

THE ROLE OF SMALL TOWNS OF THE REPUBLIC OF MOLDOVA IN THE CONTEXT OF REGIONAL DEVELOPMENT

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Abstract: *The sustainable regional development is an imperative assumed by the Republic of Moldova in front of the European Union for equitable distribution of development opportunities throughout the country. In Republic of Moldova, the role of small towns in the context of regional development is discussed in several strategic documents, in the regional development policy, priority is given to small towns, which ensure social, economic and territorial cohesion with the rural areas higher, compared with the middle cities. The achievement of this goal is supported by development projects, with an increased impact on rural communities as well. This article will research the country's policy framework and development strategies to identify, separately, cities that can become poles of economic growth and cities as urban development poles for balanced regional development rather than development peripherals proposed so far in the Republic of Moldova.*

Key-words *small town, human community, geographical position, population, infrastructure, centrality index, hierarchy, rank, polarization, regional development.*

JEL Classification: *H10, K15, R58.*

1. Introduction

The Cities are geographical concentrations of human activities and interactions. They represent the engines of the economy, providing jobs and services, holding the role of catalysts of creativity and innovation. The diversity of the studies made so far, dedicated to the analysis of the city and its functionality, refer to a series of concepts, such as urban habitat, urban morphology, urban planning, urbanism, urban dynamics, urban image, urban segregation, etc. For the human geography, the city presents itself as an economic "addition", which resulted from the valorization and population of the territory. In this sense, the notion of "settlement" was outlined, which means the process of placing in space of the social forces of production, which includes the capitalization of new territories by humans and their spatial displacement.

In the view of researchers in the field of public administration, the city is defined as a social collectivity, constituted in an administrative unit in order to carry out activities of organization and execution of the law. In accordance with the legislative decisions, the changes in the administrative-territorial structure of the country are approved, including granting or withdrawing the city status of a locality, directly and the administrative rank (balneoclimateric station, city of district subordination, republican subordination city, municipality), which depend on the changes in the demographic and socio-economic level reached by these localities.

For economists, the city is an economic space in which it concentrates on a relatively small area, numerous activities and therefore flows of capital, goods, labor, services, etc.

New cities or small cities play an important role in forming networks of urban settlements, in states with low levels of urbanization. The appearance of these categories of localities led to the formation of a network of dense and branched urban settlements.

The new city is a form of voluntary urbanization, different from the spontaneous development of the suburbs, suburban areas, by putting in place, more or less simultaneous housing, production units, of the services. One of the objectives of creating new cities is to ensure the autonomy of the daily life of the town's people and to reduce the pendular migration (Matei and Mățu, 2008, p.56).

The ascension of the urbanization process on the rural environment was caused by the increase of the level of industrialization and economic activation of the small cities.

The economic basis of these cities formed, in large part, in the post-war period, when most of them became industrial centers with a diversified profile. In these settlements, large companies from various branches of industry were concentrated: food, building materials, machine builders. But, unlike big cities, they have a narrower specialization. Most small towns, becoming centers of administrative districts are fulfilling administrative functions, and of district socio-cultural rank.

2. Development of small towns in the Republic of Moldova

The development of small towns in the Republic of Moldova, in last year's, has become frequently analyzed by experts in the field, foreign donors and the public administration. Not coincidentally, because they have an important role in the system of human settlements of the Republic of Moldova. They represent the largest category of urban settlements. Their appearance is due to the predominantly agrarian character of the national economy, expressed by a high share of the rural population, but also of the economic activities.

In order to establish the role of small and medium-sized cities in the regional development of the Republic of Moldova, the policy documents of the current regional and urban development framework were studied.

Among the most important documents elaborated so far on these very important and main development aspects of the country is the Concept of Urban Sustainable Development of the Republic of Moldova (2004) elaborated by the working group within the Center for Strategic Investigation and Reforms (CISR).

The conception of Urban Sustainable Development was aimed to support the local city public administration bodies in order to develop balanced socio-economic development of cities in interaction with sustainable social-economic development throughout the Republic of Moldova.

The guidelines are addressed to the public administration authorities - local elected, including the technicians - future managers of the urban development process, and are meant:

- Encourage cities to carry out development activities and enable their effective coordination;
- To unify the processes and conditions for the implementation of urban development programs and projects;
- To ensure the coordination of the support for the development projects granted from national public funds and from external funds allocated by partner institutions.

In the appeal to the actions set out in the Charter of European Urbanism, from the beginning it is emphasized that "Europe needs strong and adequate cities and regions for living. Therefore, spatial planning is vital for Europe's future". This openness to the problems of the community, or part of the community, causes a change of perspective whereby solving problems involves not only remedying the effects of a crisis state, but in particular eliminating the causes of these crises.

