The vector of the development of territories under the conditions of the new reality (using single-industry towns in the Chelyabinsk Region as an example)

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Subject. The article is focused on the processes which accompany the transformation of the model of a monofunctional municipality (whose main feature is industry monospecialisation) into a multifunctional municipality both in relation to its production specialisation and in relation to its non-production and social spheres. According to the authors, this concept determines the change of the paradigm of a single-industry town’s development from the model of “town for a factory” (with the limited functionality characteristic of single-industry towns) to the model of “town for the people” (with an expanded set of functions, most particularly social functions).

The purpose of the study is to identify new opportunities and prospects for the development of single-industry towns using the multifunctional model for the functioning of regional single-industry municipalities.

Methodology. To identify the main problems to focus on, the authors analysed scientific resources dedicated to the topic. As a result, emphasis was placed on the analysis of the peculiarities and risks related to the functioning of single-industry towns due to their limited functions (in the production and social spheres and in the local labour market). For this, single-industry towns were classified into several groups: by population (small towns, towns, cities, large cities); by socio-economic situation (in crisis, at risk, stable); by the type of the backbone enterprise; and by the quality of the urban environment. The goal of the classification was to determine the socio-economic situation in single-industry towns in the Chelyabinsk Region and to perform a comparative analysis. Single-industry towns were positioned within the following coordinates: “the status of towns by population – their socio-economic status”, “the status of towns by population – the quality of the urban environment”.

Conclusions. Based on the analysis of the socio-economic situation in single-industry towns in the Chelyabinsk Region, the authors concluded that single-industry towns in the region have different levels of socio-economic development. This is due to their different economic potential, socio-economic situation (stable, at risk, in crisis), the status of the towns in terms of population, and other factors. We believe that the new approach (using the concept of functionality) will allow us, in terms of the methodology, to update and redefine the functions of single-industry towns and to develop a vision for the future town; and in terms of management, to use the development opportunities of single-industry towns by achieving their multifunctionality.
Key words: single-industry town, municipality, backbone enterprise, industry specialisation, monospecialisation, monofunctionality, multifunctionality.


Introduction

The article presents the results of an analysis of scientific literature which involved identifying the main research topics on the subject and the problems associated with the functioning of single-industry towns (SITs) within a region. These include the following: evolution of the development of SITs; problems of a methodological nature; issues related to the principles of interaction between state and local governments and the urban community and the backbone enterprise, etc. These issues have been studied for a long time and the topic of SITs has been thoroughly and extensively analysed.

However, some areas of research need to be updated to meet the new goals and objectives associated with the development of SITs in a new reality. In this context, the authors of the article focused on the processes related to the transformation of a monofunctional municipality (whose main feature is industry monospecialisation) into a multifunctional municipality in terms of its production specialisation, its local labour market, and its non-production and social spheres. In their study, the authors used the concept of “single-function town” to develop the concept of functionality (a set of functions necessary to support the life of the population) in relation to the development of SITs in modern conditions. According to the authors, this involves a change of the paradigm of the SIT development from the model of “town for a factory” (with limited functionality of the municipality) to the model of “town for the people” (with an expanded set of functions of the municipality, most particularly in the social sphere). It is also important to have a vision for the future town as a multifunctional town that ensures high standards of living. In addition, we were guided by the fact that SITs are part of the structure of a subject of the Russian Federation (settlement, production, etc.), that is why their future is inextricably linked with the close and effective intraregional (intermunicipal) interactions and the development of a regional space (Artemova & Uzhegov, 2021).

Despite the numerous scientific papers dedicated to the problems of SITs, this topic is still relevant. In the new reality, the demand for such studies is determined by the following circumstances. Firstly, by the importance of SITs in terms of their economic potential, contribution to the GRP, and the number of people living in them. Currently, there are 321 SITs in the Russian Federation with a total population of over 12.7 million people. Secondly, by the need to solve the problems of the municipality: economic, demographic, and those of social nature. Thirdly, by the increased risks due to the turbulence of the external environment, global challenges, unprecedented sectional pressure from unfriendly countries which shape the new reality. In such circumstances, it is necessary to address security issues throughout the country. Fourthly, by the need to solve a number of theoretical and methodological problems, to develop theoretical concepts that most adequately reflect the new reality in the regions and municipalities, which will allow making the right management decisions in the interests of the stakeholders of the municipalities.

The analysis of scientific resources made it possible to identify the main issues and problems that have been studied within this topic. These issues were grouped by several aspects of the study.
1. Evolutionary issues: the emergence, development, and functioning of SITs under modern conditions. The historical aspect of the study of SITs is quite fully presented in the scientific literature (Uskova et al., 2012; Fomin et al., 2020). A number of researchers distinguish four waves for the creation of monofunctional towns starting from their emergence (11th century) to the present. Researchers date the beginning of the fourth wave of the development of monofunctional cities back to the 1950s (Uskova et al., 2012). In the USSR, under the conditions of a planned economy, there was a focus on the location of productive forces by a territorial principle. What is more, territorial production complexes were their core and were widely used throughout the Soviet Union (Kulay, 2019).

