Ljubenović, M., Bogdanović Protić, I.; Dekić, J., Igić, M. (2023): Development and planning challenges of small towns in Serbia: Case study of Bela Palanka. CITY.HU Várostudományi Szemle. 3(1), 15–34.

# Development and Planning challenges of small towns in Serbia: Case Study of Bela Palanka

## Milica Ljubenović, Ivana Bogdanović Protić, Jelena Đekić, Milica Igić<sup>1</sup>

## Absztrakt

A kisvárosok a nemzeti településhálózatok jelentős részét teszik ki, ugyanakkor az elmúlt évtizedekben komoly kihívásokkal szembesültek. Ezeknek hatása abban foglalható össze, hogy a kisvárosok a globális átalakulások, a nemzeti fejlesztéspolitikák, valamint a regionális és helyi körülmények összjátékaként elveszítik központi funkcióikat és vidéki térségek fejlesztésében betöltött szerepüket, és szembe kell nézniük egy felgyorsult zsugorodási folyamattal. Szerbia esetében a településhálózat térbeli struktúráit szintén számos feszültség és probléma terheli. Az urbanizáció kapcsán alkalmazott, nem megfelelő szabályozások a településhálózat polarizációhoz vezettek, valamint felerősítették a kisvárosok zsugorodását. Jelen tanulmány számba veszi a zsugorodásnak kitett kisvárosok problémáit és fejlődési lehetőségeit. A cél, hogy rávilágítson arra, milyen lehetőségek és kihívások jellemzik a tervezést ezekben a városokban. Éppen ezért a kutatás során különös hangsúlyt kapott a jelenlegi szerbiai területi tervezési rendszer hatásainak felmérése. A makroszintű folyamatok helyben jelentkező hatásaira fókuszálva a tanulmány egy esettanulmányon keresztül mutatja be a zsugorodás részletes körülményeit és következményeit Bela Palanka város kapcsán. A kisváros példáját használva a tanulmány elemzi a helyi tervezésnek a zsugorodásra adott inadekvát válaszait, illetve a jövőbeli fejlődés lehetséges irányait.

Kulcsszavak: kisváros, zsugorodás, Szerbia, stratégiai tervezés, Bela Palanka

## Abstract

Small towns constitute a significant component of the national settlement network; however, their development has encountered large number of challenges in recent decades. Influenced by global transformations, national policies, and local/regional

<sup>&</sup>lt;sup>1</sup> Faculty of Civil Engineering and Architecture, University of Niš, Serbia



circumstances, small towns lose their urban functions and their role as centres of rural development and face an accelerated process of urban shrinkage. In Serbia, the spatial and functional organization of the settlement network is burdened with numerous problems. The inadequately regulated process of urbanization influenced the polarization in settlement development and the shrinkage of most of the small towns. This paper investigates the development aspects and problems faced by shrinking small towns in Serbia. The objective is to spotlight the challenges and possibilities concerning their planning and future development. The existing planning system in Serbia and its role in shaping the development of small towns are therefore considered. Given the significance of examining the impact of macro-level processes at the local scale, the factors of urban shrinkage are analysed in more detail on the example of the small town of Bela Palanka. Using that example, the research indicates the inadequate responses of local planning to the problems of urban shrinkage and possible directions for further development.

Keywords: small towns, urban shrinkage, Serbia, Bela Palanka

### Introduction

Small towns are important elements of the settlement network, especially in rural areas. Although they remain a relatively underexplored subject (Burdack 2013; Wagner, Growe 2021), in recent years there is an evident increase in research on small towns in Europe. This research predominantly centres on issues related to their demographic and economic development and their capacity to adapt to contemporary socio-economic dynamics (Kwiatek-Sołtys, 2011; Mayer, Knox 2009). The diversity of small towns and their role and function the European territorial structure was the topic of two ESPON projects: *The Role of Small and Medium-Sized Towns – SMESTO* (ESPON 1.4.1., 2006) and *TOWN – Small and medium-sized towns in their functional territorial context in regional development* (Servilo et al. 2014).

There is a large number of diverse small and medium-sized towns in Europe. In the period 1960–1990, population growth in small and medium-sized towns was higher than in large metropolises, however, this trend has reversed in recent decades (ESPON 1.4.1., 2006). Despite the positive development of some small towns, a considerable number are shrinking (Schlappa, Neill 2013). Polycentric urban development is one of the goals of European regional policy and small towns have an important role in it. Therefore, it is necessary to pay more attention to the shrinkage of small towns and their hinterland. Contemporary research on small towns has increasingly addressed the problem of urban shrinkage, particularly in Central and Eastern Europe (Pirisi, Trócsányi 2014; Leetmaaa et al. 2015). However, there certainly exists a need for additional research into this



problem, especially because the national context and local characteristics lead to different trajectories of urban shrinkage and require different solutions.

Small towns constitute the most numerous group of urban settlements in Serbia and they play a pivotal role in the country's balanced spatial development. However, most of them are facing problems related to urban shrinkage. In addition to global influences, socio-political changes in Serbia and the withdrawal of the state from the distribution of national wealth have influenced urbanization trends. Small towns were especially affected by these as they predominantly relied on the processing industry, sustained and guided by state funding (Dželebdžić et al. 2022). The importance of the demographic potential of small towns has been emphasized (Kanazir 2016), but their function is compromised mainly by institutional aspects (Spasić et al. 2007). Unfortunately, the planning and governance system in Serbia have not positively contributed to the growth of small towns, marginalizing their development.

