THE IMPORTANCE OF INDUSTRIAL ACTIVITIES IN THE ALLEVIATION OF TERRITORIAL DISPARITIES WITHIN THE BUCHAREST METROPOLITAN SPACE

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Abstract. Nowadays, the economical life is characterised by an imperceptible separation between agriculture, industry and services. The industrial activities include relations in continual transformation with the services and play an important role in the evolution of the localities situated around the big cities. In the case of the Bucharest Metropolitan Space, a decisive pylon for the development of the capital in the national hierarchy of the Romanian cities, the industrial activities have an evident participation in the attenuation of territorial disparities. Their contribution can be identified on different levels which are characterised by reciprocal intersections and determinations, as for example: the increase of the national and foreign capital in the area, the settlement of high-technology industry or the increase of the percentage of the employed active work-force. These positives elements lead to the exclusion of isolation of some localities reducing the differences between them. In some cases, this phenomenon concludes to the identification of different poles of development which contribute in the end to a new hierarchy of the localities in the Bucharest Metropolitan Space.

Rezumat. Importanţa activităţilor industriale în diminuarea disparităţilor teritoriale din aria metropolitană Bucureşti. În prezent, viaţa economică este caracterizată printr-o separare din ce în ce mai imperceptibilă între agricultură, industrie şi servicii. Activităţile industriale includ relaţii în continuă transformare cu serviciile, având un rol important în evoluţia localităţilor situate în jurul marilor oraşe. În cazul spaţiului metropolitan al Bucureştilor, un suport decisiv pentru afirmarea capitalei în iararhia naţională a localităţilor din România, activităţile industriale au o participare din ce în ce mai evidentă în atenuarea disparităţilor teritoriale. Contribuţia acestora se manifestă pe mai multe planuri care se intersectează şi se determină reciproc, precum: creşterea capitalului naţional şi străin în interiorul zonei, instalarea industriei de înaltă tehnologie sau creşterea procentului populaţiei active ocupate. Aceste elemente positive conduc la scoaterea din izolare a localităţilor prin diminuarea diferenţelor existente între acestea. În anumite cazuri, fenomenul se încheie cu identificarea unor diferiţii poli de dezvoltare care contribuie, la rândul lor, la o nouă iararhizare a localităţilor în spaţiul metropolitan bucureştean.

Key-words: Bucharest Metropolitan Space, industrial activities, territorial disparities
Cuvinte cheie: Spaţiu metropolitan al Bucureştilor, activităţi industriale, disparităţi teritoriale

1. GENERAL CONSIDERATIONS

By definition, the metropolisation means the concentration of powers inside the metropolises, the concentration being a dynamic process which aims at the integration of urban networks due to the efficient management of the decision-making, economic, cultural
and relational powers of such an area. For the Bucharest Metropolitan Space, the industry no longer represents the main factor of metropolitan growth and, nevertheless, the metropolis doesn’t lose the industry. Instead, an important aspect in the development of the capital is the industry proliferation in urban and rural settlements from the metropolitan space. This phenomenon is based by the taking over of some industrial tasks of the city by other cities and communities around. The tasks taken over by the industrial settlements in this area have led to a functional adapting to the requirements of the polarizing centre, Bucharest.

The settlements from the Bucharest Metropolitan Space are through a period of profound transformation, with gradual abandonment of the farming activities and fast urbanization and industrialization of the areas near the capital. This is due, to a large extend, to a change in agricultural lands destination according to several land use alternatives (residential, commercial, industrial or stocking).

The relocation of the industry in some small urban and rural localities around the capital, the so-called “green zone” by Charrier (Claudia Rodica Popescu, 2000) has solved in the same time the problem of the work-force supply from agricultural activities, especially for the categories less involved in migration. Further, the presence of various industrial specializations in rural areas fully confirms its receptivity to the urban element, the fact that Bucharest Metropolitan Space tends to transform itself into a multi-specific landscape, characterized by a certain balance of its components.