A distinctive feature of SITs in the Soviet Union was the inseparability of the settlement and the backbone enterprise, which implemented both economic and social functions, which provided the conditions for the life of the population (Uskova et al., 2012). In the 2000s, there was an increased attention to the study of SITs due to the development of competitive market relations between the territories and the search for effective mechanisms of state and municipal governance (Bartosh & Malyshev, 2017). During this period, many traditional social functions of backbone enterprises were significantly reduced, and some of them were lost.

Foreign studies into this topic appeared earlier than in Russia (Bartosh & Malyshev, 2017). As a rule, these studies associated the term SIT with industry monospecialisation, therefore, they used such definitions as “mining town” (Leadbeater, 2004); “coal town” (Rabenold-Finsel, 2004), “railroad town” (Floyd & Allen, 2002), etc.

It should be noted that the evolution of SITs has been accompanied by the transformation of their production and social functions: some of the functions have been lost, others have been preserved, and new ones have emerged.

2. Theoretical issues, clarification of the used categories. It is known that the research process includes the procedure for clarifying the categories used in a particular area. It should be noted that the analysis of literature dedicated to the topic of SITs revealed some discrepancies in a number of definitions. For example, in such concepts as “single-industry town”, “single-industry municipality” (Animitsa et al., 2010), “single-function town” (Lappo & Polyan, 1998; Turgel, 2010), and “one-company settlement” (Rastvortseva & Manaeva, 2022). We agree with the scientists who admit that there is still no generally accepted definition for these terms. For example, a wide range of categories with similar meaning are used in scientific works (Kulay, 2019). It is believed that the definition of a “monofunctional town (territory)” is more universal. It is characterised by a limited number of external urban functions, a low level of diversification of economy and employment, and the implementation of external urban functions by a limited number of enterprises (Turgel, 2010).

The clarification of the term by S. N. Rastvortseva and I. V. Manaeva is reasonable. According to them, the term “single-industry town” is not very accurate since this term can only be used for settlements with an official status of a town and it does not take into account other types of settlements. In this case, in their opinion, the term “monoprofile settlement” should be used.

Hence, similar concepts related to the study of SITs are defined differently depending on the context and distinctive features of the corresponding municipality. For example, this article dedicated to the study of the SIT’s functions will use SIT to mean a monofunctional municipality.

3. Criteria for classifying municipalities as monoprofile. SITs are urban municipalities with a population of at least 5 thousand people, with a single-industry economy, and with a backbone enterprise which employs a significant part of the working population of the town. The criterion for
classifying municipalities as SITs was established by the Decree of the Government of the Russian Federation of July 29, 2014. Among the criteria used by the researchers to classify municipalities as SITs, there are such features as a limited number of external urban functions; a low level of the diversification of the structure of the urban economy; a low level of the diversification of the employment structure; and implementation of external functions of the town by a limited number of enterprises (Oruch, 2017).

4. **Connection between single-industry municipalities and the backbone enterprise.** According to almost all researchers, there is a connection between the functioning of SITs and the activities of the backbone enterprise (BE) (Animitsa et al., 2010; Granberg, 2001; Ilyina, 2013; Lipsica, 2000; Fomin et al., 2020).

According to E. G. Animitsa (Animitsa et al., 2010), there is a clear connection between the activities of a large enterprise and the socio-economic situation in an urban settlement within the territory it is located. According to M. V. Fomin et al. (Fomin et al., 2020), SITs are genetically related to the development of their BEs. I. V. Manaeva (Manaeva, 2018) defines the SIT as a settlement that has the status of a town and functions due to a BE, whose financial status influences the socio-economic development of the town as a whole.

T. A. Oruch (Oruch, 2017) emphasises the special role of BEs and their high social responsibility since they provide employment for the population, are the source of income for most households, provide social and cultural facilities, housing, and utility services, and shape the town’s budget.

5. **Peculiarities of the management of single-industry towns.** Issues related to the management of SITs have been widely discussed in scientific literature (Kutergina & Lapin, 2015; Oruch, 2017; Plisetsky & Malitskaya, 2017; Troyanskaya & Tjurina, 2019; Uskova et al., 2012). The topics include the management aspects of strategic planning in municipalities (Antipin & Vlasova, 2022); management of the economic development of SITs (Lukishin & Yagin, 2018); and goal-oriented management aimed at the development of SITs (Kutergina & Lapin, 2015). In addition, it has been noted that the formation of the system of management for the socio-economic development of a SIT involves using not only system-related, goal-oriented, innovative, and logistic approaches, but also a territorial-economic approach (Oruch, 2017).

