities to showcase their skills.

## **CHAPTER V: CONCLUSION**

This thesis explored the links between urban revitalisation, human outmigration, placemaking, and football using Bilbao and Athletic de Bilbao as a case study. The study identified some promising connections between the four variables. However, it is important to note that this thesis did not offer a causal relationship that proved a direct link between football and talent retention. Rather, the evidence emerging from the interviews, tour guides, and ethnographic observations suggested avenues for further inquiry related to these topics. Hence, further research might be necessary to establish and prove a robust relationship between football and its ability to strengthen people-place bonds. It is also important to note that the findings in this study were culture- and location-specific to Bilbao and may not apply to all areas to the same degree.

### **i. The Effects of Globalisation on Shrinking Cities**

Rapid deindustrialisation took many rustbelts and their blue-collar workers by surprise (Atkinson, 2005). Since then, there has been considerable debate on which policies declining cities should pursue to stabilise their local economies (Kaulich, 2015). Bilbao and Athletic Club thrive because they found niches that fit their greatest asset—their local populace. While many cities that spur knowledge creation and innovation (known as “Knowledge Capitals”) (Friedmann, 1986; Trujillo & Parilla, 2016) thrive in the short term, they typically crumble socially in the long run as they overlook their existing population in pursuit of potential gentrifiers (Peck, 2005).

While a case could be made that growing regions suffer from negative externalities like potential gentrification, local displacement, and income inequalities, shrinking regions also bear the consequences of a reduced labour force and socioeconomic decline (Carr & Kefalas, 2010).



This threat is why it is critical to level the socioeconomic playing field as much as possible and ease the pressures experienced in both types of cities.

Investing in a local population requires extensive time, commitment, effort, patience, and resources (Carr & Kefalas, 2010). Commitment to educating the populace, whether through K-12 or post-secondary education, requires vast amounts of energy that go unused if that talent simply takes all their knowledge and leaves for other regions to reap benefits (Carr & Kefalas, 2010).

Cities should be particularly concerned about finding ways to encourage their young, educated talent to contribute locally, and existing literature points to placemaking, opportunity-making, and identity-shaping as a few means that help with retention. All three pillars are exemplified through Athletic's youth academy making it a good example of local talent retention. Retaining local talent is especially vital in the world beyond sports because cities do not typically receive monetary incentives to export their human capital.

This thesis also argues that talented people can be found anywhere, irrespective of location. The evidence lies in analysing the demographics of “superstar cities” such as New York City, San Francisco, Los Angeles, and Miami (Florida et al., 2020). Most of these cities maintain a population that is about half foreign (U.S. Census Bureau, 2023). Hence, for each resident who came from elsewhere, there is a chance that they came from a smaller, perhaps declining city. Moreover, this implies that smaller towns and cities had—at one point in time—raised, educated, and possessed this talent but have simply lost them to larger or more attractive cities as they became ‘polished products.’

For this reason, it is just as important for cities to explore ways to *retain* their talent as it is to recruit and cultivate them. Otherwise, larger cities will continue benefiting from the human

capital that shrinking cities export and become larger and richer while shrinking cities will lose their human capital and continue shrinking demographically and socioeconomically.

## **ii. Parallels Between Globalisation in Cities and Football and the Athletic Case**

Cities and football draw on many similar parallels, particularly in that they both consist of a handful of “winners” amidst a pool of many “losers” of globalisation (Foer, 2004; Kuper & Szymanski, 2009; Vaczi, 2022; Venables, 2021). While this thesis does not argue that football or Athletic Club can directly mitigate brain drain, per se, it suggests that shrinking cities can look to Athletic’s strategies to engage in successful placemaking and opportunity-making initiatives to possibly mitigate the loss of their talent and level the socioeconomic playing field.

Bilbao ensured its citizens that staying would benefit them financially, physically, spiritually, and mentally (Plaza, 2000; Plaza, 2007; Zulaika, 1998; Zulaika, 2001). The city did this through social innovations, job and wealth creation, social welfare, educational and recreational opportunities, and placemaking, as was demonstrated in this paper. The city also ensured that the public had a say in how their city would operate. In doing so, Bilbao managed to revive itself from being one of Spain’s most depressed cities to one of the top destinations to live, work, and recreate. It also serves as an inspiration for cities alike.

Bilbao used identity and pride to spur local contributions before seeking outside help. By offering its citizens opportunities to actively engage in the revitalisation of their declining community, Bilbaínos were incentivised to give back to their city. The Athletic Club case study serves as a microcosm that exemplifies broader Basque values and talent-retention operations that may be generalised in other shrinking cities similar to Bilbao. Athletic offered its players and residents of the local community numerous opportunities that strengthened place-attachment, potentially mitigating brain drain.

