

THE GREAT MOMENTS OF URBAN INDUSTRY IN GALATI CITY

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Abstract

The article deals with the problem of urban evolution and spatial planning in the Galati city through the last two centuries. Three great periods are identified that change the urban morphostructure. The first begins with the embryos of shipping industry in close relationship with the natural conditions. The second stage reflects the planned policy affecting also the material and immaterial structure of the city. The last 20 years express the new wave of urban industry connected to a mixed technopolitan evolution.

Keywords: *spatial distribution, industry, environment, planning*

JEL Classification: R19, R29, R59.

Introduction

Is Galati city a result of industrial planning? The answer to this question is definitely affirmative. As any developed urban structure, the city along the maritime Danube river displays through its functional zoning the evolution of the stages of territorial organization influenced by the industry.

Today's industrial landscape of the city displays a mosaic generation of industries which were implanted during various and different political, economical and social circumstances. What exists nowadays within the Galati industrial space represents an aggregate, from the 19th century naval construction industry till the technological pole of the late 20th century, where almost the entire range of generations of industries can be found.

There are three generations of industries, easily identifiable in the

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Galati urban area, which constitute a real industrial belt around the city of today:

- *the proto-industries*, situated in the proximity of the quay, directly connected to the portuary activity and to the activities related to it (naval industry, mechanical industry, food industry, wood industry, etc.);
- *the “planned” industries* of the communist era (iron and steel industry, construction materials industry, chemical industry, textile industry);
- *the industries of contemporary dynamics* (textile industry, food industry, high technology industry) situated in various points both peripheral and within the city.

1. The proto-industry

The proto-industry makes the first industrial nucleus in Galati, centred on the harbour-naval repairs doublet which, in time, will polarize a range of related, but also distinct, activities gradually transforming the initial nucleus into a functional and well shaped industrial zone.

The trades, the ferments of proto-industry, played a primordial part not only by their numbers but also by the position they occupied in the life of the city on the Danube. Due to them, the city becomes a centre of trade production which will complete the label of “borough¹” (Rom. *târg*) – a centre of exchanging goods.

Once the Porto Franco regime was obtained, but also due to the political and economic evolutions of the second half of the 19th century, the factory production is present in Galati.

The industries of the first generation, whose locations were strongly influenced by the economical principle of minimizing the transport costs by placing the facility in the proximity of the source of raw materials, experience their growth in Galati due to the conditions offered by the city: raw material in the nearby hinterland, the possibility of selling on the Porto Franco market, cheap labour force.

¹ In 1769, Galati was one of the “big boroughs”, next to Iași, Botoșani, Roman and Focșani, the others being considered “small boroughs”.

A shop of naval manufactory did repairing to the ships in the harbor and also built ships. In 1776 two 41.5 cubit-long boats equipped with cannons were built there for the two rulers of the Romanian countries.

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They are placed, without exception, close to the quay in the low plains of the Danube and Prut rivers, which, in the local language, is called the *down town*.

Naval constructions

The tradition of the manufactory shop existent in Galati at the end of the 19th century, continued by the *Machines and boats repairing plant*, founded in 1892-1893¹, is reorganized after the war when the shipyards are re-equipped for a new production line of different tonnage.

The present factory, after undergoing a series of mutations on the administrative level, displays a structure that is both personalized and dynamic, focused on several representative categories of products².

The concentration of large shipyards of Romania in the maritime-riverside zone attracted to Galati the specialization in the production of naval parts, mechanisms, aggregates and subassemblies within one company with an unique profile in the country, MENAROM.

The iron and steel industry

A brief history of this industry at the level of Galati city is related to the early beginnings of factory iron and steel industry in the Danube city, being represented at the beginning of the 19th century by manufactory sections of smelting, forge, plate and wire processing, and boiler manufacturing. These will be found as metallurgical activities included in the Factory for machine and ship repairs (the Shipyard), the units of the Strousberg consortium, the Romanian Railway shops and the Depot (1869 – 1871), the *Albina* Chemical products and tin packages factory (1887), the

¹ Brezeanu, I., Munteanu N.G. (coord.), 1972, *Județul Galati pe scara timpului*, Întreprinderea Poligrafică Galati, pp. 90-92.

