

EFFECTS OF METROPOLITAN ECONOMIC REORGANIZATION IN THE BUCHAREST-ILFOV AND SOUTHERN MUNTENIA DEVELOPMENT REGIONS

Andreea-Loreta CERCLEUX*

Interdisciplinary Center for Advanced Researches on Territorial Dynamics, University of Bucharest, Romania
e-mail: loretacepoiu@yahoo.com

Florentina-Cristina MERCIU

Interdisciplinary Center for Advanced Researches on Territorial Dynamics, University of Bucharest, Romania
e-mail: krysten1009@yahoo.com

Abstract: Given the functions of capital and economic metropolis fulfilled by Bucharest, the capital acts as key node in urban networks. The effects of the economic restructuring process the capital city has initiated after 1990 are nowadays felt at the metropolitan scale by way of the reorganization of the functional zones with the purpose of increasing performance and efficiency. Therefore, the profile of economic change that arises across the territory are perceptible inside some extremely specialized and widely dispersed spaces: the industrial and technology parks, the logistics and distribution parks in urban areas and close to the transport routes or to airports, the residential areas typically developed in the Northern part of the capital, and the office spaces that abandon premises inside the cities in favor of accessible premises beyond the city outskirts. The importance of Bucharest for national economy is evaluated in the study, which concludes that capital is the main engine of development not only for its metropolitan area, but also nationwide.

Key words: economic restructuring, competitiveness, Bucharest metropolitan area, the Bucharest Ilfov and Southern Muntenia development regions

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INTRODUCTION

Bucharest created a metropolitan area around it, consisting in the city and the neighboring area of influence, which serves as a „hub” for the various kinds of flows (mass, energy, information and investments). By definition, the metropolitan area represents a large system of a special complexity, where not only structures are dynamic, but also the field’s forces where they develop and complicate (Ianos et al., 2012). In general, a metropolitan area comprises an urban conglomerate and the outlying areas, which need not necessarily be urban, but which are closely bound to the center from the point of view of workforce or trade. The metropolitan areas can contribute to the creation of a balanced partnership between the cities and the bordering rural

* Corresponding Author

areas, so the issues and resolutions concerning the urban politics can no longer be distinctively viewed, at the level of each city, but they must constitute concentration points for the regional developing and the assuming of responsibilities in terms of territorial cohesion (Tarța & colab., 2007 quoted by Stașac & Bucur, 2010).

In the case of Bucharest's metropolitan area, its borders stretch beyond the Bucharest-Ilfov development region, and part of it is located in the Southern Muntenia development region. In order to have an overall view of the phenomena that the capital city has brought about to bear, over time, on the economic, social and cultural evolution in this space, the study area was enlarged to the entire Southern Muntenia development region.

After 1990, Romania's transition to a capitalist economy meant the development of services and downsizing industrial activity. Therefore, cities underwent a long process of economic reorganization, typically reorganization of the industry, which usually occurred by way of three other processes: deindustrialization, decentralization and industrial relocation. Regardless which of the three situations this may be, the cause was the privatization of production facilities, materialized both in the transfer of extant state property to the private sector, and in the creation of new industrial facilities with private capital (including some on the premises of industrial parks which have nothing in common with what used to be typical of the former industrial platforms). The privatization process led to the diversification of property and to the creation of the conditions for the transition to the free-market economy. Deindustrialization and industrial relocation have been the trend in the evolution of Romanian industry over the past decade, encompassing a series of cities, with the capital city among them registering the most visible effects of those processes (Cercleux & Merciu, 2010, p. 46).

The process of functional restructuring is frequently assimilated with the concepts of change, adjustment or adaptation (Cercleux et al., 2013, p. 32).

As far as the economy of Bucharest is concerned, there are numerous examples of enterprises that have relocated production or sale operations to areas located at varying distances from the capital city (and in close dependence on the development opportunities in the new destination-areas), just the way other enterprises underwent a decentralization process ending in the creation of workpoints subordinated to a central decision-making core (Cepoiu, 2009).

METHODOLOGY

At the beginning of the study the authors carried out an extensive review of works dealing with research in industrial restructuring, especially as it concerned the ties between big cities and their metropolitan areas, the ways to analyze the complexity of the effects generated by the development of the central core on the surrounding space and identifying the characteristics of the new entrepreneurial profiles. The research methodology involved the analysis of a large volume of demographic and economic data (data concerning the new infrastructure projects, data on the business enterprises operating in the city of Bucharest that have opened branches in the space polarized by the city, etc.). The processed data were interpreted both from the point of view of quantity (the evolution of the main demographic indicators, the situation of the industrial parks or that of the main retail distribution companies), and from the point of view of quality (the effects on the cultural side and on local identity, caused by economic restructuring or the assessment of the transport infrastructure).

