

THE MYTH OF URBANIZATION THROUGH INDUSTRIALIZATION

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Abstract. The article explores the future of urbanization in Romania and the links between urbanization and industrialization and their corresponding development policies. It offers an overview regarding the historical process and changes which occurred in the state and approach of planning, discussing the intense socialist urbanization through industrialization, but also today's situation regarding the stagnating urban development and planning as well as the perspectives regarding the integrated planning approach in a wider EU context. The article concludes that even if today industrialization is no longer equivalent with urbanization, the (national) industrialization strategies must include the debate regarding integrated urban development.

Key words: post-socialist cities, industrialization urbanization, integrated planning

1. Introduction

Today already more than 50% of the global population lives in cities. Europe is probably the most urbanized continent with an average figure around 75%. Romania is far behind with a stagnating 55% for the last 20 years whose causes were insufficiently explored. Urban underdevelopment (under urbanization) and its links to economic and specifically industrial development and growth are an interesting domain of exploration, especially since prior to the Fall of the Iron Curtain – industrialization used to be one of the key strengths of the local development policy.

While it is undoubtedly true that socialist urbanization relied on industrialization – at the time things used to be much simpler as under a state controlled economy, geographical planning was equivalent to economic localization (as long as the state

was the sole actor and decision maker in the market). Hence, it was much easier to apply, territorially speaking, an evenly distributed policy of industrialization and have a tight connection between policies of industrialization and urban development. Today – things have fundamentally changed as the public sector can only provide the regulatory framework and infrastructure under which the agents in the real economy will decide to what extent a city, area or region is attractive for localization.

The change of current local economy, not only from the perspective of globalization/ Europeanization but also as the result of tertiarization (the development of the service sector and the growing importance of certain sectors previously considered as "non-economic" such as education and culture) and the de-industrialization (the decrease in industrial production and

associated industrial decay) requires a different perspective regarding the modern city attractiveness, viability and (economic) competitiveness. In addition, from a territorial point of view it is accepted that cities have acquired a new significance that transcends their territorial limits and an intelligent (urban) management approach can transform them into local, regional or trans-regional players.

2. The state of planning and urban policies in Romania - socialism post-socialist - modern Europe

2.1. *The Socialist model*

After Enyedy (1990) the Eastern European socialist urbanism has been based on two principles, egalitarianism and planned urbanization, the first referring to the equalization of living conditions in different cities, including the housing supply, and the second to the particular type of socialist urban planning which implied centralization. In fact the expression "planned urbanization" should include the term centrally and become "centrally planned urbanization"-as urban planning was happening at the time in the Western states only based on different principles including planning decentralization (as in fact Enyedi also mentions).

The economic development model promoted by the socialist state is called by Posea and Velcea (1975, p.15) "the industrial-agrarian economy", a model which heavily relied on the development of industrial capacity by channeling the greater part of public investment funds to this sector. The same authors argue that "the building of new industrial units in a number of towns and rural areas also resulted in the increase of urbanization" (Posea and Velcea, 1975, p. 9) estimating at the time that by 1990 another 300-400 new urban centers will appear.

Herbst, Caloianu and Molnar (Herbst *et al.*, 1975) also comment on the growth of urbanization as a result of policies of industrialization and emphasize a certain preoccupation regarding the balanced territorial distribution of industry as a modality to cope with regional disparities. Still, as the result of a more dynamic development in the seventies, according to Romas (1982, p.150) "*the industrial map of Romania became much more homogeneous*".

With some reservations as to the objectivity of the Romanian scientific literature available at the time, it is clear that industrialization was indeed a pillar of socialist development policy and was in fact addressing a (historical) weakness related to late industrialization and urbanization (common otherwise to the entire Balkan area-see Enyedy, 1990, p. 166).

This entitles Murgescu to assert that we are dealing with a "forced policy of industrialization" (Murgescu, 2010) benefiting from the services of an well developed planning apparatus, centralized and largely under political control. Beyond the questions regarding the quality of the proposed plans and policies, the centralized decision and political support facilitated the policy implementation by consistent allocation of resources (sometimes requiring sacrifices in other areas of economy or life) and political endorsement at the highest level - or as called at the time "orders from the center". Industrialization policies were firmly connected with urbanization so many heavy industries were located in urban centers (Ofer, 1976, p. 222) - including manual case-studies of mono-industrial towns built around a large industrial platform hiring tens of thousands.