### **iii. Revisiting Human & Social Capital Theories**

Human capital theory underscores the significance of skilled workers in fostering regional economic growth (Vinovskis, 1970). Brain drain is a phenomenon that presents significant challenges to this theory. While the migration of skilled professionals has its pros and cons for both exporting and importing regions, effective policies that balance the interests of both regions are essential in addressing the negative effects of brain drain.

As scholars like Horace Mann and Theodore Schultz suggested over sixty years ago, cities should invest in education and training systems to nurture local talent and offer them high-quality opportunities to showcase their skills and other needs. Other initiatives may include offering competitive salaries, benefits such as improved working conditions, reinforce job security, and affordable healthcare to retain talent and incentivise them to stay.

Local talent retention is crucial for the development of shrinking cities as it fosters economic growth, innovation, and social stability. Implementing policies and initiatives to retain local talent is vital, as it can help mitigate brain drain while allowing regions to capitalise on its skilled workforce's potential. Balancing the interests of skilled workers and their hometowns requires a concerted effort to create environments that encourage individuals to remain and contribute to their city's prosperity.

### **iv. Lessons from the Athletic Club de Bilbao Case Study for Shrinking Cities**

One valuable lesson to learn from the Athletic Club case that may be applicable in other locations is that talent is more likely to stay and contribute to the local economy if they are offered a combination of sense of worth and opportunities to perform. Another lesson to be learned is that regions may still thrive without the pursuit of outside talent, and that local talent can also produce positive outcomes as long as they are effectively engaged. This not only

benefits the existing population but may convince outsiders who contemplate moving to the region that if they settle in, their needs and desires will also be met.

As Leguineche et al. (1998) showcase, Athletic Club has a significant place in Bilbao's urban spaces. Through a series of conversations conducted around San Mamés, they reveal fruitful evidence of strong sentiments between Bilbaínos and their local club. The interactions conducted during the site visit revealed similar sentiments applicable nearly three decades later. For instance, the fact that the stadium is referred to as the "Cathedral" by the people hints at football's wider spiritual significance in the city. It can, thus, be argued that Bilbao benefits from the community-making strategies that Athletic Club offers. These anecdotes provide excellent frameworks to build upon how football culture, identity, and pride may affect a sense of attachment in cities like Bilbao. Though, it must be restated that football's effects may vary regionally and culturally.

Additionally, Athletic Club and its stadium offer job opportunities and is a major employer, generating local income and tourist revenue (Athletic Club, 2020). The club not only benefits its players but multiplies its effect onto broader society. Bilbao's businesses also operate similarly to Athletic's autarky principles, providing locals with educational and internship opportunities, making Bilbao successful in local economic growth and talent retention.

#### **v. The Importance of Opportunity-Making, Marketing, and Further Research**

This thesis proposed that shrinking cities look internally before attracting and offering outsiders such opportunities. It did not, however, advocate for the restriction of outside talent from migrating into a region. This study also suggested that shrinking cities look into a marketing campaign to brand themselves as specialists in a niche to increase their uniqueness and competitiveness in a globalised world. Though, it did not advocate that regions abandon all

other industrial avenues to rely on one. As aforementioned, this branding is the bedrock that might not only convince local talent to remain but could simultaneously attract outside talent who realise that such cities offer opportunities and are unique and inclusive ones to live in.

While the impact football has in cities may vary depending on numerous factors, including the culture or the level of competition, further research on how shrinking cities can use sports academies as examples of talent incubators to increase people-place attachments might be of use when discussing topics related to urban attachment and talent retention. Football has the ability to increase placemaking, social connections, identity, and a city's appeal (Cronin, 1988), thereby potentially developing place attachments and lessening outmigration.

However, a limitation of this research was its small sample size for opinions as it conducted merely two interviews. Additional interviews—especially with locals—can be the next step for future research to establish more evidence for these connections from a residents' perspective. A comparative analysis between cities, countries, or continents may also be considered to increase the findings' validity.

The polarisations between growing and shrinking cities and the inequities within and among them are a cause for concern. Such topics are increasingly important in a post-COVID-19 world as it opens the potential for new research surrounding the impacts remote work has on human migratory patterns, given that people could stay in their hometown and seek remote work from anywhere. Since this trending polarisation between shrinking and growing cities continues to accelerate and is generalisable in many regions beyond the Rustbelt or the United States (Weaver et al., 2016), such discourses are relevant and contemporary and must be considered by geographers, urban planners, and policymakers as well as other stakeholders interested in

revitalising shrinking cities. These planning initiatives are necessary to create healthier, more equitable, and holistic societies.

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## APPENDIX A: INSTITUTIONAL REVIEW BOARD (IRB) APPROVAL LETTER



### EXEMPT DETERMINATION Revised Common Rule

June 14, 2023

To: Mark Ian Wilson

Re: **MSU Study ID:** STUDY00009263  
**Principal Investigator:** Mark Ian Wilson  
**Category:** Exempt 2ii  
**Exempt Determination Date:** 6/14/2023  
**Limited IRB Review:** Not Required.