The above-mentioned current issues and problems relating to the development of SITs make it possible to identify research problems and the area of research which the authors of the article are focused on: this is the study and transformation of the town’s functionality under the conditions of the new reality. Therefore, the **targets of the research** are monofunctional municipalities operating within the region; the **subjects of the research** are the functions of the municipalities and their transformation under the new conditions aimed at the development of SITs within the region. The **purpose of the study** is to identify new opportunities for the development of SITs using the multifunctional model of urban development.

**Transformation of the model of the single-industry town and the development of a vision of the future**

Many researchers use the concepts of “single-function town”, town functions, monofunctional town (Granberg, 2001; Kulay, 2019; Lappo & Polyan, 1998; Turgel, 2010). It is quite reasonable to use the concept of monofunctionality in relation to SITs due to the limited functions that they perform, mainly in the production sphere. However, if the processes for the development...
of SITs under new conditions are viewed solely from the perspective of their monofunctionality and in relation to the activities of the BE, this imposes very strict limits for the development of the vision for the future town. The absence of a broader and more promising vision of a town’s future makes it difficult to fulfil its economic and social potential and does not allow using all the opportunities for the development of its territory. Taking this into account, the authors of the article assume that there is a need and possibility to transform SITs into multifunctional municipalities. To do this, it is extremely important for the authorities, business, and the urban community to have a clear vision of the future town as a multifunctional town with close intermunicipal ties. We agree with scientists who believe that the collective development of a vision of the future can be viewed as a possible direction for the development of SITs. What is more, visions of the town can change in the society depending on the emergence of new opportunities and new needs (Bochko & Zakharchuk, 2020).

Therefore, having analysed the scientific literature dedicated to the topic of SITs, the authors came to the conclusion that there are no universal categories in terms of their content which can be used to study single-industry municipalities classified as SITs. We believe that certain similar concepts related to SITs (monoprofile, monofunctional, single-industry, monostructural, one-company, etc.) should not be used with regard to all aspects of the functioning of SITs. We agree with A. A. Bartosh and other authors who explain that each of the above-mentioned concepts has its own specifics, which does not allow them to be used interchangeably (Bartosh & Malyshev, 2017).

In addition, these concepts differ in content, which must be taken into account when using the terminology in studies of urban and regional economies (Bartosh & Malyshev, 2017; Turgel, 2010). In this article, the authors investigate SITs in terms of their functionality.

The history of SITs has shown that during their development their functions have changed qualitatively, quantitatively, and structurally. Some functions have been lost, a number of other functions have been preserved, and some new functions have appeared. The evolution of the model of “town for a factory” in the Soviet period and in the period of market transformation of the Russian economy has so far passed through several stages. During the Soviet period, the BE (which was state-owned) performed significant social functions and maintained social infrastructure facilities (health care, culture, further education, kindergartens, sports, etc.), whereas during the period of market transformation, which was accompanied by the sweeping privatisation of production and non-production facilities, enterprises were exempted from social infrastructure facilities (non-core assets), repurposed them for other functions, and only some facilities retained their social functions.

Thus, during the transformation of the model of “town for a factory” into the model of “town for the people”, many production and social functions of the town also changed; in the meantime the volume and the structure of social functions, as a rule, were redistributed between the authorities, local governments, and the BE. Most social functions and guarantees were taken over by the state and the municipalities, while BEs, being non-governmental institutions, reduced their non-core assets to the minimum and reduced social services provided to their employees and partially to citizens of the town.

It should be noted that today solving most or many social problems of the urban population is not solely the responsibility of the BE. In addition, it should be taken into consideration that the number of employees at BEs is about 20% of the urban population (and in some municipalities it is much less), therefore, it is the responsibility of the authorities and the local government to provide a significant number of residents and the working population with social services.

It means that the strategy of socio-economic development of SITs within regions should be a result of consensus between the authorities, the local government, businesses, and the population. However, the critical role in the provision
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of social services which involve using social infrastructure belongs to the authorities and the local government of the territory.

We agree with analysts who claim that in recent years the dependence of single-industry municipalities on backbone organisations has generally decreased. This trend is the result of the influence of the state policy aimed at the diversification of the labour market in SITs and the reduction in employment at backbone organisations. Yet, BEs, as the largest actors in the labour market, still determine the dynamics and stability of the overall socio-economic situation in most SITs of the country.

Based on the aforementioned, it can be assumed that the traditional idea of a monofunctional town is associated with its features and a limited set of functions of the town in various aspects of life (Table 1).

The limited functionality of SITs exposes the population to social risks related to the limited range and accessibility of social services. In this context, the researchers explain that the specifics of SITs in comparison with towns with multifunctional economies are more dependent on changes in the external environment (the situation in the industry, the conditions in international markets, fluctuations in demand for products, etc.) (Oruch, 2017). The multifunctionality of SITs can be achieved with the development of their intraregional and interregional cooperation and, primarily, within the framework of agglomeration.