RESULTS

Effects on the demographics

The economic evolution at the scale of the capital city in the past few years has triggered demographic changes in the surrounding space, a support area for the city's economic development and a source of resources, as a result of deindustrialization, industrial relocation or decentralization, as well as tertiarization processes (ESPON GROSEE Interim report, 2013). The Bucharest-Ilfov and Southern Muntenia development regions undergo a permanent process of

economic renewal consisting in a pronounced tertiarization that has already brought about a series of mutations in the structure of the population employed in several fields of work (Cepoiu, 2009).

The demographic component is the most intolerant variable of territorial system, disturbances at the other components' level influencing the geographic dimension of local territorial systems (Humeau et al., 2010).

In 2012, the total population of the study area (Bucharest-Ilfov and Southern Muntenia) was 5,504,112 inhabitants, that is 3,239,247 inhabitants in the Southern Muntenia development region and 2,264,865 inhabitants in Bucharest-Ilfov. Over the past twenty years, the population of the study area registered a drop, with the most visible decline in those counties that make up the Southern Muntenia development region (a 10%-plus overall population drop). Chartering an important number of towns located close to the capital (such as Otopeni în 2000, Popești-Leordeni, Voluntari, Fierbinți Târg in 2004 and Chitila, Pantelimon, Bragadiru and Măgurele in 2005) could not contribute to preserving a constant population over time, or to raising the number of inhabitants of the study area (Cepoiu, 2009).

The evolution of the population in the metropolitan area of Bucharest is closely related to the historical past, the geographical particularities and the differentiated economic and socio-cultural development. A historical past of Romania (over 40 years of communism, the change of political regime in 1989, the integration into the European Union in 2007) is reflected in an evident similarity of population dynamics and behaviour of internal and international migration. On the other hand, the geographic and cultural specificity also influence the demographic tendencies (ESPON GROSEE Interim report, 2013).

The metropolitan area of Bucharest is feeling the effects of ageing due to negative natural balance and intense process of emigration. Along with this, also a decrease in the active population in Bucharest, from 2008-2009 is observed, except for Sud-Muntenia (a part of the metropolitan area of Bucharest) where there is an increase in the population of working age probably due to the increase in the number of workers in the region's new industries. This phenomenon can be attributed to the economic difficulties encountered in this period and to a reversed migration of people aged 15-64 years to the rural areas of origin (ESPON GROSEE Interim report, 2013).

Inside the study area, several towns and communes stand out because of an important ratio of working-age population (aged 15-64), which means an advantage in boosting the local economy because of the significant workforce potential.

The capital's mark on the demographics of the surrounding space, in time, materialized as phenomena such as: commuting, definitive migration to destinations at a distance of more than 60 km or population aging. Internal migration also plays a role and would fuel for example the increase of Bucharest population (ESPON DEMIFER, 2010, Draft Final report, p. 21).

The surrounding space of the capital city has the function of commuter belt, and its surface stretches beyond the urban periphery and it depends on the degree of development of the road infrastructure. In the past few years the population of the metropolitan area has been facing the problem of access from the residential area to the workplace, from the point of view of the cost of transport, because of the predominance of minibus lines operated by private companies. Most suburban transport routes previously serviced by the independent transport company, linking the capital city and the settlements located in its metropolitan area have been shut down, as they were unprofitable, because not all passengers would regularly buy subscriptions or pay the fare. As far as railway transport is concerned, there has been a noticeable decline in quality in the past few years (the deterioration of railway infrastructure and the longer time needed to travel the same distances) and the absence of any coordination between the timetables of railway transport and commuters' transport, as a result of cutting back on the number of trains per day from the capital to the settlements in the metropolitan area.

The definitive migration of the capital's population to various places inside the analyzed area occurred not merely because of the impetus of the economic growth certain administrative units in the study area registered, predominantly after 2000 (in the wake of the creation of

industrial and technology parks, the inauguration of new enterprises along the Bucharest-Pitești and Bucharest-Constanța highways, the chartering of new cities etc.), but also as a result of the boom in residential investments in various boroughs of the capital city and the migration of Bucharesters to the new, emerging, boroughs (their development was stronger in the Northern parts of the capital, helped by the area's natural resources – lakes, forests, leisure areas). Bucharesters' definitive migration happened in towns and villages subjected to an intense real-estate pressure, settlements deemed perfect destinations for the development of real-estate, industrial or service projects.

Effects in the fields of competition and innovation

The competition stays a main force for innovation and creativity (Efficient Metropolitan Governance Functioning Urban-Rural Relations, 2011, p. 21), which ranks the cities and establish relations of cooperation with the spaces around them.