Another observation is that recently the industrial sites are settling down outside the residential area, even outside the city. It is desirable that, there is no overlapping between residential and industrial areas. This phenomenon is already observed for many years in the metropolitan areas of Western Europe.

The development of industrial culture and increasing competitiveness of enterprises determined the orientation of the industrial sectors: electrical and electronic equipments, cars, textiles confections, building materials, wooden furniture, rubber and chemicals products are aware of substantial progress by the results obtained (increase of the productivity, new jobs), contributing to the improving of the economic and social climate in the areas where these have developed.

Complex and diversified, the industry in the Bucharest Metropolitan Space covers all the fields, while relying on the richness and variety of existing natural resources. Some industries are still under the influence of the national economy due to several factors: the legacy of a development pattern based on the heavy industry (especially in the case of industrial platforms situated outside Bucharest); the dependency of some industries on the import of raw materials; the relatively high energy consumptions; the efficiency and reduced competitiveness; the economic restructuring measures impaired overall performance.

However, it worth noting the lack of a coherent policy for the promotion cooperation relationship between the enterprises and research sector in the light of the on-site availability of highly skilled human resources. The local industries are not sufficiently promoted and, even more, the internal and international cooperation of the enterprises in the region is not sufficiently promoted.
2. THE INDUSTRIAL ACTIVITIES AND THE TERRITORIAL DISPARITIES

The industrial activities from the Bucharest Metropolitan Space, to some extend, aim at participating to the transformation of urban and rural areas through a distinct polarization which influence in turn the economic of the settlements at regional level.

The industry contributes to gain some more territories including some set aside territories less attractive for other activities.

Fortunately, the priority sites for restructuring, inside these areas, which begin to lose their attractiveness, will be considered by public authorities, land planning and land allocation policy for industrial fallows and implemented in due time.

The industrial sector gets, accordingly, an important role in the reaffirmation of some localities in the Bucharest Metropolitan Space, but also in the removal of anonymity of others which have not benefited until now from any economic impulse. This phenomenon leads to the reshaping of potential poles of development and in a wider perspective, to the restoration of the main hierarchy and secondary hierarchies in the settlements from Bucharest Metropolitan Space. This trend is based on a number of factors which influence differently the phenomenon intensity, including: the capital investment increase, the settlement of high-tech industry and the employed active work-force increase.

2.1. The capital investment increase

The forecasts on possible developments of industrial activities in the medium term relate, among others, to the development of high value-added industries, in particular by increasing the volume of Greenfield-investment, both national and foreign.

For the stimulation of industrial capital growth in the Bucharest Metropolitan Space, some priority measures are necessary to be taken at national level and others at regional or local level. Among them, we distinguish: the improvement of the legislation on entrepreneurial initiative support including small and medium enterprises; the correlation between the process of industrial delocalization from the capital and the localization of industrial activities in the Bucharest Metropolitan Space; the strengthening at local and regional level of different industrial activities and the limitation of the strict specialization; the strengthening of infrastructure facilities for local companies which decide to locate in certain places; the local industrial exploitation of the resources belonging to 2-3 or more settlements; the multiplication of assistance centres to the SMEs.

Further, the development pattern of the industrial productive system in the Bucharest Metropolitan Space must comply with one of the directions which characterize the current industrial phenomenon inside metropolises. The potential directions for the industrial development in Bucharest Metropolitan Space correspond to different industrial processes, which sometime interconnect are give way to schemes, such as: a) industrial decentralization and industrial delocalization from Bucharest; b) industrial decentralization and delocalization from Bucharest and, in some cases, whether the objectives of industrial production are not accomplished, takes also place an industrial conversion (currently, is a hypothetical combination for the Bucharest Metropolitan Space because the immaturity of the decentralization and delocalization processes has not yet led to an industrial conversion); c) Greenfield and Brownfield investment, under conditions of fusions and acquisitions.
2.2. The settlement of high-tech industry
Although currently a large proportion of the high-tech industries are concentrated in the capital, in the near future, once the extension of the utilities in the highway and ring road areas will increase the access, more many industrial activities will come to this "gold mine". Such settlements are not yet appropriate to residential developments, the main destination being the one of logistic and industrial activities, developed even within the framework of industrial parks.