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3 Risks 2022: backbone organisations and single-industry towns // Centre for Strategic Research Foundation. URL: https://www.csr.ru/upload/iblock/14c/k88t2bqvutbs78bl3v06htho0s37ig.pdf (accessed on 1.03.2023)

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**Table 1**: Features and risks of the functioning of a monofunctional town [compiled by the authors]

<table>
<thead>
<tr>
<th>Functions of SITs</th>
<th>Features of SITs</th>
<th>Risks of functioning of SITs</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the field of production</td>
<td>Single-industry specialisation</td>
<td>Dependence on the situation in the basic industry, one-sided development</td>
</tr>
<tr>
<td></td>
<td>As a rule, one BE, a limited number of other enterprises, including SMEs</td>
<td>Risk of instability/bankruptcy of the BE, limited scope of activities for SMEs</td>
</tr>
<tr>
<td></td>
<td>Targeting one or similar markets (regional, national, global)</td>
<td>Dependence on market conditions, significant fluctuations in market conditions in a new reality, especially in the raw material and metallurgical industries</td>
</tr>
<tr>
<td></td>
<td>Monostructural economy</td>
<td>Distorted structure of the urban economy</td>
</tr>
<tr>
<td></td>
<td>Increased export dependence due to significant external challenges</td>
<td>Inclusion of BEs in the sectoral sanctions lists of unfriendly countries, export restrictions due to the counter-sanctions of the Russian Federation imposed against unfriendly countries</td>
</tr>
<tr>
<td></td>
<td>Increased import dependency due to significant external challenges</td>
<td>Production shutdown due to a lack of materials, semi-finished products, and components which used to be imported from unfriendly countries</td>
</tr>
<tr>
<td>In the socio-economic sphere</td>
<td>A limited set of professional competencies of the working-age population due to monospecialisation of the municipal economy</td>
<td>Reduced opportunities for alternative employment, outflow of specialists to other municipalities and regions</td>
</tr>
<tr>
<td></td>
<td>Generation of local budget revenues, household incomes (wages) depending on the activities of the BE</td>
<td>Dependence on the efficiency and stability of the BE: a drop in the production volumes causes a decrease in the budget revenues and a decrease in the salaries of the employees</td>
</tr>
<tr>
<td></td>
<td>Limited number of social infrastructure facilities and limited accessibility of social services</td>
<td>Inequality of the population in terms of quantity, quality, and accessibility of social services (prices, facilities, transport, digital services)</td>
</tr>
</tbody>
</table>
processes. We also agree with the authors who note that there is a need to focus on searching mechanisms that guarantee the integration of SITs into a single market space and yet maintain a special approach to the socio-economic development in these territories (Artemova & Uzhegov, 2021; Zubarevich, 2010; Kolesnikova et al., 2007; Uskova et al., 2012).

**Data and Methods**

The described approaches used by the authors to study SITs have been tested within SITs in the Chelyabinsk Region. The information base of the study of SITs in the Chelyabinsk Region included regulatory documents of different levels, information by Rosstat, municipal statistics, data from rating agencies, analytical reports dedicated to the functioning of SITs in the Russian Federation.

The following methodological approaches and tools were used in the study: analysis of scientific literature and analytical materials dedicated to the topic of SITs; classification of the most frequently mentioned problems of SITs; clarification of key categories and their adequacy for the specific contexts.

In the study, SITs in the Chelyabinsk Region were grouped by: a) population (small towns, towns, cities, large cities); b) by socio-economic situation (in crisis, at risk, stable); c) by the type of the BE; d) by the quality of the urban environment. The goal of the classification was to determine the socio-economic situation in SITs in the Chelyabinsk Region, their functionality in relation to the local labour market, production and social spheres.

In addition, SITs were positioned within the following coordinates: a) the status of towns by population – their socio-economic status; b) the status of towns by population – the quality of the urban environment.

**Results**

In the Chelyabinsk Region, there are 16 SITs with a population of 1,130 thousand people, which is 32.3 % of the region's population. What is more, 7 SITs are in the crisis zone, 5 are in the at risk zone, and 4 are in the stability zone. The share of SITs in the GRP of the Chelyabinsk Region is about 30 %. The characteristics of SITs in the region are presented in Table 2.

The table provides information that allows characterising the SITs in the Chelyabinsk Region. It is important to highlight the following information.

1. The socio-economic conditions in the municipalities are as follows: the crisis group consists of seven municipalities with a population of 125.8 thousand people (11.4 % of the total population of SITs in the region); five municipalities with a population of 407.5 thousand people (36.7 %) are at risk; four municipalities with a population of 575.9 thousand people (51.9 %) have stable socio-economic conditions.

2. According to the industry specialisation related to the activities of the BE, the municipalities were distributed as follows: the BEs in seven municipalities belong to metallurgy, including MMK, the largest iron and steel works; in five municipalities (one of them is a CATF) the BEs belong to the machine-building industry; in two municipalities the BEs belong to the mining industry; in one municipality (a CATF) the BE belongs to the nuclear industry; and in one municipality (a CATF) it specialises in science.

It should be noted that at present, the greatest risks resulting from sanctions (as of June 2022) were revealed in metallurgy, transport and special machine building⁴.