Table 1. Distribution of industrial parks in the city of Bucharest and its metropolitan area
(Data source: Ministry of Administration and Interior)¹

Industrial Parks	Localization and area (ha)	Type
Bucharest Industrial Park	Bolintin Deal (Giurgiu county); 42 ha	Operational
Moreni Industrial Park	Moreni (Dâmbovița county); 24,71 ha	Operational
Mîja Industrial Park	I. L. Caragiale (Dâmbovița county); 82,62 ha	Operational
Prahova Industrial Park	Vălenii de Munte (Prahova county); 23,47 ha	Operational
Fetești Industrial park	Fetești (Ialomița county); 20 ha	Greenfield
Metav Industrial Park	Bucharest; 16,576 ha	Operational
Ploiești Industrial Park	Ploiești (Prahova county); 146,27 ha	Operational
Pitești-Bradu Industrial Park	Bradu (Argeș county); 14,0771 ha	In development
Giurgiu Nord Technological and Industrial Park	Giurgiu (Giurgiu county); 13,4 ha	Operational
Sema Industrial Park	Bucharest; 16,928 ha	Operational
Brazi Industrial Park	Brazi (Prahova county); 46,114 ha	Operational
Răcari Industrial Park	Răcari (Dâmbovița county); 26,686 ha	Operational
Corbii Mari Industrial Park	Corbii Mari (Dâmbovița county); 22,22 ha	Greenfield
Mizil Industrial Park	Mizil (Prahova county); 30 ha	Greenfield
Urlați Industrial Park	Urlați (Prahova county); 35, 06 ha	Operational
Aricești Allianso Business Industrial Park	Ariceștii Rahtivani (Prahova county); 219 ha	In development
WDP Ariceștii Rahtivani Industrial Park	Ariceștii Rahtivani (Prahova county); 25 ha	Greenfield
Ciorani Industrial Park	Ciorani (Prahova county); 45 ha	Greenfield
Plopeni Industrial Park	Plopeni (Prahova county); 26,47 ha	Operational
Priboiu Industrial Park	Brănești (Dâmbovița county); 31,92 ha	In development
Faur Industrial Park	Bucharest; 68 ha	Operational

Metropolitan areas are seen as drivers of economical development and important for EU's global competitiveness (Efficient Metropolitan Governance Functioning Urban-Rural Relations, 2011, p. 25). From the competitiveness and innovation point of view, from one hand there are many differences between the capital and Ilfov department which surrounds Bucharest and much

¹<http://www.mai.gov.ro/Documente/DGRCL/Parcurile%20industriale%20si%20coordonatele%20societatilor%20administrator.pdf>

less between the departments from the Sud Muntenia development region structure. In the last case, it is about more of differences in oil patch as we move away from the city, situation due to the investments diminution directly proportional with the distance increase from the metropolis.

The Bucharest-Ilfov development region records in the last years the highest rate of growth in different economic sectors, like constructions or real estate and more recently in industry as the Bucharest's industry is crossing a continuous process of decentralization and delocalization of its production activities. In general, it is proved that globalization contributes to phenomena like industrial delocalization relying on different factors, as competitiveness and innovation.

Taking into account that the Bucharest-Ilfov development region receives annually more than 50% from the FDI values on national level, it proves that local economical advantages can play an important role, considered in some cases decisive in creating some competitive economic poles. It is well known that the indicator of competitiveness is important in the classification of functional areas from European Union level as accessibility or knowledge base.

From a total of 55 industrial parks in Romania, 21 are located inside Bucharest-Ilfov and Sud Muntenia regions (table 1). These industrial parks, developed from 2002 to present, are distributed on departments as follows: 3 in Bucharest, 2 in Giurgiu, 5 in Dâmbovița, 9 in Prahova, 1 in Ialomița and 1 in Argeș.

The industrial policy of Romania for the period 2005-2008 was focused on the horizontal factors which determine the competitiveness of industrial activities as human capital, research, innovation, entrepreneurship or respect for the environment conditions. The transition from an economic system to another was based on efficiency and competitiveness which remove or resize certain industrial activities.

New industrial activities appeared in areas far from the core-city, being encouraged by the existence of the ancient industrial infrastructure (brownfield investments) (Kessides, Ionescu-Heroiu, 2008) or relying on different advantages: low price of land, more developed road infrastructure, proximity to other services etc.

Effects in the transport sector

Bucharest is situated at the main crossroads between various cities in Romania, as well as cities in Western Europe and South-Eastern Europe, and it thus plays a part in ensuring improved internal as well as external interconnection for various European urban subsystems.

In time, the infrastructure for aerial, road, highway and railway transport was built, on the one hand with the purpose of easing transit traffic and on the other hand so as to improve the city's function as an economic center, thus stimulating the access of commodities and people to the metropolis. The Bucharest metropolis has developed thanks to its position at the crossroads of communication routes. The capital city is the central point of departure for seven national roads and three highways, serving as a „gateway” at local, regional and national level.