The down-side of this model - is the resulting urban development which

generated a kind of bipolar cities – exposing an urban life dominated by the work-rest cycle and a subsequent extensive development of corresponding areas – dormitory and industrial districts (to this bipolarity should be added the “political” obsession to insert in every town new administrative centers as symbols of the new state often with the price of destroying heritage areas (Ioan, 2006), Bucharest and its House of People-Victory of Socialism being the pinnacle of this process (Ioan, 2007). As the obsession of economic growth subordinates urban development policy – the socialist urbanism is oriented towards “production” (Maxim, 2009) of housing, industrial manufacturing facilities, infrastructure – and ignores “non-economic” issues as those related to cultural heritage, the quality of the built environment and architecture in general, environment and pollution, the quality of public and recreational spaces and so on.

Quantitatively, the results of this process led to a drastic change of the ratio between urban and rural population in favor of the first. According to Murgescu (2010) urban population increased in numbers from 3.7 million/ 23.4% of the total in 1948 to 12.3 millions/ 53.2% in 1989 (in absolute figures urban population almost quadrupled in about 40 years) and the number of cities increased from 152 in 1948 to 262 in 1989 (Murgescu, 2010). The last figures show that the estimates of Posea and Velcea (1975) were obviously super-optimistic.

2.2. The post-socialist or transition model

The change of political regime meant the transition to a new state organization, which also had a major impact on the planning system as well as economic status. Given the complex factors that accompanied the transition period – marked by severe

economic decline and impoverishment at least in the first decade (Swain, 2011) – governmental efforts are oriented rather towards salvation and economic relief than towards development – so planning at large and its role as an instrument of strategic development was lost somewhere in the meanders of this process.

Scientific literature and research studies reveal a common general condition of the post-socialist Europe regarding negative phenomena affecting cities, suggestively grouped by Scott and Kuhn (2012) under the term of “*urban-shrinkage*” explained as the “*multidimensional process of economic, social and demographic forces then its physical effects include dereliction, the proliferation of obsolete areas and vacant housing.*” (Scott and Kuhn, 2012, p. 1096).

Enyedy (1998) confirms that the process of urban transformation is multidimensional and therefore should be viewed from several perspectives, among which the urban economy is just one of them, an area of study which includes the process of de-industrialization as a major cause for the decay of urban economy .

In the case of cities which relied considerably on industry in the previous period , they had to undergo not only economic adjustments but also social change (caused by the loss of jobs in the secondary sector and lack of demand for the still incipient service sector or in the new developing industry along with a process of depopulation due to migration to the rural area or to other countries), environmental problems caused by remaining heavy industries or decontamination of former industrial sites and the eventual reconversion to another type of activity (Lintz *et al.*, 2007). In the second decade, the growth of the service sector, the development of the

private sector in general and to some extent a meager recovery of the industry – should have entailed theoretically a growth in the urban population – as the result of inflow migration. Only here several additional aspects should be taken into account:

- a chronic state of deficit due to pauperization of the stable urban population
- the increased cost of living
- a new stage of outflow migration either for work or study favored by the entry into EU and the access to common labor market and education

At the same time, the industrial revival attracted workforce not only from the city but also from the outlying settlements, a phenomenon accentuated by the transfer of industrial activities to the outskirts or to the rural areas.

To these transformations we might add the political changes like the modification of the public governance system and the initiation of a process of decentralization and transfer of autonomy to regional/local levels. In the case of Romania, this has not been a continuous process and, if referring to urban planning, it has led to some rather undesirable effects:

- a decoupling of economic development policies (left in charge of the central government) from the ones of urban development (largely transferred to regional and local governments)
- a significant loss in the intensity and strength of "centralized" development policies of the former period and the transition to a more "diffuse" system under which the local, regional, central interests are often uncoordinated and contradictory

The centralist model, which had its strengths and was clearly leading to

quantitative results (as we are not discussing here their quality), has been replaced by a transitional model which proved little efficiency at executive level and at least for the time being is unable to provide relevant solutions for the current urban challenges.

