

The Revival of Monotowns in The Republic of Kazakhstan Based on the Application of Territorial Marketing Tools

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Abstract

The development of monotowns remains one of the most pressing issues in today's environment. Monotowns contribute to the development of industries in many sectors of the economy. This article describes approaches to the revival of monotowns. The aim of the study is to develop a modern approach and strategy for the development of monotowns based on territorial marketing tools. The study was conducted using a triangulation approach, which combines several sequential methods. The method of comparison, analysis and observation was applied in the research. Results of the study: conceptual approaches to the revival of monotowns were summarized, a new approach to the revival of monotowns was developed and the strategy for the development of monotowns with the use of territorial marketing tools was disclosed. The application of territorial marketing tools for the revival of monotowns was substantiated. Development proposals for each city are recommended. The results of the study have practical significance and can be applied by local government, the government to improve the quality of people's lives and solve the problem of monotowns development.

Keywords. monotowns, small cities, territorial marketing, regional development.

JEL codes: R11

1 Introduction

The development of monotowns is necessary for the efficient functioning of the economy. The development of monotowns contributes to economic growth, job creation and improvement of urban infrastructure. One of the urgent issues in modern conditions is the development of monotowns, as there are 27 monotowns in the Republic of Kazakhstan with a population of 1757,418 people and 32 city-forming enterprises. Supporting the economy of monotowns is one of the tasks of the state of the Republic of Kazakhstan. For these purposes, a programmer for the development of monotowns in the Republic of Kazakhstan was adopted (Programmer for the Development of Single-industry Towns in the Republic of Kazakhstan, 2012). However,

despite the measures taken, there are still many unresolved problems. Most cities are in a difficult socio-economic situation. Many monotowns remain in a depressed state: the population is falling, the outflow of people to more developed cities is increasing, and unemployment is growing. Therefore, internal and external needs should be studied, and territorial marketing tools should be applied for this purpose. Using the system of territorial marketing positioning allows to implement long-term programmers of territorial development aimed at improving the development of the economy and the quality of life of people.

2 Literature review

Many researchers have devoted their work to the study of monotowns revitalization approaches. Inis H.A. (Inis, 1940) and Landis P.H. (Landis P.H., 1940) conducted the first study devoted to monotowns A.G. Granberg offers his approach to revitalization of monotowns, in particular, as a city that concentrates a single industry or activity (A.G., Granberg). G. Green emphasizes a deep connection between the society and the city-forming enterprise (G. Green, 1992).

T. Rohner (Rohner, 2021) develops monotowns as foreign cities, however, he does not suggest the methods which might achieve the mentioned goal. A. Taylor (Taylor, 2020) suggests that the demographic indicators for the development of monotowns should be improved, and he has conducted a similar review in Australia in the context of gradual demographic changes in such regions. The approach to revitalizing monotowns through technological development is suggested by Taneo, S. Y. M., Noya, S., Melany, M., Setiyati, E. A. (Taneo, S. Y. M., Noya, S., Melany, M., Setiyati, E. A. 2022.). Scholars have argued that the future of monotowns depends on innovation, which is also the case in the Republic of Kazakhstan. Bolter, K., Robey, J. Suggest that monotowns may develop on the basis of improved socio-economic indicators. (Bolter, K., Robey, J. 2020). Other scientists, in particular, A. Nurgalieva, M. Karimbergenova, L. Moldashbayeva and others (Nurgalieva, Karimbergenova, Moldashbayeva and others, 2019) suggest developing cities based on their specialization. Scientists A. A. Kireyeva, N. K. Nurlanova and A. Kredina (Kireyeva, Nurlanova, Kredina, 2022) propose their approach to the revival of monotowns based on the study of the social and economic condition of depressed areas of Kazakhstan, taking into account the path of development of similar regions in foreign countries. Scientists A.A. Satubaldin, N. K. Nurlanova argue that a differentiated approach to solving the problem is necessary (N. K. Nurlanova, 2017).