Starting off from the notion that one of the features of a metropolis should be the presence of close connections with the rest of the continent, this meaning the compulsory presence of an international airport, the capital city has benefitted in the past few years from new investments in revamping the Henri Coandă airport in Otopeni, an airport in service since the 1960s and nowadays servicing more than 5 million passengers a year (International Airport Henri Coandă-Otopeni²). The airport's new departures terminal was inaugurated in 2012, a project part of the third phase of the program „*Development and modernization of the Henri Coandă international airport in Bucharest*”; this investment contributed to doubling the airport's processing capacity. The Bucharest airport constitutes the most important hub of the Romanian network, serving national and international trips (ESPON GROSEE Interim report, 2013).

The Băneasa airport, up to 2012 reserved for national and low-cost flights, has been temporarily shut down, and it is to be converted into a business-flight airport. In addition, there are

² www.bucharestairports.ro – Annual Report 2010, 2011

expectations that work on a third airport, to be built in the Southern part of the capital, on a tract of land of around 200 ha in the village of Adunații-Copăceni, circa 20 km away from the capital, would be completed in 2014.

The general configuration of the road-transport infrastructure is typical for a converging structure, occasionally influenced by polycentric processes (Cepoiu, 2009). Nowadays the road network in the Bucharest metropolitan area is well developed and complex because it combines into the same infrastructure heavy-duty transit traffic (the ring road), converging in-bound traffic to the capital and the area's internal traffic. There are, however, genuine shortcomings, linked to the current capacity of communication routes, their use and administration.

The fortunate geographical location of the capital city at the confluence of the main pan-European transport corridors provides the space surrounding it with the opportunity of easy access to the polarizing center, Bucharest:

- a) Corridor 4 – West to East: Berlin – Vienna – Budapest – Bucharest – Constanța, with a Southern branch, Bucharest – Giurgiu – Istanbul –Thessaloniki;
- b) Corridor 7 – the Danube route, including the Rhine – Main – Danube canal;
- c) Corridor 9 – North to South: Helsinki – Kiev/Moscow – Iași – Bucharest – Giurgiu – Istanbul – Alexandropolis (Cepoiu, 2009).

The main international roads that transect the metropolitan area and ease access to and from Bucharest are: E60 – Constanța – Bucharest – Ploiești – Brașov – Oradea; E70 – Bucharest – Pitești – Craiova – Timișoara; E85 – Giurgiu – Bucharest – Bacău – Suceava; E81 – Bucharest – Pitești – Sibiu – Cluj-Napoca – Satu-Mare. In addition there are the European roads that link various towns inside the metropolitan area to other urban centers in Romania: E574 – Pitești – Craiova and Pitești – Brașov; E 577 – Ploiești – Buzău; E 584 – Slobozia – Brăila.

Bucharest is the starting point for the radial network of seven national roads, whose routes frequently coincide with those of the European roads, enabling connection between cities: DN1 – Bucharest – Ploiești; DN2 – Bucharest – Urziceni – Buzău, DN3 – Bucharest – Fundulea – Lehliu-Gară – Călărași, DN4 – Bucharest – Oltenița, DN5 – Bucharest – Giurgiu, DN6 – Bucharest – Alexandria and DN7 – Bucharest – Găești – Pitești (Cepoiu, 2009).

Bucharest's metropolitan area benefits from the advantages offered by A1 (the Bucharest – Pitești highway), A2 (Bucharest – Constanța) and A3 (Bucharest – Brașov, that is, the first section, Bucharest – Ploiești, which entered service in 2012).

The current state of the county and village roads inside the Bucharest-Ilfov and Southern Muntenia development regions leads to a marginalization of the settlements because of the total absence or the insufficient volume of road repair and modernization works, in general. At the same time, the presence of gravel and earth roads brings about the substandard functioning of traffic by road because of the impossibility of having a proper surface to drive on. This state of facts has had – and still has – an important impact on the specificity of the current transport system in the two development regions, an under-developed, isolated system, with direct results on the economic evolution of those settlements.

The railway network of the two development regions includes 5 mainlines that ensure connections with all of Romania's historical provinces: on the Bucharest-Ploiești route: mainlines 300, 500 and 900; on the Bucharest-Urziceni route: mainline 700; on the Bucharest-Fetești route: mainline 800; on the Bucharest-Roșiori route: mainline 900. The branches of these mainlines enable other connections inside the metropolitan region: a) mainline 300: 301 – Câmpina – Telega; 302 – Ploiești – Târgoviște; 303 – I. L. Caragiale – Moreni – Filipeștii de Pădure; 304 – Ploiești Sud – Măneciu; 306 – Ploiești Sud – Plopeni – Slănic; b) mainline 700: 701 – Ploiești Sud – Urziceni – Slobozia – Țândărei; 702 – Buzău – Făurei – Țândărei – Fetești; c) mainline 800: 801 – Bucharest – Oltenița; 802 – Slobozia – Călărași; d) mainline 900: 902 – Bucharest – Giurgiu; 903 – Videle – Giurgiu; 904 – Titu – Târgoviște – Pietroșita; 905 – Golești – Câmpulung; 906 – Pitești – Curtea de Argeș; 907 – Roșiori Nord – Costești; 908 – Roșiori Nord – Turnu Măgurele; 909 – Roșiori Nord – Alexandria – Zimnicea.