Title: Exploring the Relationship Between Soccer, Urban Attachment, and Brain Drain: A Case Study of Athletic Club and Bilbao

This study has been determined to be exempt under 45 CFR 46.104(d) 2ii.

**Principal Investigator (PI) Responsibilities:** The PI assumes the responsibilities for the protection of human subjects in this study as outlined in Human Research Protection Program (HRPP) Manual Section 8-1, Exemptions.

**Continuing Review:** Exempt studies do not need to be renewed.

**Modifications:** In general, investigators are not required to submit changes to the Michigan State University (MSU) Institutional Review Board (IRB) once a research study is designated as exempt as long as those changes do not affect the exempt category or criteria for exempt determination (changing from exempt status to expedited or full review, changing exempt category) or that may substantially change the focus of the research study such as a change in hypothesis or study design. See HRPP Manual Section 8-1, Exemptions, for examples. If the study is modified to add additional sites for the research, please note that you may not begin the research at those sites until you receive the appropriate approvals/permissions from the sites.

Please contact the HRPP office if you have any questions about whether a change must be submitted for IRB review and approval.

**New Funding:** If new external funding is obtained for an active study that had been determined exempt, a new initial IRB submission will be required, with limited exceptions. If you are unsure if a new initial IRB submission is required, contact the HRPP office. IRB review of the new submission must be completed before new funds can be spent on human research activities, as the new funding source may have additional or different requirements.



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## **APPENDIX B: INFORMED CONSENT STATEMENT**

Dear Participant —

Thank you for agreeing to take part in this voluntary study. This consent form details the purpose of this study, a description of your involvement required, along with your rights as a participant.

### **The Researcher**

My name is Tony Nikolovski, and I am an Urban Planning Graduate student at Michigan State University. I am conducting a qualitative research study on football's role in placemaking, urban attachment, and brain drain in Bilbao.

### **Purpose of Study**

The purpose of this study is to gain an insight into ways cities may enhance their level of placemaking through football to encourage their locals to feel more attached to their city and lessen 'brain drain.' In doing so, this study entails an in-person, one-on-one, semi-structured interview regarding Athletic Club's impact on placemaking and local attachment to Bilbao.

### **Methods Utilised**

An in-person, semi-structured, one-on-one, recorded interview (approximately 30 minutes).

### **Your Rights and Confidentiality**

Participation is voluntary, and you may choose not to participate at all, or refuse to participate in certain procedures or answer certain questions or discontinue your participation at any time without consequence. By continuing with the survey and interview is your agreement to voluntarily participate in this research opportunity. As a willing participant in this study, you are entitled to a series of rights. You are encouraged to raise any questions or concerns regarding the nature of this study at any time prior, during, or after the interview has been conducted.

While direct quotes may be cited in the report, to ensure that your confidentiality is kept, all identifiers including your name will remain anonymous unless you choose to reveal your identity. As a recorded interview, your insights will only be heard by me—the interviewer. If at any time you feel uncomfortable being recorded, you may request that the interview recording be stopped. Finally, you have the right to withdraw from this study at any time. In the event that you choose to withdraw from this study, all of the information that you have provided will be destroyed and discarded from the final report.

### **Closing Remarks**

Thank you for choosing to voluntarily participate in this study. In case you have any additional questions, comments, concerns, or just want to elaborate on your experiences during this interview, please feel free to follow up by contacting me any time via the email address: nikolo14@msu.edu or by phone at: +1 (813) 693-8920.

**APPENDIX C: INTERVIEW QUESTIONS WITH THE CHIEF OF ATHLETIC CLUB'S  
MUSEUM**

1. What is the mission of the Athletic Club Museum and Organisation in the community?
2. What marketing strategies have been employed by Athletic Club's Museum to promote Athletic Club's identity-shaping and placemaking ethos amongst its local population?
3. How does Athletic Club's Museum leverage the heritage and history of Athletic Club to create a sense of urban attachment among its residents?
4. How does Athletic Club's Museum engage with the local community to ensure their involvement and participation in shaping the Museum's narrative and overall sense of urban attachment?
5. Can you discuss any examples of Athletic Club's placemaking and marketing strategies that have had an impact on placemaking?