Minister of National Economy Republic of Kazakhstan Alibek Kuantyrovo said that so far 18,000 jobs have been created in monotowns for the mining, metallurgical, chemical, agricultural, construction and machine-

building industries and a pool of 86,000 anchor projects worth 2,100,000,000 tenge has been formed. For further development, it is proposed to increase the delta limit for capital construction of housing stock and engineering infrastructure, to develop master classes for solving socially significant problems of settlements, and to intensify work on creating new investment projects (Kuanyrov A, 2023). The main approaches to the development of monotowns are provided for in the state programmer for regional development. This programmer provides for state support measures aimed at creating new jobs, developing the economy, and supporting small and medium-sized businesses. We believe that a triangulation approach, which combines several methods at each stage, can be applied to solve the major problem of monotowns development. The aim of this study was to develop a modern approach and strategy for the development of monotowns on the basis of territorial marketing tools.

3 Methodology

A considerable number of different kinds of research methods were used during the work. For example, some data from official websites of enterprises, which are fundamental to monotowns in Kazakhstan, was used. During the study, a triangulation approach was applied, which made it possible to identify the main factors that had a significant impact on all components of the socio-economic development of monotowns in Kazakhstan and depict them as separate interrelated processes that form a single system of influence. The method of comparison is used to consider the main indicators of monotowns' development (Table 1).

Table 1 - Key indicators of the development of monotowns in the Republic of Kazakhstan.

№	City	Population in 2017	Population in 2022	Number of employed in city-forming enterprises in 2017	Number of people employed in city-forming enterprises in 2022	Average salary in monotowns in 2017.	Average salary in monotowns in 2022.
1	Stepnogorsk	77678	67851	38675	37850	120000	120000
2	Chromeplying	34636	26737	26780	20700	130 000	130000
3	Tekeli	40943	33000	18564	16000	125000	125000

4	Kulsary	61900	60472	32563	30675	130000	130000
5	Altai	46890	36116	18563	16451	110000	110000
6	Kurchatov	8220	7310	5310	4310	113000	113000
7	Ridder	67098	57097	35678	25013	120000	120000
8	Serebryansk	9234	8429	5238	4234	140000	140000
9	Zhanatas	32876	22383	12344	11343	130000	130000
10	Karatau	33564	30214	16781	15212	120000	120000
11	Aksay	41385	40400	21450	20134	130000	130000
12	Balkhash	80786	79167	36180	35160	150000	150000
13	Zhezkazgan	10675	91633	45786	45322	130000	130000
14	Carajal	19383	18426	91342	90756	130000	130000
15	Saran	62456	52020	3500	2500	140000	140000
16	Satpaev	70786	69776	34786	33756	150000	150000
17	Temirtau	19134 2	18622 9	97675	96745	160000	160000
18	Shakhtinsk	59564	57152	26875	25678	150000	150000
19	Be careful	29456	28365	20654	19343	130000	130000
20	Arkalyk	29564	28249	15568	14567	140000	140000
21	Jithikara	35765	34736	17786	15736	150000	150000
22	Lisakovsk	41150	40150	35678	34678	140000	140000
23	Rudny	13041 4	12951 7	11657	11382	150000	150000
24	Janaozen	16081 0	150 700	77123	75123	150000	150000
25	Aksu	45435	44714	3300	2200	130000	130000
26	Ekibastuz	14441 2	14341 1	71876	70452	140000	140000
27	Kentauyu	21567 8	21316 3	180976	160450	150000	150000
28	In total	1782 101	1757 418	100270 2	193847 2	3536 000	353600 0

Note - compiled by the authors on the based https://forbes.kz/finances/finance/kak_menyalis_tsenyi_i_zarplatyi_v_kazah_stane_za_10_let/
<https://bizmedia.kz/2023/02/08/zarplaty-poloviny-naemnyh-rabotnikov-v-kazahstane-ne-izmenilis-za-god/>

If we consider the dynamics of demographic and economic indicators for 5 years, the population decreased by 24 683 people, the number of those employed in township-forming enterprises decreased by 935 770 people. A high differentiation of wages in monotowns remains. Wages have not changed

at all. There is a need for modernization of monotowns. Thus it is expedient to define what factors have influenced the outflow of the population and deterioration of socio - economic indicators. In our study we relied on the method of comparison as using this method it is possible to obtain new knowledge about the conceptual approaches and strategies for the development of monotowns. Using this method it is possible to determine the barriers and opportunities for urban development. The method of observation allowed us to determine the factors affecting the development of monotowns (figure 1).