The industrial parks, characteristics to the current policy of industrial development, can contribute to the development and to the increase of economical power in the settlements of the Bucharest Metropolitan Space. As well, we can identify some competitive agglomerations which correspond often to competitive activities belonging to the high technology and, unlike the first, are not usually found in isolated economies.

2.3. The employed active work-force increase
At the time of writing, Bucharest Metropolitan Space employed active work-force is mainly engaged in the food industry, light-industry, construction materials industry, machine building industry, wood industry, cellulose and paper industry. During the period 2005-2007, we are noting an increase in the number of category of 100-500 employees in the industry, especially in the western part of the Bucharest Metropolitan Space (Crevedia-Mare, Dragomirestii-Vale, Joita, and Tartasesti), situation explained by the role of the new industrial and logistical parks which were installed in recent years along the Bucharest-Pitesti ring road. Also, those between 500-1000 and 1000-5000 employees occupied in the industry are encountered both in 2007, and in 2005, in the first ring of peripheral cities and communities around the capital, an area of maximum concentration for the employed population in the industry. The economical changes occurring in the period 2005-2007, as reflected in the structure of those two categories, are explained around Bucharest, by dynamic and flexible space corresponding to the requirements of the industrial market.

3. POTENTIAL POLES OF DEVELOPMENT IN THE BUCHAREST METROPOLITAN SPACE

The polycentric integration of Bucharest with neighbouring cities, parts of the Bucharest Metropolitan Space, could lead to a complementary division of the urban functions between them and the capital-city, such as services over the industrial functions, influencing the demographic and space weight with considerable economic and common benefits.

This industrial polycentrism, developed at the level of industrial parks, could contribute to the reduction of socio-economic imbalances at the metropolitan level and of territorial disparities in the rural areas and between different locations in the Bucharest Metropolitan Space. Finally, it will reach to a new structuring and hierarchy of the settlements network.

The industrial poles will catalyze many of the basic elements of a successful economic development, such as creativity, innovation, culture and entrepreneurial spirit. Further, we will have the advantage of an easily attract of a superior qualified labour, which represent a key factor in a competitive economy.

Michael Porter (1990), based on the theory of the agglomerations economy introduced by von Thünen J. (1826) in the work entitled “Der isolierte Staat” (“The isolated
State”) and subsequently developed by Marshall A. (1890), Weber, A. (1909), Lösch, A. (1940), argues the thesis of a set up industrial links needed between the competitive sectors in the frame of the growth effects of national prosperity in the participation in international competition.

In the author’s conception, the competitive agglomerations (related to clusters) are: geographic concentrations of interconnected companies, specialized suppliers, services providers, companies in related sectors and associated institutions (for example, universities, standard agencies and professional associations) in certain economic areas, which are in competition and cooperation relationships.

Since the 1980's, Porter M., in the book entitled “Competitive Strategy (Techniques for analyzing industries and competitors): with a new introduction”, discussed about the complexity of industrial competition, entering as instruments of competitiveness the reduced costs and the industrial variety.

In general, the competitive agglomerations are spatially concentrated and are formed by the emergence of a critical mass of companies with various specializations. Also, the companies making up a competitive agglomeration are engaged in both competitive and cooperative relationships, and the participants in this agglomeration adjust their mutual relations in an evolutionary process.

In Romania, the development of competitive agglomerations (clusters), in compliance with the European initiatives of the industrial policy, should consider the following:
- the identification programs of areas with potential of agglomeration companies and support to the acceleration of this process within the meaning desired, to high technologies;
- the programs that give support to the joining between academic and research mediums and the companies in a given area;
- the programs to support SMEs;
- the regional marketing programs.