In addition, at the regional scale, one can notice the presence of the pan-European transport corridor IV on the North-East direction, and of corridor IX on the North-South direction.

Nowadays, new railways are planned, linking the capital to several townships in its vicinity, including Domnești and Căciulați. The railway that links the Gara de Nord railway station to the Otopeni airport entered service in 2009. Trains travel on the route Gara de Nord in Bucharest – Triaj – Chitila – Mogoșoaia – Balotești, and passengers can then continue their travel by bus to the Otopeni airport.

The Giurgiu riverport, 60 km from Bucharest, ensures the conduct of local and international transport by river. The Giurgiu Free Zone, created in 1996 with the purpose of promoting international trade, helps raise foreign investments in the field of industrial enterprise, as well as encourage the export of processed commodities (Decree 788/1996). Plans for the future include the creation of a direct river route from Bucharest to the Danube and the Black Sea, which might contribute to improving mobility and significantly lowering transport costs.

Effects on the development of retail chains

At the regional level, one can notice the trend of vertical division of the production process, and more recently of the distribution/retail process.

There are various forms of subordinated cooperation between Bucharest and the two regions as part of hierarchical structures, typically taking two forms: a) on the one hand, there are companies that have their headquarters in the capital, and their workpoints are located in various areas in the region (they are companies that up to a certain moment used to operate inside the city, but, under the influence of rising land prices or environment policies, were driven to leave the city center in favor of other premises, more affordable in terms of prices, and located at various distances from the central headquarters; most of the time, the criterion of access by road is taken into consideration when relocating a venture); b) on the other hand, there are companies created after 1990 in various settlements which have come of age in their production or sale processes, and set up several workpoints, some of them located inside the capital.

In addition to these two classical kinds of subordinated cooperation, one should also mention the policy of outsourcing various phases of the production process, or of the services, used by an increasing number of companies out of a desire to streamline costs or to diversify operations, and which is nowadays an advantage in commercial competition. This kind of outsourcing takes place inside a network-kind of organization, characterized by collaboration and flexibility. A very good example for the evolution of companies in the study area could be the food-retail sector. There are several distribution chains inside the core-city and at regional scale (figure 1). It should be noticed that the size or the time of these distributors' arrival in the capital are not currently reflected in the number of units they nowadays control in the two regions. For instance, the retailer with the highest number of stores in Bucharest by 2013 is Mega Image, with more than 190 stores. Second place went to Carrefour with 7 Carrefour Hypermarket stores, 12 Carrefour Market and 7 Market Carrefour Express. Carrefour Hypermarket is present in Chiajna, Pitești and Ploiești, and Carrefour Market in Voluntari, Târgoviște, Câmpina, Pitești, Ploiești and Alexandria, with a total number of 10 stores. At the metropolitan level, there are 41 Mega Image stores, distributed as follows: 22 in Ilfov county; 9 in Prahova county; 4 in Giurgiu county; 3 in Dâmbovița county; 3 in Argeș county. At urban level, the most numerous stores are located in Voluntari (8), Ploiești (4), Pitești (3) and Otopeni (2), with a single store in all other towns: Bolintin-Vale, Mihăilești, Giurgiu, Popești-Leordeni, Pantelimon, Târgoviște, Găești, Breaza, Comarnic, Bușteni and Plopeni.

Cora, Real and Kaufland hypermarkets own 4 workpoints in Bucharest each, and at metropolitan scale Kaufland has the best coverage of the area, with 13 workpoints (with Argeș and Prahova counties ranking at the top of the hierarchy). The same counties also host Real stores. Cora has no workpoint outside the capital city (figure 1).