² DAMEN SA is the today owner of Galati shipyard. The shipyard has changed its configuration from constructors of large tonnage ships into a company oriented towards a strictly specialized and demanding market. Nowadays, the production is focused on commercial ships up to 15,000 tdw and smaller boats – motorboats, tugs or boats for special purposes such as barges according to the existent orders. Once the Galati Shipyard was taken over by the Dutch group, a series of internal structures were closed, among which those of naval repairs and passenger boats or leisure boats construction. The activity was transferred to a smaller unit – The Manufacturing and Repairing of River Boats made of fibreglass reinforced polyester (SCCA Brateșul)

Greierul steam factory of tin objects and galvanized buckets (1885), the *Leul* factory of nails and wire-drawing (1884), the *Westfalia* factory of wire and wire nails (1898)¹.

Almost all of them have nowadays an inoffensive environmental effect, excepting a strong modelling of natural landscape in the ancient down town.

II The planned industries

Although for the Romanian economy the meaning of the word “planned” is dichotomist, meaning an action that was wished for and an unhappy one at the same time, on the level of territorial effects it is extremely simple to clarify and understand – the appearance of the second large industrial zone, balancing the first one, with a strong metallurgical mark, sustained by the same positional favourability. This latter zone is situated in the western part of the city, beyond the Cătuşa Valley, on the Soldanului Hill, a favourable location from the viewpoint of space, of the loess thickness which ensures the sustainability of a construction pressure free of risks, of the distance from the city and from the viewpoint of the direction of the air masses which pull away the pollutants.

The metallurgical industry existing in this part of the city still applies the economic principles of stocking-redistributing and stocking-processing on the basis of which the industrial activities such as sorting the iron ores and the iron and steel industry appeared after 1965.

Arcelor/Mittal Steel S.A.

The product of an era organized according to questionable political and economical reasons, Galati Iron and Steel Plant has undergone during its evolution several stages of glorious image, productivity and economic efficiency, criticism and decline.

If in 1992 the plant had more than 38,000 employees, in 2010 their number decreases to approximately 11,000, while the turnover increases from approximately 540 bln lei in 1995 to 40,000 bln lei in 2004. After the 2004 privatization, Arcelor Mittal Steel has become the largest private

¹ Brezeanu, I., Munteanu, G.N., ibidem.

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company in Romania, the company's turnover going beyond 2 billion dollars in 2004. The transactions based on barter were eliminated immediately after the privatization. The production increased from 3.7 million tonnes in 2001 to approximately 5 million tonnes in 2004. About two thirds of this production is destined to the external markets, the rest being contracted by companies in Romania, where Mittal Steel has a market share of 90-95%.

Other groups of activities and products as well present in Galati go under the same subsection of metallurgical industry: the coking of coal, the production of primary and semi processed ferrous metals, the production of steel and cast iron tubes, other metallurgical activities, smelting houses, nonferrous metals, etc. There are almost 20 companies in this field and their importance on this industry landscape is given by the degree of specialization and the quality of certain products¹.

Other worth mentioning units of production in the same field of metal constructions and metal products are: *The wire, nails and chains factory* (I.S.C.L.) which produces naval chains, *The metallic accessories factory* (FAM), ELNAV etc.

They are located either on the industrial platform in the west, or in multiple locations on the north-western and northern framework of the city. A thin belt is thus starting to take shape which tends to surround the existing urban area.

The environmental problem is extremely active: the pollutants affect the air and water quality, the waste products are incompletely treated and the influence on the city reflected in frequency diseases.