The percentage of urban population remained fairly constant with the latest official data of NIS (2012) estimating 11.8 million/55% respectively of the total population - figures very close to those of 1989.

2.2. Towards a new model of urban planning?

The EU position is clear - cities are the centers of "growth and jobs" (EC, 2005) and to be attractive a city has to provide decent living conditions and access to services (education, leisure, recreation, health), to jobs and opportunities and a clean and pleasant environment.

Not incidentally "Leipzig Charter" sets integrated urban development plans as the modern approach in tackling urban policy planning. According to the charter (EU, 2007, p. 2) – an integrated approach has to:

- *"describe the strengths and the weaknesses of cities and neighborhoods based upon an analysis of the current situation,*
- *define consistent development objectives for the urban area and develop a vision for the city,*
- *coordinate the different neighborhood, sectoral and technical plans and policies, and ensure that the planned investments will help to promote a well-balanced development of the urban area,*
- *coordinate and spatially focus the use of funds by public and private sector players*
- *be coordinated at local and city-regional level and involve citizens and other partners who can contribute substantially to shaping the future economic, social, cultural and environmental quality of each area"*

Toledo Declaration (EU, 2010) reinforces the principles of integrated policies to achieve the Europe 2020 objectives. However, there are inherent differences between different EU countries in implementation, approach and understanding of these principles. "Regional Strategies for Industrial Areas" (Tödtling-Schönhofer and Davies, 2013), considering the advance in the implementation of integrated planning, divides industrial areas and cities in two categories:

- advanced areas and cities - usually located in Western states
- areas and cities in the early stages of implementation - usually those from eastern and especially in NMS (new member states) category which includes Romania

In the case of NMS, the urban challenges are summarized as: "industrial decline, disinvestment in infrastructure and the housing stock, as well as Environmental and social problems" (Tödtling-Schönhofer and Davies, 2013, p. 21). Extrapolating this brief but suggestive definition, one can easily deduce that the solutions for the eastern cities cannot be found in re-industrialization only - which would ultimately address only a part of the economic concerns, but it would take an integrated approach to address the full range of general and specific problems for such city to support its sustainable development. At the same time - the idea of integrated approach - even if in its first strategic instance leads to "integrated planning" (Leipzig Charter, Toledo Declaration), in its executive phase, during implementation, also requires for an "integrated" managerial approach, an aspect to which we will return.

2.3. Romania - the integrated model and specific issues

The same material includes good practice case studies describing the urban

development strategies of 4 industrial cities: Manchester, Essen, Lille and Bilbao. While each approach is based on specific issues and features - the development plans of the four cities qualify as "integrated" and among others things recognize the connection between economy and housing, the importance of economic diversification and inclusion of both advanced technological and knowledge sectors, culture and education or environmental intervention and remedial action where necessary and the re-development of former industrial land.

According to the report, in terms of implementation, all these cities had successfully used mixed funding sources (including EU funding and grants) and applied management approaches which relied on improving attractiveness by promoting a better image, infrastructure, quality of life - thus providing incentives for economic and social localization. Simply put - each of these cities relied on the definition and improvement of specific competitive advantages to cope with the regional or European competition.

As for Romania and its cities it is expected that the shift towards more integrated planning and subsequent implementation will face several challenges. Without the claim for an exhaustive list, the present article intends to underline several important points:

- the need to integrate inter-sectoral urban development policies both vertically (with the national / regional development policies) as well as horizontally. In this sense - a re-industrialization strategy (at national level) must consider the role of urbanization and its current deficit in Romania (under urbanization)
- the need to modernize the city management - and we would mention

here the lack of managerial culture at the level of the local government, mayors often being blocked in a culture of "maintenance administration" unlike what might be called the management of growth and development, a fact also illustrated by the nonexistent development agencies or development departments at city level

- the need to address and understand urban planning and city urban plans beyond their territorial-normative-land-use dimension. A city lives and develops not only based on its land resource and the real estate policies are part of the wider urban policies instruments.

Insisting on the last point, in the specific case of urban planning at city level, there is some country specificity which deserves attention. Urban policies pertaining to each locality are materialized in the form of the General Urban Plan (GUP). The methodological approach of this project is relatively obsolete and has a strong normative land-use character inherited from the socialist urbanism.