- According to the European Commission Communication, "economic prosperity, social cohesion and environmental protection must be complementary goals of self-consolidation of the sustainable urban strategy that will:
- improve the economic vitality of cities, especially in the lagging regions, by encouraging entrepreneurship and implementing innovations, increasing productivity and exploiting new sources of use in both medium and small cities in order to promote the balanced urban polycentric European system;

- organize access to the benefits reasonably obtained from increasing productivity and competitiveness and reducing social exclusion and improving the level of security, intensity of the degree of liquidation of wastes, competitiveness and supporting small and large cities;
 - make cities to be supported in order to protect the environment and will avoid taxing costs directly related to environmental development, rural areas, regions, the planet itself or future generations;
 - encourage innovative and flexible decision-making processes as well as urban institutions that will expand participation and integrate partners' actions in the public, private and communal urban sectors, from European to local level, and increase synergy and cooperation between resources and existing institutional processes.”
- The transposition of European objectives into local measures for strengthening the competitiveness and identity of cities, integrated urban development are provided for by:
 - Leipzig Charter for Sustainable European Cities, adopted at the informal ministerial meeting on urban development and territorial cohesion on 25th May 2007.
 - Charter of European Urbanism, adopted by the General Assembly of the European Council of Urbanists in Barcelona of 12th April 2013.
 - The European Landscape Convention, adopted on 20th October 2000, Florence; etc.

According to the New Urban Agenda, adopted in October 2016 at the United Nations Conference in Quito, Republic of Ecuador, the development aims to improve the quality and increase the attractiveness of the urban environment and the urban design for the benefit of the citizens, the economy and the society as a whole.

Therefore, the creation of the city development system in the Republic of Moldova comes in the changing the urban paradigm regarding the way of planning, financing, developing and governing the cities. This system should be based on the current and future needs of the cities, taking into account the specifics of each area.

Law no. 835 of 17th May 1996 regarding the principles of urbanism and spatial planning (Law no. 835/1996), promotes the guiding principles on territorial planning and urbanism, which include: determining the functional structure of the localities; the rational and balanced use of the land necessary for urban functions in localities; ensuring a adequate living to the needs of people, ensuring the conditions for meeting special needs of children of elderly persons, persons with disabilities; protection, conservation and highlighting of historical monuments, archaeological sites and monuments; ensuring a favourable environment and sustainable use of natural resources; implementation of security and energy efficiency policies.

The implementation of the instruments addressed to the cities within the regional policy implies an operational-functional approach of the urban policy. This approach takes into account the transition period for the implementation of the National Strategy for Regional Development for the years 2016-2020, according to the premises, in which new instruments for the implementation of the regional policy are prepared and introduced (eg. tools dedicated to cities). In developing this objective from 23rd of December 2016, the New Urban Agenda was adopted, which emphasizes the promotion of safe and inclusive approach, prosperous and innovative, ecological settlements.

Providing adequate housing and basic services is in close connection and even the result of the entire complex of policies regarding the sustainable development of the society. The new Urban Agenda will be correlated with the strategic objectives in the political, economic, social and environmental field, with the commitments of the Republic of Moldova taken in accordance with the international agreements. Housing and service

insurance policies will be based on the principles promoted by the UNO regarding the human rights to adequate housing, as well as on the criteria of proper housing assessment on the guarantee of possession, endowment with utilities and services, access to services, accessibility in terms of costs.

The priority policy areas for this objective are: Construction and Urbanism, Transport, Environmental Protection and Natural Resources as well as Regional Development. By relevant national policy documents we mention: National Development Strategy “Moldova 2020”, Transport and Logistics Strategy for the year 2013-2022, Tourism Development Strategy “Tourism 2020”. The Environment Strategy for the years 2014-2023.

All the targets in objective 11 are also found in the Association Agreement. The most tangents are observed in the following chapters of Title IV of the Agreement: chapter 4 (Employment, social policy and equal opportunities), chapter 15 (Transport), chapter 16 (Environment), chapter 19 (Tourism), Chapter 20 (Regional development, cross-border and regional cooperation), Chapter 22 (Civil protection) and Chapter 25 (Cooperation in the field of culture, audiovisual policy and mass media).

The opportunities offered by the Association Agreement of the Republic of Moldova with the EU (The Association Agreement between the Republic of Moldova, on the one hand, and the European Union and the European Atomic Energy Community and their Member States, on the other hand, ratified by the Law of the Republic of Moldova No.112 of 02.07.2014. Official Gazette of the Republic of Moldova, 18.07.2014, no. 185-199) to adapt to the conditions of Moldova to the solutions confirmed by the experience of the European states. The legal framework in the field of housing, which is already quite consistent, is to be processed to establish the mechanisms for the implementation of the stated principles and objectives, which would provide for the vertical and horizontal rational delimitation of the functions and responsibilities within the public administration, establishing mechanisms for inter-institutional correlation and dialogue with the interesting parts in civil society and the business environment.