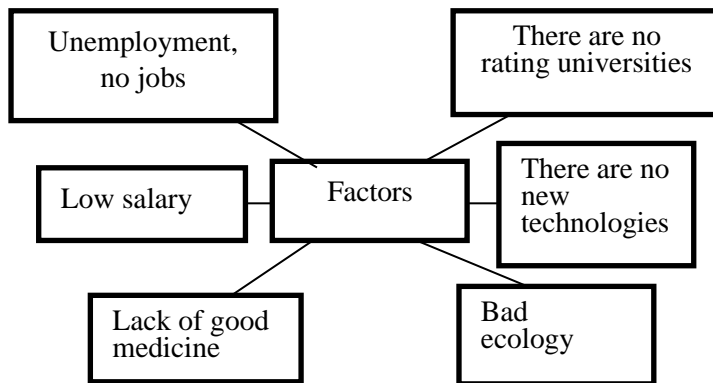


Figure 1 – Factors influencing the depressive state of monotowns.
 Note - developed by the authors.

Thus, having studied the main factors influencing the development of cities, we conclude that marketing positioning is necessary, as territories are becoming an active participant in the market of goods, works and services, offering buyers advantages.

4 Results and discussion

In order to build a development strategy for monotowns in the Republic of Kazakhstan, let us consider the specific features of these monotowns (Table 2).

Table 2 - Specific features of monotowns

№	City	Year of foundation	Description
1	Stepnogorsk	1959	Gold and polymetals are produced. Metallurgical, mining, engineering and chemical industries are developed
2	Chrome plating	1940	There are 7 schools and a mining college. Leader in chrome ore mining.

3	Tekeli	1937	Production, extraction and processing of ores, lead and pig iron. Tekeli's role was invaluable during the Great Patriotic War, every eighth bullet was produced from Tekeli lead.
4	Kulsary	1937	Major oil and gas reserves discovered. A major oil field center.
5	Altai	1791	There is a well-developed mining and manufacturing industry. It is one of the producers of agricultural products.
6	Kurchatov	1947	There is a dairy plant, a bread factory, and pre-schools. The city has a national nuclear center with several branches - geology, nuclear physics and nuclear power engineering.
7	Ridder	1786	Metal ore deposits. In 1786 the first deposits of gold, silver and polymerase were discovered. In 1850, the ores from the Ridder deposit were commended in London.
8	Serebryansk	1952	The main industry is electricity generation and the production of personal respiratory protection.
9	Zhanatas	1969	In Zhanatas, phosphorite ore is mined at the Kok-Jon deposit and a wind farm is being built with the China Corporation.
10	Karatau	1963	The center of the chemical industry. Extraction, primary processing and supply of raw materials was carried out. There are facilities for the production of fur products.
11	Aksay	1936	The Karachiganak oil field was discovered.
12	Balkhash	1932	There is a branch of the West Kazakhstan Technological University, an agricultural technical school, gas industry enterprises, a railway station and newspaper publications.
13	Zhezkazgan	1939	The city's economy is based on metallurgy, with oil deposits nearby. There is a city-metallurgical plant. Poor quality of drinking water, air pollution.
14	Carajal	1950	There is a new and richest iron-manganese ore deposit.
15	Saran	1954	The economy is characterized by industrialization. It produces hard coal, limestone and raw materials for building materials.
16	Satpaev	1954	A land with a rich copper ore reserve. Here there is a deposit of cuprous sandstone, which is the second-largest in the world.