Taking everything into account, the aim of this paper is to show the development aspects and problems faced by small towns in Serbia, as well as to point out the problems and challenges of their planning. Given that it is important to investigate the effects of macro processes at the local level, the factors of urban shrinkage are analysed in more detail in the example of the small town of Bela Palanka. The research also indicates the inadequate responses of local planning to the problems of urban shrinkage and possible directions for further development.

### Methodology

The methodology of this paper aims to provide insights into the development and shrinking process of small towns in Serbia, as well as planning problems and challenges. At first, a short critical review of development and planning issues of small towns is given, as well as planning recommendations for their future development. This section serves as the theoretical framework upon which the development of small towns in Serbia is analysed, and thereafter the relation of planning to the development of small towns. To examine indicators of urban development and planning within a local context, the paper presents a case study of Bela Palanka. This town was chosen due to its shared affliction with many of the issues experienced by small towns in Serbia, including depopulation, economic downturn, and emigration. It is also a town without a significant industrial base, whose primary role is to serve the rural environment with trade and services. After determining development problems and challenges, an analysis of existing planning documents was conducted, in order to determine the adequacy of the planning approach



to urban shrinkage. Based on general recommendations for the planning of small towns, the paper offers guidelines for further development of Bela Palanka.

The analysis is based on a literature review and official national statistical data. As there are still no official results from the 2022 Census, the last official population data is from the 2011 Census. Given the great distance of that census, more recent population estimates were also used to identify further population trends.

The important methodological issue is the definition of small towns. In Serbia, there is no official definition of small towns, nor a precise categorization of urban settlements. In practice and research, the classification of settlements adopted by the official national statistics is most often applied. In the period after the Second World War, two criteria were utilised to distinguish settlements: administrative and demographic-statistical. The demographic-statistical criterion determines urban settlements according to their size (minimum of 2,000 inhabitants) and the percentage of non-agricultural population (less than 10%), and it was used in the censuses of 1953, 1961 and 1971 (Stevanović 2004). Since 1981, settlements have been divided into *urban* and *other* according to administrativelegal criteria, whereby settlements are declared *urban* by legal regulations by the local self-government. There were significant changes in the number of urban settlements in the 1981 census, whereby 47 settlements lost urban status, and 57 new urban settlements were declared by the decisions of municipal authorities (Stevanović 2004). Since then, there have been very few changes in the number of urban settlements. Although this dichotomous categorization has certain shortcomings and is often criticized by researchers and spatial planners (Kanazir 2016; Živanović 2018) it is still applied in the official statistics.

In previous research, the authors generally adopted the ranking of urban settlements according to population size (Kanazir 2016; Spasić et al. 2007). According to these rankings small towns are urban settlements with less than 20,000 inhabitants. On the European level, every country has its own classification system. ESPON's project SMESTO and TOWN (ESPON 1.4.1., 2006; Servillo, et al. 2014) defined the typology of small and medium-sized towns in Europe. According to this typology, small towns are urban areas with a population density exceeding 300 inhabitants/km<sup>2</sup> and a population ranging from 5,000 to 25,000 inhabitants. This typology is used for categorizing towns in this research; thus small towns are defined as urban settlements with a population between 5,000 to 25,000 inhabitants.



### Global and local challenges of development

Considerable differences exist among individual small towns, and the challenges they encounter are contingent upon their geographical, economic, and institutional contexts (Valtenbergs et al. 2015). Some of them have well-developed industrial and knowledgebased sectors and are experiencing population growth. On the other hand, a large number of small towns in Europe are shrinking (Schlappa, Neill 2013). Small towns had a stable position in the network of settlements as trade and service centres for rural areas, and later as modest industrial centres. However, by the late 20th and early 21st centuries, these functions came under scrutiny due to deindustrialization and economic globalization (Makkai et al. 2017). Structural changes in the global economy encourage the development of large metropolitan regions while smaller towns are witnessing an outflow of residents to these larger counterparts.

Small towns have a role in ensuring the quality of life not only for their residents but also for the rural population of the surrounding areas, as they provide micro-regions with the primary level of urban services. They represent sources of jobs and services for the surrounding rural area and also are markets of rural products (Božić 2017). The shrinkage of surrounding rural areas directly jeopardizes small towns' trade and service functions.

The development of small towns is significantly influenced by their geographical and regional context, as well as their position within the hierarchy of settlements (Smith 2017). Small towns in peripheral areas are less developed due to the lack of advantages of agglomerations, while small towns close to large cities often grow due to suburbanization processes (Domhardt, Troeger-Weiß 2009). In addition, the development of small towns is determined by the demographic and economic development of the region in which they are located. Thus, it is difficult for small towns to be successful in an underdeveloped region (Servilo et al. 2014).

In Central and Eastern European (CEE) countries, post-socialist transformation had dramatic effects on all urban areas. In addition, national and regional policy in these countries favour metropolitan areas and prosperous centres, which put small towns in a peripheral position and lead to spatial development polarization (Ehrlich et al. 2012). The main challenge of peripheral small towns is their integration into city networks and polycentric regions.