An encouraging point in the shaping of future industrial parks, and more, of competitive agglomerations inside the Bucharest Metropolitan Space is the place occupied by the capital in 2007 in the classification conducted according to European Regional Economic Growth Index. In consequence, Bucharest was ranked on the 25-th place in the E-REGI classification (European Regional Economic Growth Index) for the most attractive business destinations, built by LaSalle Investment. According to them, Bucharest has a fourth economy in terms of size, inside the Central and Eastern Europe and turns into the main financial and business hub of South-Eastern Europe. This study was based on analysis of 14 criteria regarding economic growth, the active population and business developments. The study which carry out a review of 91 European cities, places the capital after Warsaw (instead of 19), but before other capitals in the region, such as Prague (instead of 36), Sofia (instead of 59) and Budapest (instead of 62) ¹.

A second positive element that can help is linked to the Greenfield investments. The companies which will achieve greater investments of 30 millions Euros and will create at least 300 new jobs will benefit from a state aid of 28 millions Euros according to a government decision. In the case of Bucharest-Ilfov Development Region, the state aid will rise to a maximum of 22.5 millions Euros. According to the normative act, the aid won’t be

¹ Missions Economiques, Revue de Presse – Roumanie, nr. 38/2007
granted in the case of the investments made in the following sectors: fishing, coal, metallurgy, transport, vessels construction and the production of certain categories of agricultural products. For manufacturing subsidies are provided in case of SMEs, aid for the modernization and development.²

This reality can be more than beneficial for the new Greenfield investments in the Bucharest Metropolitan Space, characterized mostly by a processing small proportion of the heavy industry.

Based on the elements mentioned above, strength in future development of some polycentric economic zones in the Bucharest Metropolitan Space, it can outline on medium and long-term the assumption of a competitive space model, including three categories: strong competitive agglomerations, medium competitive agglomerations and weak competitive agglomerations (fig. no. 1). The three groups identified are based on the current situation of the industrial activities (the number of industrial units installed inside), the proximity from the capital (one of the defining elements in the installation of further industries belonging to high-technology), together with the presence of the infrastructures and theirs possibilities of development.

![Fig. 1 Possible competitive agglomerations from the Bucharest Metropolitan Space](image)

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Analyzing this possible classification of competitive agglomerations, it is noted that on the level of weak competitive agglomerations the repartition in the territory is

² Missions Economiques, Revue de Presse – Roumanie, nr. 34/2007
balanced, covering the entire metropolitan space. But, regarding the medium competitive agglomerations, the trend of development is increasing in a northerly - north-east direction, this part continuing to dictate, in addition to residential projects, and those industries. The south area of the capital is transforming also in an attraction area of the industrial investments, because of the lands lower price. Finally, the strong competitive agglomerations category is shaping on the current ring road of the capital, which, although on certain sectors stops responding to the requirements in terms of accessibility and transport, continues to be the main area of implantation of new industrial activities, whether there are the result of delocalization-decentralization phenomena or either are done through direct localization in the territory.

4. CONCLUSIONS

In a growing economy, investments attraction and their level are a key factor in the competitiveness improvement for the Bucharest Metropolitan Space and in the creation of new jobs. The investment increase in modern industrial structures (in industrial parks, or more in the competitive agglomerations), with priority given to less favoured areas and those with potential for economic growth, is an essential element in the reduction of the existing imbalances in the region. The reduction of territorial disparities within the Bucharest Metropolitan Space involves 3 steps (fig. no. 2), which must be accompanied by a series of measures of investment support, including: investment support oriented to the production of new or improved products and to the development of services, investment support in research and development, modernization of business environment and infrastructure support, support for the promotion and marketing activities and support for the activities designed to accelerate the development of economic sectors with growth potential.

Fig. 2 Different steps in the reduction of territorial disparities within the Bucharest Metropolitan Space

Paşi pentru reducerea disparităţilor teritoriale din spaţiul metropolitan Bucureşti


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