The GUP focuses mainly on information and regulation regarding:

- accepted use and maximum intensity for building
- proposed interventions in the transport and utilities infrastructure

The result is a map providing some selective spatial information falling in one of the two mentioned categories, and it usually ends up by being used as a real-estate instrument - given that this assemblage of colored patches ultimately determines the value (and can bring added value) of the land (property), without necessarily generating added value for the entire city as a whole. In the absence of an "integrated" strategic intent to underpin GUP, the master plan soon becomes more a

map of immediate real-estate geography and less a city prospective development tool supported by a long or medium term vision. In other words, usually in the upstream of GUP there is hardly any strategic intent - such as a strategic plan, a vision and an comprehensive set of requirements to cover all areas of urban life (society, economy, environment).

The principle of decentralization proved somewhat less lucrative in this area - the full transfer of decision regarding the GUP to the local government has moved away urban planning from complementary approaches like the one focused on economy. This is strongly connected with the managerial culture of the local government mentioned previously - as the city halls are more used to act as "administrators" and less as development managers.

The progress made in the after accession years is mainly related to the introduction of Integrated Urban Development Plans (IUDP), but under current legislative and methodological frame-work these remain rather an accessory instrument in the process of application for certain EU grants and funding opportunities (like the ones provided by the Regional Operational Programme). How IUDP provisions are translated into the official development document (GUP) is not yet clearly defined, plus there is also the question of compatibility between the two, as most of the GUP are outdated (designed more than ten years ago) while the IUDP are quite recent in both information and approach. As such, Romania enters a phase of GUP update, and it remains to be seen how the new projects, especially the regional urban centers which already have prepared an IUDP, will benefit from the integrated approach.

3. Industrialization = urbanization?

The answer is clearly no. Urbanization and / or industrialization strategies have to provide solutions by taking into account a complex set of factors and realities both from within and outside the city as well as wider considerations regarding the effects of globalization/ Europeanization and the increasing pressure on development generated by the inter-city competition.

Moreover, even the term *industry* gains new meaning and a larger sectoral coverage which transcends the association with fabrication/ manufacture or statistical industrial classification, and may now include any economic sector which generates a product (for a general discussion see Tödting-Schönhofer and Davies, 2013). Thus, within the urban economy realm, the industry can be seen in a quite broad sense and include creative industries, education and research.

In this context we do suspect a Romanian historical tendency to regard industrialization as a narrow process, mostly restricted by reference to "classical" industries (mining, heavy industry, energy, machinery and equipment, manufacture) and to ignore specific industrial sub-sectors such as those related to migrant (like construction) and de-localized industries (like software) or areas related to knowledge economy, creative industries, cultural sector.

Nevertheless the city is increasingly less the place for polluting industries while it can still provide the workforce for them. The residents of nearby settlements may find work in the city. The transfer of activities and labor between the city and the region makes the city limits become diffuse, "fuzzy" (Janssen-Jansen and Hutton, 2011) so the strategic

development plan needs to consider the broader regional-territorial issues.

The central government has just launched the debate on the "Strategy of Re-industrialization of Romania" (Hotnews, 2013) that has to be completed by the end of 2013. In the light of everything presented - the cities and issues of urbanization have to be part of this debate, which will likely have to provide solutions on the vertical integration of industrial and urban development policies.

4. A few more conclusions_ new versus old

Urbanization in Romania has stalled for nearly twenty years not only in demographic terms of but also in terms of serving the need for development of the cities as the activators of the economic and social life.

Romanian city has to face on one hand its socialist urban inheritance and the outcomes deriving from intense urban industrialization - and on the other hand, the relative lack of action and intervention from the last twenty years, marked by economic decline, urban environmental degradation, inadequate infrastructure and a generally non-friendly city environment.

Currently, with the European integration process, new opportunities and practical ways emerge to help reconsider urban planning and development from a modern, integrated perspective, including the restructuring of the governance and vertical integration of development policies (national, regional, local) at the same time taking into account the wider role of the city in the territory.

Industrialization, urbanization and related policies are naturally interlinked,

but this connection must be studied and reconsidered in light of modern trends in urban design and planning, while aiming for a better insight on the role of the city in a developing and modernizing economy and society.

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