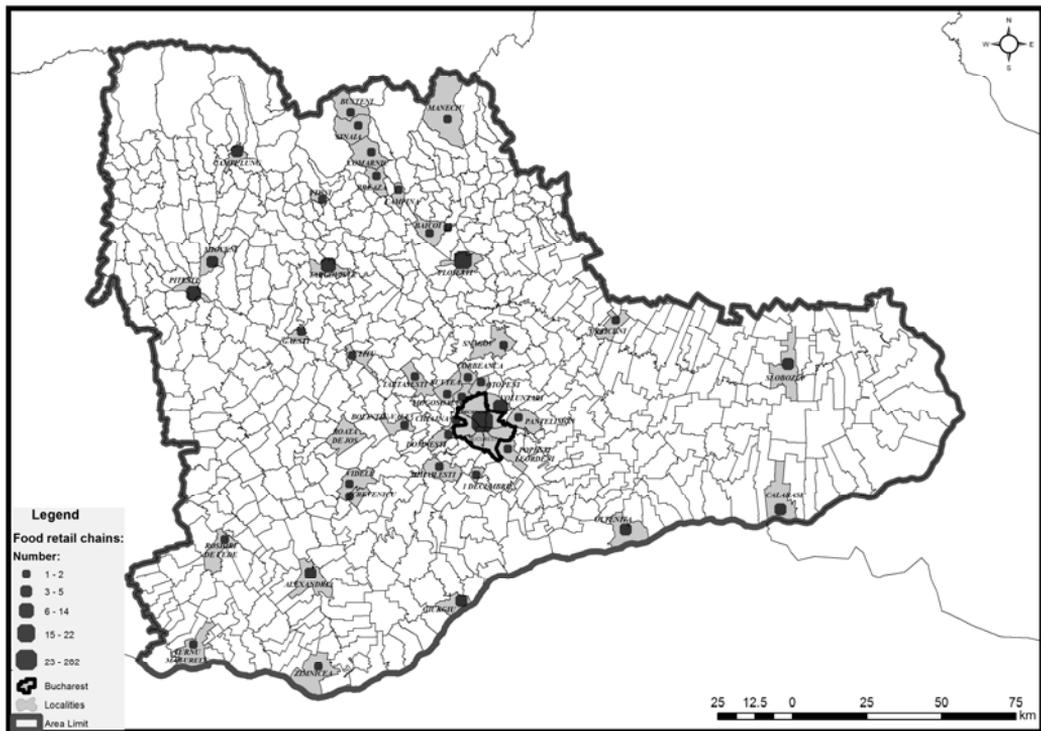


Figure 1. Distribution of food retail chains in the city of Bucharest and its metropolitan area (Source: Authors' elaboration after consulting the websites of food retail chains³)

Billa, present on the Bucharest market since 1999, has developed so far 7 workpoints in the capital and 3 in the surrounding area: Giurgiu, Oltenița and Ploiești. The Profi store chain, a more recent investment in Romania, set up 24 workpoints in Bucharest and 17 in the metropolitan area, in the neighboring counties, with the exception of Călărași. One of the most recent investments is that made by the Lidl group, whose network comprises 12 stores in the capital and 18 in the metropolitan area; most of them are located in the Prahova and Argeș counties. Retailer Penny Market, present in Romania since 2005, has 6 workpoints in Bucharest and 22 in the metropolitan area.

Evidence of the competitiveness of companies in the field of retail services is also supplied by the recent mergers at regional scale. In November 2012, the Auchan holding signed an agreement with German distributor Metro Group to take over the operations of Real hypermarkets in Central and Eastern Europe. Thus, Auchan (currently owners of 3 stores in Bucharest and 1 in the metropolitan area, in Pitești) will take over both the operations and the real-estate assets owned by the Metro Group branches in Romania (as well as in Poland, the Russian Federation and the Ukraine).

In the case of services, we have the same situation as in the case of industry, where subordination ties may become more complex, going beyond the classical pattern of the presence

³ <http://www.mega-image.ro/corporate/magazine.php>;
<http://www.promotii-hypermarket.ro/lista-magazine-kaufland-romania-i8-j0-p1.html>;
<http://www.real-hypermarket.ro/>
<http://www.business24.ro/companii/retail/cora-va-deschide-mall-ul-din-constanta-la-vara-dupa-o-investitie-de-58-milioane-euro-1526926>
<http://www.carrefour.ro/magazine/>
http://www.billa.ro/Layouts/dd_bi_single.aspx?pageId=1119871&folderid=121263
<http://www.profi.ro/contact/magazine.html>
http://www.penny.ro/Homepage/Homepage/pe_Home.aspx

of a parent industrial unit and of some workpoints located at varying distances from it. Thus, the subordination on the vertical may be seconded by subordination on the horizontal, in terms of decision-making. In general, this happens as the effect of decentralization occurring because of various causes: growth, expansion in the field and/or diversification of the production; the need for bigger tracts of land for the conduct of production and administrative operations; proximity to the supply area or areas; proximity to the retail market; workforce-related factors (from the point of view of both professional skills and quantity and/or taxation); the presence of certain services in the area. There has been a noticeable rise of the importance of the creative industries, especially at the scale of the capital, in the past few years. The development of the creative industries will provide an important support for the development of the local economy and for winning over new industries (Enache, 2011, p. 9).