#### Planning issues and recommendation

The importance of small towns and the challenges they face are increasingly gaining recognition at the European level The European Spatial Development Perspective (ESDP 1999) highlights the need to create a network of small towns in order to develop functional complementarity, especially in less populated and economically underdeveloped areas, as well as to strengthen the linkages with rural surroundings. The small towns' development potentials and limitations are recognized also in other strategic European documents. However, there is the impression that small towns are not sufficiently represented in European development politics, especially because of their diversity and functional roles which are not taken into account.

Additionally, there is a notable absence of explicit policies targeting small towns at the national level across European countries (Servilo et al. 2014). The focus is mainly on larger urban areas as the primary drivers of growth and development, while small towns are neglected. This disparity is particularly evident in post-socialist Central and Eastern Europe. However, exactly the national institutional system has a great influence on the development of small towns, especially the process of decentralization, multilevel coordination and territorial cooperation. Small towns usually do not have the institutional capacity to act alone, and they need the support of higher institutional levels (Valtenbergs et al. 2015).

Small shrinking towns are in an especially difficult position for overcoming development challenges. They include (Valtenbergs et al. 2015): lack of services, insufficient administrative capacity, economy of limited size, reduction of tax revenues due to emigration and aging, limited human capacity, challenges of cooperation between municipalities, aging infrastructure and insufficient territorial connectivity. However, specific local characteristics can play a key role in the development of small towns and their positioning in the globalized world. Global factors are difficult to influence, but local resources offer an opportunity to preserve and emphasize the specific characteristics of small towns (Ljubenović et al. 2020). Strategies based on local resources cannot be realized only by small towns' institutions but require the involvement of various actors at all governance levels. Taking into account the problems and potentials of the development of small towns, some recommendations for planning and guiding their future development can be made as they are summarized in *Table 1*.



## Table 1.

Recommended strategies for successful development of small shrinking towns

Economic	Social	Institutional/ Governance	Territorial	Planning
<ul> <li>diversification of the economic sector</li> <li>innovative activities</li> <li>supporting new resources</li> <li>individual entrepreneurial initiatives</li> <li>creative strate- gies based on local potential</li> </ul>	<ul> <li>strengthen the aware- ness of the quality of life in small towns</li> <li>investing in education, entertain- ment and cultural amenities</li> <li>provision of affordable housing</li> <li>opportuni- ties to work at home</li> </ul>	<ul> <li>national support for regional development</li> <li>intersectoral communica- tion and cooperation</li> <li>involvement of various actors and all levels of governance – joint learning processes</li> <li>integration of the elderly population into society</li> </ul>	<ul> <li>change in the territorial functional role</li> <li>considering wider regional structure</li> <li>inter-municipal cooperation</li> <li>cooperation with rural areas</li> <li>creative ways of providing services</li> <li>cross-border cooperation</li> </ul>	<ul> <li>comprehensive vison</li> <li>systemic integral approach</li> <li>realistic assessment of current and future demographic conditions</li> <li>active participation of all actors and defined financing models</li> </ul>

Source: Ljubenović et al. 2022.

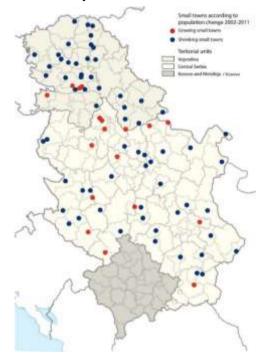
## The development and shrinkage of small towns in Serbia

Small towns in Serbia represent a heterogeneous group in terms of their status, functional, demographic and spatial-physical characteristics. Thus, there are towns whose functions have developed at the level of the rural community centre, those that have the administrative role of the municipality centre and have influence only on the territory of that municipality, as well as those that act as sub-regional centres (Spasić et al. 2007). The size and spatial distribution of small towns are a consequence of their functions and proximity to larger urban centres. The densest network of small towns is in Vojvodina (*Figure 1*), where the satellite settlements around the regional centres have a pronounced role (Filipović et al. 2016). In Central Serbia, the genesis of settlements is historically associated with frequent population migrations and a significant degree of heterogeneity among the types of small towns.



### Figure 1.

Urban settlement hierarchy in Serbia with the location of Bela Palanka



Source https://commons.wikimedia.org/wiki/File:Municipialities\_of\_Serbia\_Map-sr.svg, adapted by authors, slightly modified by the editors.

Socio-economic transformations during the latter half of the 20th century affected the demographic development of small towns. Industrialization and the transition from primary to secondary economic sector influenced migration from rural to urban areas and thus the growth of small towns (Filipović et al. 2016). According to the most recent available census sources of 2011, small towns in Serbia constitute 45% of the urban population and 13,2% of the country's total population. in Serbia was not effectively directed to foster a more balanced territorial development (Petrić 2014). This created a spatial and demographic imbalance in the network of Serbian settlements, with a notable mismatch in the concentration of residents and the level of socio-economic development.

Small towns grew intensively in the period from 1953 to 1981 attracting residents from rural areas, whereby housing was developmed and central functions were strengthened. During the 1970s and the 1980s, small towns experienced rapid economic growth and socioeconomic changes. In their economic structure, industry and agriculture had a greater share than in other categories of urban settlements. The demographic growth of small towns was



influenced by natural growth and immigration. Notably, unlike other urban categories, the influx of immigrants primarily originated from within the same municipality.

The growth of small towns slowed down after 1981, and since 1991 their population has been on a decline. The rural demographic resources have declined, and small towns have become places of emigration. In the period from 1991 to 2002, a negative population trend was recorded in 33 out of 81 small towns. In the following inter-census period (2002–2011), this number has risen to 65.