Three municipalities in the region have the status of a closed administrative-territorial formations (CATFs) and operate under a special regime. Among them are Ozyorsk with the Mayak chemical plant (nuclear industry), Snezhinsk (development of nuclear ammunition), and Tryokhgorny with a Rosatom instrument-making plant (development of nuclear ammunition).

2. The data on the average number of employees in all organisations in SITs are as follows. The crisis segment includes towns with a number of employees under 10 thousand people; the number of employees in towns which are at risk ranges from 3.3 to 51.1 thousand people; and the stable

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⁴ Risks of 2022: backbone organisations and single-industry towns // Centre for Strategic Research Foundation. URL: https://www.csr.ru/upload/iblock/14c/k88t2bqevutbs7f86s5v06hto6s37jg.pdf (accessed on 1.03.2023)
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Table 2

<table>
<thead>
<tr>
<th>Municipalities (SITs), PSEDA status, CATF</th>
<th>Backbone enterprises, their industry specialisation</th>
<th>Average number of employees in all organisations, people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ust-Katavsky Urban District (Ust-Katav)</td>
<td>Ust-Katavsky Carriage Works named after S. M. Kirov, machine building</td>
<td>6,970</td>
</tr>
<tr>
<td>Karabashsky Urban District (Karabash)</td>
<td>ZAO Karabashmed, metallurgy</td>
<td>3,123</td>
</tr>
<tr>
<td>Nyazepetrovsky Municipal District (Nyazepetrovsk)</td>
<td>Nyazepetrovsk branch of OOO Liteyno-Mekhanicheskiy Zavod, metallurgy</td>
<td>2,423</td>
</tr>
<tr>
<td>Ashinsky Municipal District (Asha)</td>
<td>OAO Ashinskii Metallurgicheskiy Zavod, metallurgy</td>
<td>9,898</td>
</tr>
<tr>
<td>Ashinsky Municipal District (Minyar)</td>
<td>OAO Minyarsky karier, OOO Biyankovsky tschebionochny zavod, mining</td>
<td>1,387</td>
</tr>
<tr>
<td>Verkhny Ufaley Urban District (Verkhny Ufaley), PSEDA</td>
<td>OAO Ufaleynikel, metallurgy</td>
<td>6,146</td>
</tr>
<tr>
<td>Satkinsky Municipal District (Bakal), PSEDA</td>
<td>OOO Bakalskoye Rudoupravleniye mining</td>
<td>2,828</td>
</tr>
<tr>
<td>Ashinsky Municipal District (Sim)</td>
<td>PAO Agregat, machine building</td>
<td>3,349</td>
</tr>
<tr>
<td>Satkinsky Municipal District (Satka)</td>
<td>Magnezit plant, metallurgy</td>
<td>16,016</td>
</tr>
<tr>
<td>Miassky Urban District (Miass), PSEDA</td>
<td>URAL automobile plant machine building</td>
<td>51,089</td>
</tr>
<tr>
<td>Zlatoustovsky Urban District (Zlatoust)</td>
<td>OAO Zlatoust Machine-Building Plant, machine building</td>
<td>35,604</td>
</tr>
<tr>
<td>Chebarkulsky Urban District (Chebarkul)</td>
<td>OAO Urals Stampings metallurgy</td>
<td>11,200</td>
</tr>
<tr>
<td>Ozyorsky Urban District (Ozyorsk), CATF PSEDA</td>
<td>Mayak Production Association defence industry, nuclear industry</td>
<td>28,522</td>
</tr>
<tr>
<td>Tryokhgorny Urban District (Tryokhgorny), CATF</td>
<td>FGUP Priborostroitelnii zavod, defence industry, machine building</td>
<td>11,796</td>
</tr>
<tr>
<td>Snezhinsky Urban District (Snezhinsk), CATF, PSEDA</td>
<td>FGUP All-Russian Scientific Research Institute Of Technical Physics science</td>
<td>19,198</td>
</tr>
<tr>
<td>Magnitogorsk Urban District (Magnitogorsk)</td>
<td>OAO Magnitogorsk Iron and Steel Works metallurgy</td>
<td>132,704</td>
</tr>
</tbody>
</table>

zone has towns with the number of employees between 11.8 and 132.7 thousand people. It would have been interesting to analyse the percentage of people working at BEs in SITs. Unfortunately, it appeared challenging to find such statistics and the integrated investment plans and profiles of SITs do not have any up-to-date information. According to other sources (SIT’s strategies, municipality’s websites), this percentage varies significantly between towns. For example, in Zlatoust, it is about 5% of the economically active population, whereas in Sim, it is about 38%. As for the share of the BEs in the total volume of shipped products, to search data on this indicator was also difficult but considering the mono-profile status of the municipalities, the share of one industry (monospecialisation) is over 50% of total production.