The negative effects of urban sprawl on local identity in rural areas

In the past two decades Bucharest has undergone an intense process of urban expansion that occurred randomly, bringing about numerous shortcomings related to the absence of urban facilities, to the absence of easy access to proximity services and to environment quality, among others. Urban expansion was a much faster process than the creation of regulations, particularly in the absence of cooperation and interconnection of the master plans (GROSEE ESPON Draft Final report, 2013). One may thus speak about a residential reorganization at the level of the capital city, a process whose scope exceeds the city's administrative borders, because nowadays an ever-rising number of towns and villages located in the immediate vicinity of the city are characterized by a growth of real-estate development.

Two main stages can be identified: one which is specific for the first transition decade, defined by the dismantling of the big industrial zones as well as of those which were isolated and spread all over the urban space and a second one, in the following decade, defined by the increase of the built-up spaces for residential purposes and services as well. Both stages can be found now in the present structure of urban fabric. The present changes in the structure of the built-up space of the city of Bucharest, represent an increased complexity of land uses. This complexity is generated by the chaotic expansion of urban fabric, without a predesigned plan for each area which was supposed to become a residential or a tertiary (for services) one.

One can notice big differences in relation to the process of urban expansion: the Southern peripheries of the city are characterized by a compact expansion whereas the Eastern and the Southeastern ones are on the contrary very fragmented. The first case concerns the expansion of the built spaces from between the two major penetration axis of the city (București-Alexandria and București-Oltenița), especially after 2004. This compact type of expansion is due to the more accessible price of the land, several times smaller than the one of the land in the Northern areas of the city. In the second situation, the more reduced attraction is due to the pollution caused by the chemical industrial zone of Popești-Leordeni, or by the vicinity of Glina landfill. Besides those elements that explain the fragmentation of the built-up space, the existence of some forested areas as well as of some assets of cultural tourism, has favored the development of new residential areas but of a relatively limited size. Thirdly, if one looks to the Northern part of the city, a powerful social segregation can be noticed that is reflected by the structure of the built-up space. The numerous areas covered by lakes and forests, to which the existence of a complex infrastructure and the lack of polluting industries can be added, have favored the expansion of the new built up areas in the open ones, generating an alternant structure. The attractiveness of this space has generated an increased aggressiveness towards the recreational areas, the public debates on their destruction being of notoriety (The Bordei Park, The Băneasa Forest, and „*French Village*”) (Ianoș et al., 2012).

The localities change, namely their identities undergo the dynamics of social-economic phenomena and territorial mobility. Therefore, at the locality level a succession of identity states gradually takes shape. The localities close to a big city, as Bucharest, are permanent subject to

aggression and are in danger of losing their identity and of rebuilding it on different bases. The case of the localities within the Bucharest metropolitan area is able to explain the great complexity of the identity building process. Despite the protection forces of the initial identity, many of the urban and rural localities within this space will be strongly changed under the Capital external pressure (Ianoş et al., 2010, p. 174, p. 52).

The built-up space within the city and around it induces basic structural changes of the urban land use.

DISCUSSIONS

The economic changes of the past few decades involve practically a „*re-invention*” of cities (Bontje & Musterd, 2009) in response to the structural mutations that arise at local, regional and global scale. If we refer to the industrial cities, the changes brought about by the industrial reorganization process trigger a „*re-invention*” of these cities, materialized in the capability of reusing the abandoned industrial premises in a very short time after the shut-down of the industrial enterprises (Merciu et al., 2011).

Relocation and decentralization of the business enterprises inside the capital city may be linked to the economic growth that occurs in general inside the area polarized by a certain city, which determines favorable conditions for economic and human development (Herman, 2011). After 2000, the emergence of access routes linking the main cities in Romania has led to the first cases of relocation of business ventures from inside cities to the suburbs. When the competitive advantages became apparent, there followed the relocation of important business ventures to the transport corridors leading to the cities in the vicinity or along ring roads, built so as to take over transit traffic (Peptenatu et al., 2012).

One may notice that industry is an economy branch with various valences in the current society. It is on one hand, polarizing territorial resources, sustaining on short and long term the welfare and different economical systems and on the other hand, it is generating socio-economic and environmental malfunctions (Tojă 2008 quoted by Saghin et al., 2012).

The present-day tendencies in the spatial development of the communities reflect the importance of the new and major physical infrastructure, of the attractive areas for the residential complexes, and for upper tertiary development, IT activities included. Nevertheless, there are many changes in the rural and urban areas; the majority of communities preserve the primary functions. This fact confirms the destructive force of the communist development of Bucharest on the whole surrounding areas.

Bucharest has a master plan, but there is no integrative master plans of cities and metropolitan regions for Bucharest, hence a chaotic suburbanization process. In this context, short-term results might be positive in terms of increasing the revenues for the towns in the metropolitan area. On the other hand, long term negative effects such as the bottle necks for the infrastructure unitary projects, the loss of local identity, the high costs for restructuring settlements have to be foreseen (ESPON GROSEE Interim report, 2013).