The process of urban shrinkage in small towns in Serbia can be attributed to a confluence of political, economic, and demographic factors. During the 1990s, a political autocratic regime, coupled with the country's disintegration, civil war, and political-economic isolation, disrupted the transitional reforms and triggered the emigration of skilled workers from the country. The negative natural increase occurred since the 1990s and continued as a trend. The ongoing crisis of Serbia's economy during the 1990s had an impact on a significantly greater drop in GDP compared to other CEE countries.

The contemporary challenges confronting small urban settlements in Serbia are further compounded by an inadequately controlled and directed urbanization process. The political and economic power is highly concentrated in Belgrade, creating a large spatial imbalance and extremely uneven regional development. Due to the centralization of the country, small and medium-sized cities have a weak role in regional and local development (Stojkov, Šećerov 2012). The local budgets of these settlements are profoundly reliant on the central budget. These processes determine not only the development and existence of small towns but also the entire rural areas they serve (Filipović et al. 2016). Small development problems and their problems are also the characteristics of the region or larger spatial unit in which they are located (Bajić Brković 2010). That is why their problems must be solved integrally, in the context of rural development, whereby a balanced partnership between the city and the rural area needs to be established (Mitković, Vasilevska 2010).

### Challenges of planning small towns in Serbia

In Serbia, there is no explicit policy on small towns. The development of cities in Serbia, irrespective of their size, is primarily addressed within narrower spatial contexts rather than at the national or larger regional levels. This situation arises from the absence of a clearly defined strategy for the development of cities and urban settlements (Bajić Brković 2010). Issues of urban development are left to the local level and considered



within general plans or lower planning levels. However, small towns have a lot of development problems and issues, the solution of which requires defining the framework at a higher (national) level.

Spatial plan of the Republic of Serbia (2010–2020), Conceptual proposal of the new spatial plan of the Republic of Serbia (2021–2035), as well as regional spatial plans, all incorporate small towns as integral components of polycentric development, aligning with European regional policies. However, the main problem is the implementation of planning concepts regarding the development of the system of urban centres and their functional areas. In addition to that, the adequate regionalization of the country was not implemented in order to decentralize functions from a national to regional administrative level. Thus, the negative trends in the development of urban systems have continued. Even more intense polarization of the territory of Serbia resulted more developed centres, which are mostly larger settlements, and the increasingly underdeveloped periphery, which consists of almost all smaller towns and all rural settlements.

Spatial plans of municipalities adopted in the 21st century are generally characterized by limited analysis and assessment of socio-economic conditions and changes. Their planning objectives and solutions often prove unrealistic (Đơrđević et al. 2012). These plans typically lack the application of integral planning models to improve their quality. On the other hand, at the local level, ad hoc decisions are made that do not correspond to long-term strategic visions of urban development (Maruna 2013). Urban plans of small towns are still under the influence of the urban growth paradigm and are not adequately adapted to the real situation.

While local governments bear significant responsibility, their actual power in implementing public interests is often limited (Maruna 2013). The power of implementation lies mainly in the hands of the market-driven private sector. Citizen participation in the planning process still faces challenges. Most of the citizens are not informed about the holding of public inspection of the plans. On the other hand, there is distrust among citizens that they can influence the decisions of the administration at all.

According to the Law on Local Self-Government, municipalities as units of local self-government have the opportunity to collaborate and pool resources to pursue common interests. However, inter-municipal cooperation is currently limited in scope. There is a lack of strategic support for inter-municipal cooperation, with developed mechanisms and direct guidance on the possibilities of cooperation.

Strategic planning is not connected with other forms of planning and decisionmaking in municipalities, there is a lack of strategic management in municipalities, which affects insufficiently elaborated implementation. The law on planning system adopted in 2018 recognizes strategic planning as the main carrier of public policies and



for the first time introduces the legal obligation to have planning development documents at all levels of administration.

## Bela palanka case study

Bela Palanka is a small town located in southeastern Serbia, boasting excellent connectivity via Corridor X, one of the pan-European traffic corridors. This strategic transportation route links Bela Palanka with larger urban centres such as Pirot (30 km away) and Niš (45 km away).

## Development characteristics

Bela Palanka has a rank of urban settlement since 1953. Prior to that, it was predominantly an underdeveloped urban settlement with a notable focus on craftsmanship. In the second half of the 20th century industrialization, the declining role of agriculture and urbanization affected the economic structure of Bela Palanka, when the mechanical, electronic, furniture, food, textile and footwear industries developed. However, industrialization in Bela Palanka started later than in larger cities, so the economic development of the municipality was somewhat slower. The largest share of active population (56,9%) was recorded in 1961, of which 80.8% worked in the primary sector, mostly in agriculture (Živković 2014).

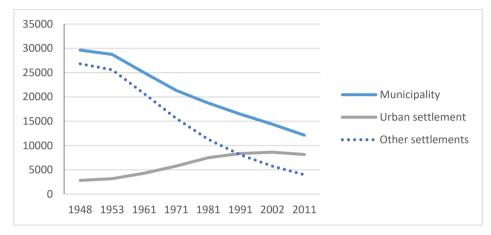
The urban settlement of Bela Palanka recorded an increase in population until 2002; by that year it almost tripled the figure of 1948 due to the intensive rural-urban migrations (*Figure 2*).