III The industry of present dynamics of the community

In this type of approach, industry is perceived especially as a product of the local community decision, as a form of planning controlled

¹ Here are some of these:

- *Trefo SA*, company founded in 1955, which produces industrial nails and chains, hot zincified wire;
- *Galfinband SA* founded in 1984, producer of laminated plates;
- *Profiland* – group of firms, comprising *Profiland Ltd* and *Intfor SA*, the latter being more than 80 years old – producer of pipes and steel profiles.

and sustained by the local power as part of the local development policy. Locating the activities is not as dependent on the classic factors anymore and we witness dispersion, according to territorial niches, lands status, fiscal opportunities, accessibility to the sustaining infrastructure, etc. Consequently, at the level of Galati city the third generation industries are diverse and located either to the north of the city, or in the interstices among the previous industrial zones, i.e. on the north-western, northern, southern and south-eastern belt.

The scientific and technological park – the Galati Software Park

The initiative of this neo-industrial structure (the fourth generation industry belonging to the quaternary sector) belongs to a consortium of four local actors: The Galati County Council, The Galati Local Council, “Dunărea de Jos” University and NAVROM – the Galati business centre, based on the model of a similar project of the government of Bavaria land.

Its general objectives, creating an environment adequate for the functioning of the SMEs and creating/developing a significant number of SMEs equipped with advanced technology of high productivity, are already confirmed and made use of by the approximately 30 companies (recently created enterprises or branches of well-known companies) that are active inside the park and which have approximately 300 employees.

Food industry

Food industry made its appearance in the economic landscape of Galati county when the first *meat can factory*¹ was founded; it distinguished itself from the typical trade environment and from the techniques used in the old meat processing factories in Galati by the most modern mechanical tools of the age in that field.

Meat production, processing and preserving is concentrated today in two major categories of producers: companies with a complex production profile (farm, slaughter house, processing, and distribution) and small

¹ The locals called it the pickled meat factory. The English Golnder's factory becomes one of the most important industrial factories in Moldova at the middle of the 19th century, to be technologically competed later by the Austrian Krodop' investment in the same field of activity.

I. Brezeanu, op. cit., p. 71

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producers. These are present especially in the northern part of the city, which thus becomes the concentration zone of food industry, although the city valley also hosts several units in this field. There are also present:

Oil industry, which had an explosive development in Galati at the end of the 19th century. At the beginning of the first decade of the 20th century, *E. Dinermann and sons* factory was founded and in 1923 the present *Prutul*¹ factory was built.

Vegetable and animal fats and oils production is present by *Prutul SA* Company which has 500 employees who ensures an average annual production of 17,000 tonnes of refined oil.

The milling, breading and flour paste ware industry is one of the oldest sub-branches in the food industry of Galati county as well as the meat industry but which, contrary to the latter, has had a more stable presence along the years through the series of “descendants” of the *French society of mechanical mills and bakeries of the Danubian Principalities*², among which the flour paste ware, biscuits and sugar products factory *Dunăreana* (the today *Galmopan SA*), founded in 1895, is the most representative.

Fruit and vegetables processing and preserving

Taking into account the agro-productive capacity of Galati area it is natural to have a relatively high concentration of companies in this sector due mainly to the vegetable raw material.

SC Seromgal SA, the largest company of this type in Galati, has an annual average of 2,000 tones of can production but the producer's singularity resides in the fact that it is the owner of an important piece of land (approximately 280 hectares)

The beverage industry

The beverage industry also includes the *production of beer*, situated in the production unit of *SC Martens SA* in Galati. This is a company with capital that comes integrally from the ex-Galati Beer Factory³.

¹ The factory built in 1923 would bear the Fleming name, and the products are sold under the “Salamas Fleming Galati” trade mark having as insigne an eagle on a crown.

² The company with French capital Durand Prosper founded in Galati, in 1858, a mechanical mill and a bakery (I. Brezeanu, op. cit., p. 71).

³ The ex Beer factory called after 1990 SC RO BEER SA, changes its name in 1998 to SC

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The textile industry and textile products suppliers

After the interwar period witnessed the most effervescent development of the textile industry with Romanian or mix private capital, the concentration of the 40 enterprises of textile industry under the insignia of the state property will still be preserved 40 years later, being replaced by a new stage of dispersion of the phenomenon from a categorical viewpoint – after 1991.

The Galati landscape of the textile industry is marked by 15 companies that have as their main object of activity *textile industry, knitwear and ready-made clothes*¹.