The economic reorganization conducted at the European Union level played an important part in the restructuring of Bucharest’s economic life, which nowadays has the current regions across Romania undergoing a severe trial. Of late, the need for creating a policy for the reindustrialization of cities, targeting a competition-based industrial sector and a stable, simple and consistent legal framework, has become increasingly stringent, with the goal of ensuring the conditions for sustainable economic growth. Nevertheless, this new industrial sector has to take into consideration the quite complex domestic and international state of things, which accentuates the selective evolution of industries.

A reindustrialization of Bucharest, and particularly of the communities in the two development regions that make up the capital’s metropolitan area, should not disregard the development of the tertiary sector, but, on the contrary, it should mean cooperation between the two sectors of the economy, in the context where economic performance is defined by a proper interaction of production and sale processes, too. This goes on to lead to achieving advantages

such as: accelerating the sale of the industrial products manufactured, the security of retail markets (the result of preserving the optimal production/sale balance as a result of complying with the principle of demand-and-supply), the possibility of expanding the market where the commodities are distributed, saving funds, advantages in terms of the transport infrastructure (travelling on developed communication routes, investments in the development of the transport infrastructure, etc.), etc. Telecommunication networks can play a significant part in offsetting the difficulties caused by distances and the low density in outlying regions.

Achieving modern technology does not exclusively depend, however, on the presence and affordability of the infrastructure, equipment and high-end services, but it also depends on each region's degree of development. As a result, in order to win over investments, special attention must be paid to demand, to the development of applied technical skills and to increasing the awareness of potential agents. Before undertaking any large-scale infrastructure project, one should assess the predictable impact in the territory and coordinate action at the community, national, regional and local scale.

In order to improve the efficiency of transport, particularly when commuters from the capital to the surrounding settlements are concerned, it is necessary to introduce easier connections, with local authorities suggesting the use of intermodal transport (by rail and by road – that is, trains and minibuses). The main goal of intermodal transport is cutting down automotive traffic in the capital and improving the access of the population in the neighboring areas to means of transport (at least in the case of Ilfov county, nowadays), but this requires work be done to improve stations and stops, the intersections of railways and roads, as well as work to duplicate and electrify the extant railway lines.

The transition from a centralized system to a democratic one, dominated by the market economy has imposed new conditions for the big post-socialist city, meaning the fast restructuring in order to become more competitive within the globalization process, to become a real engine of the transformations at national or regional level (Ianoş, 2004).

A specific strategy for development could be beneficial for raising awareness of the capitals role in transforming their metropolitan zone in an emergent economic area. The success of the metropolitan governing depends in a large extent on the economic growth. Or, an emergent economy, characterised by branches which multiply initial investments and have got effects generalised at the level of metropolitan area cannot but sustain a certain type of metropolitan governance. Economic growth takes place by the relaunch of the public-private type partnerships, by creating and sustaining some economic actors' networks, able to exploit the strong points which arise from the establishing of such a cooperation space. Governing in the emergent metropolitan areas implies more than a success model exactly transposed from developed countries to a transition country (Ianoş et al., 2012).

CONCLUSIONS

The conclusions of the study emphasize that on the one hand Bucharest, as a result of its „exporting” urbanization to the neighboring administrative units, expands outside its own administrative territory by means of the expansion of activities, housing, technical and urban infrastructure and public transport to areas more or less in the immediate vicinity, and that, on the other hand, it triggers the development of those areas, by means of the jobs created and the services supplied to the population. It should be mentioned, however, that local development is not always accompanied by effects enabling a constant evolution of the communities, and that it may face (as a result of direct or indirect intervention) several negative aspects. Economic reorganization at the metropolitan level is not limited to the diffusion of economic growth (for instance urban-service, industrial or tertiary development), but it also causes or even accentuates several problems (the deterioration of local identity as a result of the aggressive penetration of the urban element into the rural area, the rise of pollution or overcrowding in certain areas – such as those located close to the city ring road). Last but not least, an eventual reindustrialization of the

capital city might have an important impact, economy-wise, at the metropolitan level, but it is impossible to speculate whether it would trigger exclusively positive effects.

Bucharest is one of the few cities in Romania that were not impacted by industrial reorganization, thanks to its capability for adaptation and economic recovery. This situation is the end-result of several causes: on the one hand the capital is one of those cities with a moderate level of deindustrialization, and on the other hand several industrial enterprises have been relocated into the capital city's influence and support area, where they continued their activity, the development of new business enterprises, particularly in the service sector (part of them capitalizing on the premises of the defunct industrial enterprises). The development of the tertiary enterprises brought about the development of the capital city's economy, too.

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