In the period 2002–2011, the number of inhabitants in the urban settlement decreased by 5,6%. According to the latest estimates from 2021, the population in the urban area continued to decline even more significantly, with a 10% decrease from 2011 to 2021. The number of inhabitants in the municipality, on the other hand, has been in constant decline since the end of the Second World War due to an even greater reduction of the population in rural settlements throughout the entire period.



Figure 2.

Population changes in the urban settlement, other settlements, and the municipality of Bela Palanka



Data source: RZS 2014.

The municipality of Bela Palanka has been experiencing a negative natural population increase since the 1970s. This natural decrease is lower compared to the Serbian national average, and it is the main cause of the decline of the population of rural settlements, and thus of the municipality. Since 2002, the negative migration balance contributes to population decline. The largest negative values of the migration balance occur in the category of young people aged 15–34, which indicates selective emigration. Emigration and declining birth rates have caused the process of demographic aging since 1961.

Following the socio-political changes, all companies that existed in Bela Palanka during the socialist era underwent unsuccessful privatization or bankruptcy. The period after 1989 is characterized by an enormous economic decline in the municipality according to all indicators, and especially during the 1990s. In 2002, the average salary in Bela Palanka was a mere 25% of the national average. Since 2000, some indicators have slightly increased (average income, budget revenues), while employment and unemployment rates continue to show negative trends and are significantly below the average for Serbia. Due to the decline in economic activities and failed privatization in the industry in the period 2002-2011, there has been a large drop (62,5% to 36,3%) in the share of employees in the secondary sector (Živković 2014) As a consequence of these



economic challenges, Bela Palanka municipality has been classified as a distressed area in terms of its development level<sup>2</sup>.

Based on a survey conducted by Živković (2017), economic factors were cited as the main reason for population emigration from the area. The majority of residents under the age of 50 would leave their homeland permanently. Between tourism and agriculture, respondents found tourism more attractive, especially rural tourism, which would be based on the hospitality of the population as well as cultural and natural resources.

### Contemporary planning framework

According to the Spatial Plan of the Republic of Serbia from 2010 to 2020, the municipality of Bela Palanka is strategically positioned to establish connections with the city of Niš, recognized as the core of a functional area of international importance, as well as with Pirot, identified as the core of a functional area of regional importance. The area of Bela Palanka is also included in the Regional Spatial Plan for the area of the Nišava, Toplica and Pirot administrative districts, where it is categorised as an underdeveloped and depopulated municipality. In the network of settlements, it is recognized as a smaller urban settlement in a rural environment and, accordingly, it should develop more intensively economic function and public services. This plan also emphasizes various natural and created potentials for the development of tourism, but products and services are not sufficiently developed or organized.

The spatial plan of the municipality of Bela Palanka 2009–2024 identifies negative demographic trends as a result of economic, educational, psychological, biological and cultural factors. Population projections were based on the census from 2002. For the urban settlement, an increase of 619 inhabitants was forecasted until 2021, however, by 2011, the number of inhabitants had already decreased by 483. For the previous development of the industry, which was focused on the application of the concept of diversification, it is concluded that it cannot reach the appropriate level of competitiveness. In rural areas, the development of industry should be based on branches directly dependent on agriculture. In particular, the necessity of support for the activation of micro-businesses and the development of tourism is emphasized.

The latest urban plan of the town is the General Regulation Plan of Bela Palanka from 2013. It does not include population projections, nor does it consider demographic or economic trends. Given that this plan defines an increase in the construction area of



<sup>&</sup>lt;sup>2</sup> According to the Regulation on establishing the uniform list of development of regions and units of local self-government in 2014 (Official Gazette of the Republic of Serbia, no. 104/2014), local selfgovernment units are classified into the first, second, third and fourth group, and devastated areas.

433.51 ha in relation to the built-up area of 145.59 ha, it can be concluded that the determination of the plan is optimistic urban growth in the coming period. Under the assumption of economic growth, the area three times larger than the existing one is determined for economic zones (that is an increase of 103 ha).

Bela Palanka has indeed adopted certain strategic documents (e.g. Sustainable Development Strategy of the Municipality of Bela Palanka 2010-2020, Environmental Protection Program) whose drafting was rather a necessary formality. There are no implemented or planned projects for certain areas of the existing strategic plans, while on the other hand, there are no strategic plans for certain areas, but there are implemented projects (CSP 2016).

Inter-municipal cooperation has been established with several municipalities, although these possibilities were not thoroughly considered within the existing spatial plans. In addition, cross-border cooperation with municipalities in Bulgaria is implemented, whereby Bela Palanka participates in 10 projects. Thus, within the framework of cooperation with the Bulgarian municipality of Etropole, Bela Palanka received funds for the construction of a sports and recreation centre. It also signed a friendship charter with the municipality of Slovenska Bistrica (Slovenia) in 2012, which made them twinned municipalities.

The Development plan of the municipality of Bela Palanka 2021–2028 identifies the improvement of public administration, the development of infrastructure and the development of the economy as strategic priorities. An indicative source of funds has not been prepared for a large number of proposed measures, and a plan for local economic development and new spatial and urban planning documents have yet to be drawn up.

### Discussion and guidelines for improving the development of the town

Bela Palanka is a typical small town that has historically developed to serve its rural environment. Although it has never developed as a significant industrial centre, deindustrialization still had a major impact on the town's economic structure. This led to significant emigration, especially of the young population. Simultaneously, the inadequate policy regarding rural areas in Serbia did not ensure the modernization of the rural economy, which led to the extinction of villages, whereby Bela Palanka lost a large part of the rural hinterland and thus the main function of its existence.