Today, the textile industry at the county level is represented by the activity of *preparing and spinning the fibres and by the production of various fabrics*.

The shoe industry

A very significant aspect here is the multitude of producers. The difference among them can be analysed both from the viewpoint of size (number of employees, production) and from the viewpoint of production orientation. Out of the 40 companies focused on ready-made clothes one can notice companies such as Cozamin Ltd, whose economic success makes it representative for this kind of evolution, SC Progresul com specialized in protection equipment for Mittal Steel as well as Galatex, Galfirtes, etc. which are located all over the city area, not having the same rules of peripheral distribution.

Conclusion

The city has three industrial zones, as follows: two situated in balance position, belonging to the first and to the second generation of industries, and a third one situated in the central-northern part. These last

Martens SA as a result of taking the majority share stock by BROUWERIJ MARTENS n.v., the fourth beer producer in Belgium, having a tradition longer than 8 generations of beer makers, called in 2000 the Martens Group.

¹ The industry of ready-made clothes is among the most efficient activities through the high degree of adaptability, the insertion of products on the external markets, cheap and qualified labour force. The textile and ready-made clothes industry is represented by the activity of several successful companies after 2000.

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are joined by companies of recent dynamics, IT and light industry respectively, which form a local network that encompasses all three poles. Practically, the city is « enclosed » by an industrial east-north-west belt, fact which limits the future expansion of other industrial zones, taking into account the dynamics of the other territorial components, especially of the residential area in the northern part.

By its geographical position and also by its urban structure and texture the Galati city will be forced in the forthcoming to rethink, through its public and private structures, the internal industrial function and its spatial distribution.

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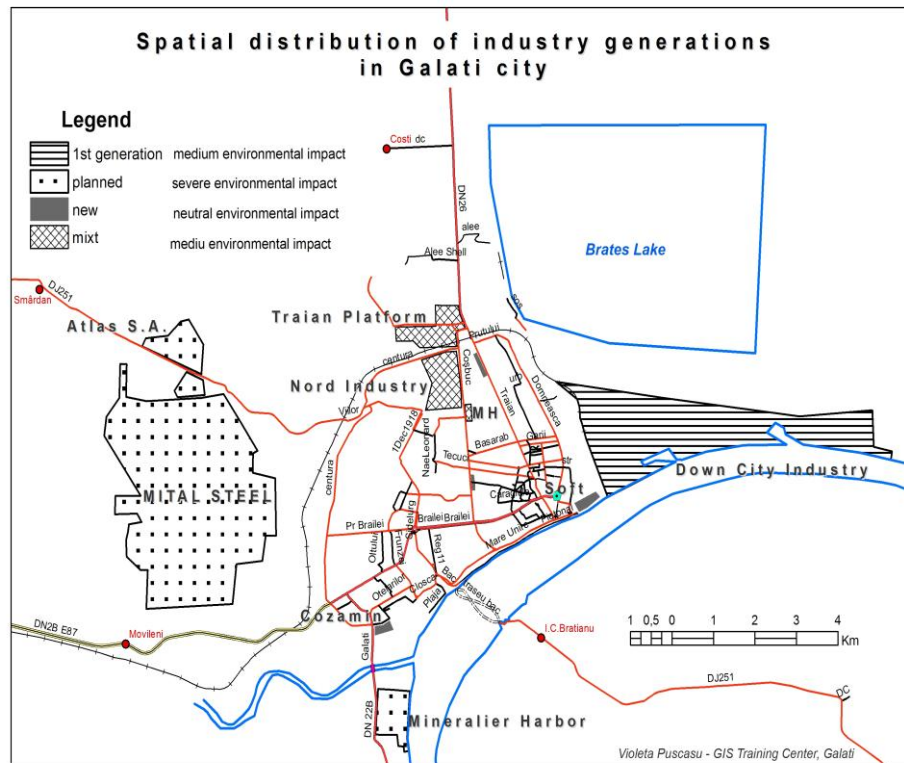


Figure 1: Spatial distribution of industry generations in Galati city