These data characterise SITs as: a) monofunctional (monoprofile) in relation to the labour market (the percentage of people employed at BEs in the total number of the working-age population in the municipality); b) monofunctional (monoprofile) in relation to the industry specialisation in the real sector of the economy (mainly due to the monospecialisation of the BE).

In both cases, monofunctionality is associated with risks, both in the local labour market and in the production sphere. According to researchers, if the percentage of workers at the BE exceeds half of those employed in the real sector of the economy of the settlement, the incomes of workers dominate in effective demand and thus determine the volume of services provided to the population (Fomin et al., 2020). It means that unfavourable changes in the activities of the BE lead to instability in the local labour market and fluctuations in demand for goods and services.

As for the monofunctionality in the production sphere, it limits the opportunities for other activities (in the public sector, SMEs, etc.) and entails all risks associated with the destabilisation of the BE and a weak diversification of the municipal economy.

3. To stabilise and develop SITs, such institutions and mechanisms as priority social and economic development areas (PSEDAs) and agglomeration associations can be created. PSEDAs\(^5\) are created to attract residents who invest in the territory with preferential taxation, which ensures the creation of new jobs, the development of the municipal economy and social sphere of the municipality, and the modernisation of the urban environment. PSEDAs are created for a long period of time, 70 years. A list of economic activities that contribute to the diversification of the economy is developed for each PSEDA, a special legal regime is introduced, and the volume of capital investments is determined. A PSEDA is regulated by a management company: it creates the infrastructure, provides residents with consulting, customs, legal, and other services, ensures connection to utility networks (Fomin et al., 2020). Currently, the Chelyabinsk Region has five municipalities with the status of PSEDA. Their potential still has not been fully reached.

Intermunicipal relations can be developed and the opportunities for socio-economic development can be expanded by including municipalities into agglomerations, which create stronger connections between territories and expand the functionality of towns in terms of providing an extended set of social services and ensuring their greater accessibility. In the Chelyabinsk Region, several agglomeration associations have been created which include SITs. The Gorny Ural agglomeration includes: Ust-Katavsky Urban District, Karabashsky Urban District, Ashinskoye Urban Settlement, Minyarskoye Urban Settlement, Bakalskoye Urban Settlement, Simskske Urban Settlement, Satkinskoye Urban Settlement, Miassky Urban District, Zlatoustovsky Urban District, Chebarkulsky Urban District, and Tryokhgorny Urban District. The Northern conurbation includes: Nyazepetrovskoye Urban Settlement, Verkhny Ufaley Urban District, Ozyorsky Urban District, and Snezhinsky Urban District. The Magnitogorsk interregional agglomeration is represented by the Magnitogorsk Urban District, Agapovsky, Verkhneuralsky, Kizilsky, and Nagaybasksky Municipal Districts.

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The location of SITs in the region is shown in Fig. 1.

According to the proposed research algorithm, we grouped SITs by population. What is more, we assumed that larger cities have more diverse functions, which implies a faster growth and development of such territories due to the available economic potential, higher economic security, and more accessible social services.

In our study, we described SITs by the following criteria: the status of towns by population – the socio-economic status of SITs.

The population of SITs in the Chelyabinsk Region varies between 8.8 thousand people (Minyar).
and 413.3 thousand people (Magnitogorsk). Consequently, they have different statuses: from small towns to large cities. The authors used the classification by the population of SITs to determine its comparability with risk groups by socio-economic status (Table 3).

The data presented in the matrix show that, as a rule, it is the small towns that belong to the crisis zone in terms of socio-economic situation, i.e. 7 out of 16 SITs are in this group. The “at risk” group includes 2 small towns and 2 cities. The large city of Magnitogorsk is in the stable zone. Three cities: Tryokhgorny, Ozyorsk, Snezhinsk (with different populations), which have the status of CATFs and operate under a special regime, are within the stable zone. In this regard, we believe that in relation to this region, it can be concluded that larger cities are more stable in terms of socio-economic conditions.

Further, we positioned SITs within the coordinates “the status of towns by population – the quality of the urban environment”.

It should be noted that urban environment quality index is used as a tool for assessing the quality of the material urban environment and the conditions for its formation, which allows using the results of the assessment to develop recommendations for improving the environment⁶.

The composite urban environment quality index is determined by assessing six types of urban spaces (the maximum value of the index is 360 points). The resulting comprehensive assessment of the urban environment characterises how comfortable the living conditions are in the relevant territory. The urban environment is considered favourable when the number of points is over 50% of the maximum possible value of the town’s index; and unfavourable when the number of points is less than 50%.

The article used the composite index characterising a comprehensive assessment of the urban environment of SITs in the region in 2021. The dependence of the quality of the urban environment on the status of SITs by population is shown by means of positioning in Fig. 2.