Spatial and urban plans do not adopt the decline of urban settlements as a future option. Planning solutions are put in place under the assumption that the decline will be reversed. By greatly expanding the space for future construction, and without defining the sequence and phases of construction, the urban structure of the settlement can be further fragmented in the future instead of creating a compact settlement. Spatial



plans emphasize the potentials and goals of the development of both urban settlements and rural areas, emphasize the need to strengthen central functions, but do not elaborate in detail on the possibilities of realizing these goals and do not provide implementation solutions. For instance, inter-municipal cooperation possibilities are seldom mentioned in spatial plans, nor are strategies for connecting rural areas with the urban core thoroughly outlined. The improvement of strategic capacities is one of the main identified necessary goals for the improvement of Bela Palanka, along with the necessary improvement of transparency and cooperation with state institutions, as well as financial capacities (CSP 2016).

Conversely, the municipality is actively striving to realize specific local initiatives, as evidenced by its participation in cross-border cooperation projects. Moreover, various forms of tourism, primarily localized in nature, have been developed. However, in order to improve urban development, support from higher levels is necessary, as well as an adequate planning framework with clearly defined guidelines for future development with the application of an integral approach. Considering the size of the town, the ambitious techniques of rightsizing are not suitable (Schilling, Logan 2008; Hollander et. al. 2009), but an emphasis on a transparent process of planning and implementation with the inclusion of various actors and sources of information that this approach implies is desirable. As Sousa & Pinhoa (2015) point out, planning for shrinkage does not counteract public interest. Based on the defined recommendations for the planning of shrinking small towns, and taking into account the local characteristics, the main directions and goals of the development of Bela Palanka can be singled out:

- inventing new economic directions for the urban development,
- specialization and creating a unique image of the town the possibility of thematic development,
- investing in the quality of education, entertainment and cultural content in order to retain young people.

Inventing new economic directions for the urban development. Because of the previous insufficient development of the municipality and pronounced economic crisis after socio-political changes, there's a pressing need to diversify the economic foundation with innovative activities, a strategy that has proven successful in certain small towns (Burdack, Meschwitz 2013; Cudny 2012). Possible directions of development include:

- development of industry related to agriculture, which can be the economic basis of the city, but it is possible to improve, for example, organic production;
- support for the development of new activities, such as tourism, renewable energy sources, etc. which would be more attractive to the younger population.

Specialization and creating a unique image of the town. Building upon the identified economic trajectories of the town's development, it is necessary to strengthen them



through the promotion of a new image and identity. Creative strategies, based on on local qualities can contribute to the transformation of declining local economies (Selada, Cunha 2012). In the context of tourism development, considering the diverse prospects within the town and its surroundings (excursion, sports-recreational, event, rural, eco-tourism, etc.), there is a possibility of forming a thematic tourist route that would unify the tourist offer of the city and surrounding settlements. This should be enforced by:

- engaging citizens and other actors, especially young people, in order to propose activities for the future orientation and involve in the process of planning and implementation;
- financial support from the state, with the possibility of inter-municipal cooperation, or by strengthening already established cross-border cooperation;
- connecting with local tradition, gastronomic offer, existing festivals;
- planning solutions for the spatial distribution of new content.

Investing in the quality of education, entertainment and cultural content in order to retain young residents. Young people could be engaged in the digital promotion of the city, for the implementation of mobile services for remote areas of the city, etc. for which training development programs in the field of information technologies and financial support from the city are necessary.

Clear future demographic scenarios should be set up. Future demographic decline will not only influence the urban (built up) structure, but will have an ongoing negative impact on all functions from public services to local incomes.

## Conclusion

The development of small towns is confronted with many issues. Global challenges, coupled with inadequate national policies and local influences threatened the position of small towns and their primary role in ensuring the quality of life of their inhabitants and surrounding rural population. Preserving their central functions and vitality represents a key challenge in regional and spatial development across Europe. For this reason, planning their development represents a great challenge and requires special attention. Small towns have limited financial possibilities and institutional capacity to confront their problems and implement desired measures and goals. They require creative strategies and innovative planning approaches to enhance their development or chart new pathways. Additionally, they depend on strong support from higher levels of government and planning authorities, which can provide financial assistance, organizational support, and planning guidance.



In Serbia, small towns face similar challenges as their counterparts in post-socialist Europe. The post-socialist transition together with other global influences had turbulent effects on their development. The specific political and social circumstances of development in Serbia during the 1990s further weakened the economy of the entire country, especially of small towns. The distribution of urban population and economic power within the urban system is strongly influenced by the state. This further threatens the possibilities for the development of small towns. Considering the shrinking of rural areas, the survival of small towns and their primary role in regional spatial development are called into question.

The planning and governance system in Serbia have not effectively facilitated the development of small towns. The development of small towns is still largely controlled by state authorities. Despite decentralization, small towns do not have developed institutional capacities and have very limited financial independence to create and implement innovative initiatives at the local level. Moreover, community participation in the planning and development processes remains limited. As demonstrated by the case of Bela Palanka, ban shrinkage is a prevalent issue in Serbian small towns, yet spatial and urban plans continue to be oriented toward urban growth. This underscores the persistence of the urban growth paradigm in Serbian planning, which is ill-equipped to address the challenges faced by shrinking small towns.