**APPENDIX D: INTERVIEW QUESTIONS WITH LEZAMA YOUTH ACADEMY'S  
PEDAGOGUE**

1. What is the mission and role of the Lezama Youth Academy?
2. Are there any unique features that distinguish your academy from the other academies?
3. Can you explain Lezama's teaching philosophy, and does it go beyond the realm of football? If so, how and why?
4. Can you please tell me some examples of interactions between the Academy and the community which might help with community-building and offering locals opportunities?
5. Does the Club provide some opportunities or financial assistance to the community?
6. What is the recruitment and selection process like? Do scouts visit the local parks and schools or do the players come to Athletic Club for a tryout?
7. How many Lezama graduates are currently playing for Athletic's first team?
8. What happens to the young athletes who do not make it past the next level of the Academy? What does the Academy do in terms of opportunities for them, both in and out of football (e.g., job opportunities, educational funding, other recreational opportunities, etc.)?
9. Does Athletic Club have the same Basque-only philosophy for coaches and educators, or can they be from anywhere?
10. Does the Youth Academy foster a sense of place, Basque identity, pride, unity, and urban attachment? If so, how?
11. What is the Academy's language of instruction for football and academia? Do they speak Spanish, Basque, or a combination of both?
12. Why was the Town of Lezama chosen as the location for the Cantera?
13. Is there any meaning behind keeping the arch of the old San Mamés Stadium and putting it into the Youth Academy?
14. Why was it decided that newborns in Bilbao were gifted Athletic Club bibs for the Club's anniversary?

## APPENDIX E: ON-SITE ETHNOGRAPHIC FIELD NOTES

- Athletic Club advertisements in the airport immediately upon arrival.
- Most people do not speak or understand English.
- The benchmark when asking for directions is usually San Mamés Stadium.
- As an artistic city, the stadium is their largest ‘stage of performance.’
- The stadium and surroundings are well-kept and not polluted (pride through cleanliness).
- Tourists also acknowledge this pride in cleanliness and therefore follow suit and respect their clean policies.
- The city is draped with Athletic Club symbols and people wear jerseys during the off-season.
- Open access to stadium (glass view) and very accessible to the general public.
- Didn’t start from scratch but planned everything around what they already had. Also, efficient use of space given their constraints with nature (mountains and Bay).
- Family-friendly city with many parks coloured with flags of Basque Country and the main flag is Athletic Club. Dogs go without leashes, kids play in parks (swings, football, basketball, etc.).
- Stadium was made around the city and not vice versa (Nature engulfs the city).
- Many plazas and parks where people play sports and recreate (namely football) which makes it easier to scout talent.
- They work with what they have, talent and natural terrain and make the most of it.
- Outdoor spaces were designed to shield from weather prone events that are common in the Basque Country, such as tilted roofs to help block rain during play.
- Lots of parks, greenspaces, and water fountains.
- They have highways above the football fields rather than demolishing space to make way for roads.
- The citizens also make the most use of the environment they are given and exploit them to their advantage. For instance, Bizkaia has mountains and has a long stretching river. Thus, Bilbaños are world famous cyclists and rowers.
- The stadium is a business entity but also serves as a social function.
- People are wearing jerseys 118 days before any Athletic Club game is to be played. The club is a part of them, and they are the “12th man.”
- I was in a hostel with an Argentinian and two roommates from Barcelona. The Argentine had familial roots in the Basque Country and the first thing he asked the two from Barcelona was whether they were “*Culers*” (Barcelona fans) or Espanyol fans (Barcelona’s second club). That was their way of introducing and identifying themselves.
- Basques are genetically different people and try to distinguish themselves in a positive light. Therefore, they take pride in not only being different but clean and proper for their citizens to have whatever they ask for and like living there (placemaking).
- Uniqueness/idiosyncratic (Puppy Sculpture, Zubizuri Footbridge, Guggenheim Museum).
- Citizens give to the community and the community gives back to society (via Fundazioa and Bilbao Garbi)—very socially oriented, children, families, elderly, bartenders all speak of the club and city in a positive manner. There are no barriers to supporting Athletic Club as any demographic is welcomed.

- Athletic Club is omnipresent and seems like the largest orchestrator of placemaking in the city, generating pride and opportunities to the city, a centripetal mechanism retaining talent in the city where whatever anyone seeks is offered in their ‘backyard.’
- Bilbao is unique and, in being so, found a niche to capitalise on, in this case, the unique world of football that is quite homogenous these days as a business enterprise.
- Dedicate trophies to young children and reward them for quality play and skills. Treat them like young professionals who are worthy and valuable. Take pride in their youth and future, both in and beyond football.
- Their Lezama training ground is near people’s houses, and they offer children who are not in the Academy a chance to play during summer camps. It is inclusive and a two-in-one benefit where it also gives scouts opportunities to locate undiscovered talent.

## APPENDIX F: PHOTOS OF BILBAO-LOIU INTERNATIONAL AIRPORT



**Figure 50:** Bilbao-Loiu International Airport (Source: Nikolovski)



**Figure 51:** Athletic Club Museum Advertisement in Bilbao-Loiu Airport (Source: Nikolovski)