Table 3

<table>
<thead>
<tr>
<th>Status of SITs in terms of population</th>
<th>Status of SITs in terms of population</th>
<th>Status of SITs in terms of population</th>
<th>Status of SITs in terms of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small towns (up to 50 thousand people)</td>
<td>Ozyorsk (78.1); Snezhinsk (51.9)</td>
<td>Tryokhgorny (32.6)</td>
<td>Magnitogorsk (413.3)</td>
</tr>
<tr>
<td>Towns (50-100 thousand people)</td>
<td>At risk</td>
<td>Zlatoust (162.1); Miass (150.9)</td>
<td></td>
</tr>
<tr>
<td>Cities (100-250 thousand people)</td>
<td>Chebarkul (41.5); Satka (40.8); Sim (12.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large cities (250 thousand – 1 million people)</td>
<td>Asha (28.7); Verkhny Ufaley (26.4); Ust-Katav (21.6); Bakal (18.4); Nyazepetrovsk (11.5); Karabush (10.6); Minyar (8.8)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Small towns and towns are located in a disadvantaged segment in terms of the quality of the urban environment, 8 towns. Three cities: Chebarkul, Miass, and Satka had the score between 190 and 200 points, which allows classifying them as towns with favourable urban environments. The score of over 200 points (municipalities with the most favourable conditions) were given to: a large city of Magnitogorsk and three CATF territories with a special status. Therefore, we can conclude that the quality of the urban environment in small towns is lower, while the quality of the urban environment in cities and large cities tends to be higher.

The conducted analyses allowed identifying limitations and opportunities in the development of SITs in the region (Table 4).

![Fig. 2. Positioning of single-industry towns within the coordinates “the status of single-industry towns by population – the quality of the urban environment”, 2021](image)

**Table 4**

<table>
<thead>
<tr>
<th>Areas of development</th>
<th>Development opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversification of production (intraindustry, product),</td>
<td>Extension of the BE’s product line extension.</td>
</tr>
<tr>
<td>interindustry</td>
<td>Product differentiation of the existing enterprises Development of new types of economic activities (including those based on interindustry cooperation)</td>
</tr>
<tr>
<td></td>
<td>and new market segments (social, leisure, educational, and other services, development of creative industries, etc.)</td>
</tr>
<tr>
<td>Development and support of SMEs</td>
<td>Development and support of SMEs (including innovation-oriented), bringing them to a competitive level</td>
</tr>
<tr>
<td>Focus on new segments and markets (regional, national,</td>
<td>Promotion of goods produced in the territory to existing and new markets, creation of new goods in accordance with the demands of the market and state</td>
</tr>
<tr>
<td>global), search for new markets</td>
<td>(for example, the state defence orders)</td>
</tr>
<tr>
<td>Realisation of PSEDAt’s potential</td>
<td>Attraction of investments to the territory, creation of new jobs, increasing local budget revenues derived from taxes, implementation of social programmes by business</td>
</tr>
<tr>
<td>Intermunicipal interaction within agglomerations</td>
<td>Development of cooperative ties, improvement of transport connectivity, joint use of the production infrastructure</td>
</tr>
<tr>
<td>Expansion of the set of professional competencies of the</td>
<td>Realisation of alternative employment opportunities. Assistance to employees in acquiring new demanded competencies (for example, creation of educational and production clusters within the “Professionalitet” programme)</td>
</tr>
<tr>
<td>working-age population</td>
<td>Increasing local budget revenues and household incomes Generation of household incomes and local budgets due to effective activities of the BE and business development and diversification</td>
</tr>
<tr>
<td>Development of social infrastructure</td>
<td>Ensuring high social standards and accessibility of social services (prices, facilities, transport, digital services)</td>
</tr>
</tbody>
</table>
Discussion of results

The study of the topic showed that there is a certain consensus among scientists and specialists on many issues related to the study of SITs, i.e. a similar understanding of the problems of single-industry municipalities. This applies to such aspects as the periods and stages of the evolutionary development of SITs (Soviet and post-Soviet periods and the current stage of the development of SITs); criteria for classifying municipalities as single-industry municipalities; and interaction of single-industry municipalities with BEs.

There are different opinions about issues of a theoretical nature and clarification of used categories, which was discussed above. Depending on the context and objectives of the study, scientists give different definitions to similar concepts related to the study of SITs, which is quite reasonable.

The concept of monofunctionality of SITs requires more detailed discussion. In the scientific literature, as a rule, this issue is considered in terms of the limited functions of SITs, which they perform mainly in the production sphere (Turgel, 2010). According to researchers, a monofunctional town (territory) is characterised by a limited number of external urban functions and a low level of economic diversification. What is more, a monofunctional town focuses on one economic branch or activity. Some towns support only one enterprise.

The authors of the article believe that the limited functionality of SITs entails risks in the production sector, in the local labour market, and social risks. In the social sphere, this is due to the restricted range and accessibility of social services provided for the population. In this context, there is a need to change the paradigm of the SIT development from the model of “town for a factory” (with limited functionality characteristic of SITs) to the model of “town for the people” (with an expanded set of functions, most particularly social functions).

Scientific Novelty of the Research.