It is necessary, therefore, to strengthen and build institutional capacities at the local level and create opportunities for implementing bottom-up planning, so that innovative local initiatives receive support from higher levels. Policies that should support the development of small towns must ensure that small towns are not neglected due to other priorities of higher levels of government. At the local level, it is necessary to enable cooperation between different actors and develop an integrated approach to planning, which requires adequate information and research support. By networking with other small towns and pooling resources, small towns can overcome their peripheral position in the national urban system.

### References



Bajić Brković, M. (2010): Ka održivom razvoju gradova u Srbiji. In M. Bajić Brković (Ed.), Kreativne strategije za održivi razvoj gradova u Srbiji, 11–50. Beograd: Arhitektonski fakultet, Univerzitet u Beogradu.

Božić, N. (2017): Obnova i održivi razvitak malih gradova. Urbano-ruralne veze, Sveti Martin na Muri 19. i 20. rujna 2017. godine, 66–75. Zagreb: Hrvatski zavod za prostorni razvoj.

Burdack, J. (2013): Lokal basierte Kleinstadtentwicklung im östlichen Europa: Potenziale, Probleme und Praktiken – eine Einführung. In: J. Burdack, A. Kriszan (Eds.), Kleinstädte in Mittel- und

*Osteuropa : Perspektiven und Strategien lokaler Entwicklung*, 5–13. Leipzig: Leibniz-Institut für Länderkunde e.V. (IfL).

- Burdack, J., Meschwitz, H. (2013): Entwicklungsperspektiven sächsischer Kleinstädte: Dippoldiswalde, Grimma, Großenhain, Ostritz und Waldenburg. U J. Burdack, & A. Kriszan (Urednici), Kleinstädte in Mittel- und Osteuropa: Perspektiven und Strategien lokaler Entwicklung (str. 13-31). Leipzig: Leibniz-Institut für Länderkunde e.V. (IfL).
- CSP. (2016): Izveštaj o stanju institucionalnih kapaciteta, zapošljivosti ugroženih grupa i socijalnoj zaštiti u 34 gradova i opština u Srbiji. Centar za socijalnu politiku. Retrieved Avgust 2020, from http://csp.org.rs/sr/assets/publications/files/Izvestaj\_o\_stanju\_institucionalnih\_kapaciteta\_zaposlj ivosti\_ugrozenih\_grupa\_i\_socijalnoj\_zastiti\_u\_34\_grada\_i\_opstine\_u\_Srbiji.pdf
- Cudny, W. (2012): Socio-economic transformation of small towns in East Germany after 1990 Colditz case study. Bulletin of Geography. Socio-economic Series, 17, 33–43.
- Domhardt, H.-J., Troeger-Weiß, G. (2009): Germany's Shrinkage on a Small Town Scale. In: The Future of Shrinking Cities: Problems, Patterns and Strategies of Urban Transformation in a Global Context, 161–168. Berkley: University of California Berkley, Institute of Urban and Regional Development, IURD Monograph Series.
- Dželebdžić, O., Čolić, N., Majhenšek, K. (2022): Preobražaj malih gradova u Srbiji od urbanog opadanja do novog identiteta. *Lakalna samouprava u planiranju i uređenju prostora i naselja*, 71–79. Beograd: Asocijacija prostornih planera Srbije, Univerzitet u Beogradu – Geografski fakultet.
- Đorđević, D., Dabović, T., Živak, N. (2012): Slabost prostornog planiranja u Srbiji na primeru planiranja prostornog razvoja pogranične zone prema Bugarskoj. *Glasnik/Herald*, 43–59.
- Ehrlich, K., Kriszan, A., Lang, T. (2012): Urban development in central and eastern Europe e between peripheralization and centralization? *disP - The Planning Review*, 48(2), 77–92. doi:10.1080/02513625.2012.721611
- ESDP. (1999): European Spatial Development Perspective. Luxembourg: European Commission. Retrieved September 03, 2019, from https://ec.europa.eu/regional\_policy/sources/docoffic/ official/reports/pdf/sum\_en.pdf
- ESPON 1.4.1. (2006): *The Role of Small and Medium-Sized Towns (SMESTO)*. Final Report. Retrieved Februar 05, 2018, from https://www.espon.eu/sites/default/files/attachments/fr-1.4.1\_revised-full.pdf
- Filipović, M., Kanazir, V. K., Drobnjaković, M. (2016): Small Towns in Serbia The "Bridge" Between the Urban and the Rural. *European Countryside*, 8(4), 462–480.
- Hollander, J. B., Pallagst, K., Schwarz, T., Popper, F. (2009): Planning shrinking cities. *Progress in planning*, 72(4), 223–232.
- Kanazir, V. K. (2016): Mali gradovi demografski potencijal Srbije (Vols. Posebna izdanja, knjiga 90). Beograd: Geografski institut "Jovan Cvijić" SANU.
- Kwiatek-Sołtys, A. (2011): Small towns in Poland barriers and factors of growth. Procedia Social and Behavioral Sciences, 363–370.
- Leetmaaa, K., Kriszanb, A., Nugaa, M., Burdackb, J. (2015): Strategies to Cope with Shrinkage in the Lower End of the Urban Hierarchy in Estonia and Central Germany. *European Planning Studies*, 23(1), 147–165.
- Ljubenović, M., Bogdanović Protić, I., Đekić, J., Igić, M., & Mitković, M. (2022): Specific challenges of planning small shrinking towns. *Proceedings of 4th International Conference on Urban Planning- ICUP2022*, 325–332. Niš: Faculty of Civil Engineering and Architecture of the University of Niš.