3. Efficiency of the urban development process

According to the experiences of the western states, and more recently, Romania is also trying to implement the polycentric model - the economic growth poles and the urban growth poles within each development region.

The cities - poles of economic growth correspond to concentrations of dynamic industries, where the investments generate important effects of training on the regional economy. Their effects influence not only the structure of the economy of the region in which they are located but also the proportion and intensity of economic flows between regions.

Urban development poles play, on the one hand, the binder role between the growth poles and the other small and medium-sized cities in the country's urban system, and on the other, they have the role of counterbalancing the development of large cities in each region and creating favourable conditions for polycentric regional development, coming and/or attenuating the trends of unbalanced development within the regions, in the context of predominantly mono-centric urban regional systems.

It is necessary to review the strategy of “industrialization” of small and medium-sized cities through the creation of industrial parks, which is hypothetical. The industrial parks can be developed only in the big cities, where there are conditions for the formation of the industrial clusters (scientific and innovative potential, institutions for the training of the qualified personnel, human and material resources). Small cities do not have such

potential. The feasibility studies elaborated regarding the Industrial Parks are not supported by in-depth research in the field of labor force insurance.

The efficiency of the urban development process is characterized by: the cooperation between the public administration institutions at central and local level. Knowledge of local realities and identification of intervention measures, elaboration and implementation of policies, realistic urban development policies and programs, efficient and sustainable partnerships with the local community, the private sector and all interested parts through support and openness to dialogue with civil society structures, information campaigns and promotion, the active involvement of the media.

The meaning of the regional policy, including the support of the urban development, is the liquidation inequality in the social-economic development between the Municipality of Chisinau and other regions, stimulating the development of the "growth poles", which will allow the saving of resources and time, the creation of comfortable areas for the business climate, new jobs, growth of economies of underdeveloped territories. Also, a premise is created for the systematization of territorial statistics. Highlighting in the territory of the Republic of Moldova 10-12 city-centers of the "development regions" will allow the implementation in the Republic of Moldova of the European system of territorial statistics and, as a result, obtaining more qualitative information for carrying out the analysis and making the appropriate decisions (Inforegio, 2019, pp. 40-41).

At the same time, it is appropriate to actively use the financial and technical assistance provided by international organizations and donor countries (UNDP, UNICEF, TACIS, USAID AIDS etc.) in projects to support small business, agribusiness, microfinance, local social and environmental protection initiatives. The concept of Sustainable Development of Localities of the Republic of Moldova, applicable to small and medium-sized cities, implies:

- determining the category of the localities and their functional hierarchy;
- conducting research on detecting and evaluating the malfunctions, eliminating them and setting priorities for each locality;
- monitoring the activity regarding the urbanization, spatial planning and environmental protection; applying international standards in the mentioned fields;
- integration of sector programs at micro and macro level;
- establishing social, economic and environmental links between the cities and the regions around them;
- attracting the population to make the decision in the field of urbanization, spatial planning and environmental protection.

Most of these actions are coordinated at the state level. In addition, according to the European Charter of Local Self-Government, approved by the Parliament of the Republic of Moldova, it is important to promote local initiatives, partnership between neighbouring cities and customs cooperation between neighbouring cities of the regions of Moldova, Romania and Ukraine.

4. Conclusion

In the transition period, the most affected by the demographic and socio-economic crisis were the small cities with a population between 10-20 thousand inhabitants, which constitutes, the basis of the republic's urban network, almost 60% of the total number of cities, with a predominantly agricultural and agro-industrial economic profile, and the degree of susceptibility of this system of localities is determined by the differentiated geographical position within the development regions.

Restoring the welfare and viability of small cities can be achieved, on the one hand, based on centralized and coordinated activities at the state level (legislation, fiscal decentralization, investment promotion, entrepreneurship support, special assistance to vulnerable persons).

Revising the law on the administrative-territorial organization of the Republic of Moldova, that should contain qualitative and quantitative parameters, regarding the attribution of a locality the city status. The model of Romania can be adopted, which provides, in this respect, 16 indicators for two functional categories of urban localities (municipalities and cities).

It is necessary to systematize the network of urban localities according to their functional importance, reflected in the official denomination of the cities. As a principle of the functional hierarchy, the existing system in Romania can be accepted. For the small and medium-sized cities of the Republic of Moldova, the following hierarchy can be applied: II rank municipalities, cities, urban communes.

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