The theoretical value of the study is that it expands the theory of regional economy in terms of models of development of SITs in the regions. The proposed approach will allow, in terms of methodology, to update and redefine the functions of SITs based on the concept of the municipality’s multifunctionality. This conception determines the change of the paradigm of the SIT development from the model of “town for a factory” (with limited functionality characteristic of SITs) to the model of “town for the people” (with an expanded set of functions, most particularly social functions).

Practical relevance.

In terms of practical application, the results of the study focus on the need for coordinated actions of the main stakeholders of the municipalities to support vital functions of SITs; the search for adequate and effective mechanisms and tools for managing the development of municipalities by achieving their multifunctionality.

Conclusions

As a result of the study, the following conclusion can be made.

1. The topic of SITs is still relevant and has been widely studied by scientists in Russia.
2. It was shown that the evolution of SITs has been accompanied by the transformation of their production and social functions: some of the functions have been lost, others have been preserved, and the new ones have emerged.
3. It was found that the limited functions of SITs in the current conditions are associated with significant risks: in the production sphere (dependence on the activities of the BE, low diversification of the municipal economy); in the local labour market (dependence of the labour market on the single specialisation, difficulties with alternative employment); in the social sphere (limited facilities and a set of social services provided for the population).
4. The positioning of SITs by population (large cities, cities, small towns) and the socio-economic situation in them, as well as by the quality of the urban environment showed that large cities and cities have greater functionality in terms of providing social services and ensuring their accessibility and in terms of creating a comfortable urban environment.
5. The article analysed the peculiarities and risks related to the functioning of monofunctional towns. It showed their development opportunities if their multifunctionality is achieved. The concept of expanding the functionality of SITs is in the core of the transformation of the development paradigm from the model of “town for a factory” to the model of “town for the people”. This will allow SITs to enhance the social vector of development, to solve more effectively social problems caused by monospecialisation, and to ensure higher living standards for the municipality’s population.

References

Funding
The article was prepared in accordance with the research plan of the Institute of Economics of the Ural Branch of the Russian Academy of Sciences for 2023.

Conflict of Interest
The authors declare the absence of obvious and potential conflicts of interest related to the publication of this article.
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Received 29.03.2023
Accepted 25.05.2023
Региональная экономика

Научная статья
УДК 332.1
DOI: https://doi.org/10.17308/econ.2023.3/11390
JEL: R10

Вектор развития территорий в условиях новой реальности
(на примере моногородов Челябинской области)

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Предмет. Внимание авторов было сфокусировано на процессах трансформации модели многофункционального муниципального образования (главной чертой которого является отраслевая монопрофильность) в многофункциональное муниципальное образование как в отношении его производственной специализации, так и применительно к непроизводственной и социальной сфере. На основе этого концепта, по мнению авторов, происходит смена парадигмы развития моногорода от модели «город-завод» (с ограниченным функционалом моногородов) к модели «город для человека» (с расширенным набором функций, прежде всего социальных).

Цель исследования состоит в выявлении новых возможностей и перспектив развития моногородов на основе использования многофункциональной модели функционирования монопрофильных муниципальных образований региона.

Методология. Для выявления проблемного поля, на котором фокусируются авторы, проведен анализ научных источников по тематике моногородов. В результате акцент был сделан на анализе особенностей и рисков функционирования моногородов в условиях ограниченности их функций (в производственной и социальной сферах, на локальном рынке труда). Для этого проведена группировка моногородов: по численности населения (малые, средние, большие, крупные города); по социально-экономическому положению (критические, в зоне риска, стабильные); по сфере деятельности градообразующих предприятий; по качеству городской среды. Группировка осуществлялась для выявления социально-экономической ситуации в моногородах Челябинской области, их сравнительного анализа. Проведено позиционирование моногородов в координатах: «статус городов по численности населения – их социально-экономическое положение»; «статус городов по численности населения – качество городской среды».

Выводы. На основании проведенного анализа социально-экономического положения моногородов Челябинской области авторы делают вывод о том, что моногорода региона находятся на разных уровнях социально-экономического развития. Это обусловлено их разным экономическими потенциалом, социально-экономическим положением (стабильное, в зоне риска, кризисное), статусом городов по численности населения и другими факторами. Авторы полагают, что новый подход (использование концепта функциональности) позволит в методологическом аспекте дополнить и уточнить функционал моногородов, сформулировать понимание образа будущего города; в управленческом плане использовать возможности развития моногородов на основе достижения их полифункциональности.

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https://journals.vsu.ru/econ
Ключевые слова: моногород, муниципальное образование, градообразующее предприятие, отраслевая специализация, моноспециализация, монофункциональность, полифункциональность.


Источник финансирования
Статья подготовлена в соответствии с Планом НИР ФГБУН Института экономики УрО РАН на 2023 г.

Конфликт интересов
Авторы декларируют отсутствие явных и потенциальных конфликтов интересов, связанных с публикацией настоящей статьи.

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Поступила в редакцию 29.03.2023
Подписана в печать 25.05.2023