- Ljubenović, M., Bogdanović Protić, I., Mitković, P., Igić, M., Đekić, J. (2020): Building resilience through creative strategies in small post-socialist shrinking towns. *Proceedings of 3rd International Conference on Urban Planning- ICUP 2020*, 205–212. Niš: Faculty of Civil Engineering and Architecture of the University of Niš, Urban Planning Cluster.
- Makkai, B., Máté, É., Pirisi, G., Trócsányi, A. (2017): Where Have All the Youngsters Gone? The Background and Consequences of Young Adults' Outmigration from Hungarian Small Towns. *European Countryside*, 9(4), 789–807.
- Maruna, M. (2013): Climate change adaptation strategies: urban planning in post-socialist transition countries in between values and interests. *Regional development, spatial planning and strategic* governance, RESPAG 2013, 1007–1017. Belgrade, May 22–25, 2013: Institute of Architecture and Urban & Spatial Planning of Serbia.
- Mayer, H., Knox, P. (2009): Small Town Sustainability: Economic, Social, and Environmental Innovation. Basel: Birkhäuser Verlag AG.
- Mitković, P., Vasilevska, L. (2010): Grad i selo: partnerstvom do održivog ruralnog razvoja. In M. B. Brković (Ed.), *Kreativne strategije za održivi razvoj gradova u Srbiji*, 201–231. Beograd: Arhitektonski fakultet, Univerzitet u Beogradu.
- Petrić, J. (2014): Traditional sprawling vs. "implosive" shrinking examined in the Serbian urban context. *Urbanistica Informazioni, XXXXI*(257), 64–67.
- Pirisi, G., Trócsányi, A. (2014): Shrinking small towns in Hungury: the factors behind the urban decline in "small scale". Acta Geographica Universitatis Comenianae, 58(2), 131–147.
- RZS. (2014): Popis stanovništva, domaćinstava i stanova 2011. u Republici Srbiji. Uporedni pregled broja stanovnika 1948, 1953, 1961, 1971, 1981, 1991, 2002. i 2011. Beograd: Republički zavod za statistiku.
- RZS. (2018): *Stanovništvo, baza podataka*. Retrieved from http://data.stat.gov.rs/ ?caller=1801&languageCode=sr-Latn
- Schlappa, H., Neill, W. J. (2013): From crisis to choice: re-imagining the future in shrinking cities. Saint-Denis, France: URBACT.
- Schilling, J., Logan, J. (2008): Greening the Rust Belt: A Green Infrastructure Model for Right Sizing America's Shrinking Cities. *Journal of the American Planning*, 74(4), 451–66.
- Selada, C., Cunha, I. V. (2012): Creative-based strategies in small and medium-sized cities: Key dimensions of analysis. *Quaestiones Geographicae*, 31(4), 43–51.
- Servilo, L., Atkinson, R., Smith, I., Russo, A., S. L., Demazière, C., Hamdouch, A. (2014): TOWN, small and medium sized towns in their functional territorial context. Luxembourg: ESPON.
- Smith, I. (2017): Demographic Change in European Towns 2001–11: A Cross-National Multi-Level Analysis. *Tijdschrift voor Economische en Sociale Geografie*, 108(4), 424-437.
- Sousa, S., Pinhoa, P. (2015). Planning for Shrinkage: Paradox or Paradigm. European Planning Studies, 23(1), 12–32.
- Spasić, N., Petrić, J., Filipović, M. (2007): Small and medium towns of Central Serbia. Standpoints and Assumptions on Development Perspectives. Belgrade: Institute of Architecture and Urban & Spatial Planning of Serbia.
- Stevanović, R. (2004): Gradska naselja Republike Srbije u popisima stanovništva od 1948. do 2002. godine. Stanovništvo, 1-4, 109–126.
- Stojkov, B., Šećerov, V. (2012): The Settlement Network of Serbia: From the Past to the Prospective. In: T. Csapó, A. Balogh (Eds.), *Development of the Settlement Network in the Central European Countries*, Berlin: Springer. 41–62.
- Valtenbergs, V., Fermin, A., Grisel, M., Servillo, L., Vilka, I., Līviņa, A., Bērzkalne, L. (2015): Challenges of Small and Medium-Sized Urban Areas (SMUAs), their economic growth potential



and impact on territorial development in the European Union and Latvia. Latvia: The Latvian Ministry of Environmental Protection and Regional Development.

Wagner, M., Growe, A. (2021): Research on Small and Medium-Sized Towns: Framing a New Field of Inquiry. World, 2(1), 105–126. doi:https://doi.org/10.3390/world2010008

Živanović, Z. (2018): Prilog diskusiji o tipologiji naselja Srbije. Demografija, 15(15), 33-49.

Živković, D. (2014): Savremene demografske odlike opštine Bela Palanka. Demografija, 11, 233–243

Živković, J. (2017): Regionalno-geografske osnove održivog razvoja Šljivovačke planine i njene podgorine u Istočnoj Srbiji. Novi Sad: Univerzitet u Novom Sadu, Prirodno- matematički fakultet, departman za geografiju, turizam i hotelijerstvo