17	Temirtau	1909	A city of high culture. There is a choreographic ensemble at international level.
18	Shakhtinsk	1955	Food processing companies are on the rise. Four coal mines for coal production
19	Abay	1949	Abay garment factory. There is a functioning central hospital.
20	Arkalyk	1956	Listed as a depressed city with a very high unemployment rate. Bauxite deposits, raw material for aluminum production.
21	Zhitikara	1939	There were 12 gold mines and 2 chemical plants. 100% asbestos was produced. Gold-bearing ore is mined.
22	Lisakovsk	1960	The Lisakovsky University of the Rudnetsk Industrial Institute is functioning. 305 small and medium-sized enterprises.
23	Rudny	1955	Iron ore deposits were discovered, Rudny is a city of metallurgists and builders. Rich in attractions.
24	Zhanaozen	1964	Rich in oil
25	Aksu	1899	Deposits of hard coal in the Lake Ekibastuz area were found.
26	Ekibastuz	1898	Coal mining, power generation, production
27	Kentau	1952	There are brick factories, a building materials factory, a clothing factory. There are mines where copper, lead and silver were mined.
Note - compiled by the authors			

All characteristics and components of the development potential of monotowns interact with each other: thus, a negative condition concerning one of them will inevitably affect the other, and vice versa. On this basis, it is possible to form the directions of monotowns ' development using the tools of territorial marketing. As scientists Tovma, N.A., Shurenov, N.B., Bimendiyeva, L.A., Kozhamkulova, Z.T., Akhmetova, Z.B. note, the development of the application of territorial marketing tools contributes to improving the quality of life. (Tovma, N.A., Shurenov, N.B., Bimendiyeva, L.A., Kozhamkulova, Z.T., Akhmetova, Z.B). We believe that monotowns can be developed along the following lines (Table 3).

Table 3 - Anticipated directions of monotowns ' development in the Republic of Kazakhstan on the basis of territorial marketing tools.

№	Cities	Industry for development	Rationale
1	Stepnogorsk	Mining	Introduce new technologies and investments to increase and extract ores.

			To build shopping and entertainment centers. To strengthen jobs.
2	Khromtau	Leader in chrome mining.	To improve the city's infrastructure to improve the well-being of its citizens.
3	Tekeli	Tourism	There is potential for development of tourism - picturesque mountains, Saiga waterfall.
4	Kulsary	Oil	A refinery could be built to refine oil to sell petrol and car oils to the market.
5	Altai	Tourism	It is a picturesque place. The Hamir River flows into the Bukhtarma.
6	Kurchatov	Nuclear	Build a modern nuclear power plant to produce electricity.
7	Ridder	Mining	Develop tourism. Attract investments to increase ore extraction.
8	Serebryansk	Chemical industry	Build additional capacity to increase capacity of air purification filters at Serebryanskiy inorganic plant.
9	Zhanatas	Chemical industry	Increase output of bauxite, phosphate rock. Allocate investments to rehabilitate the phosphate industry.
10	Karatau	Light industry	Rejuvenate the fur enterprise
11	Aksai	Oil	Increase the extraction and sale of oil
12	Balkhash	Tourism, science	Build a fish processing factory. Universities - The Kazakh Fisheries Research Institute, which can apply for grant and programme-targeted funding, is functioning.
13	Zhezkazgan	Transport industry	It has the potential to become a logistics center. As it connects north-south, west-east.
14	Karajal	Mining	Introduce new technologies and investments for ore mining
15	Saran	Chemical	To develop agriculture, to develop manufacturing.
16	Satpaev	Metallurgical	To develop the metal industry.
17	Temirtau	Metallurgical	Develop small and medium-sized businesses.
18	Shakhtinsk	Coal	Develop coal mining.
19	Abay	Coal	Develop coal mining
20	Arkalyk	Coal	Develop white and black marble deposits.
21	Zhitikara	Mining	Build an asbestos factory and develop markets.

22	Lisakovsk	Mining	Rebuild the chemical f factory.
23	Rudny	Mining	Introduce new technologies in ore production and mining
24	Zhanaozen	Oil	Build oil and gas refinery, establish production of machine oil.
25	Aksu	Mining	Increase the capacity of the power plant by building power units and sell electricity to countries, as well as the possibility of supplying electricity to the railway for the development of electric trains.
26	Ekibastuz	Coal	Construction of shopping malls with cinemas. Which will create more jobs.
27	Kentau	Mining	Need investment to mine and process polymetallic ores. Increase construction of excavators for sale in domestic market of other monotowns in Kazakhstan.
Note - compiled by the authors			

It is worth noting that there is currently no separate legislation that regulates the development of monotowns; however, there are separate laws that refer to them in one way or another.

For example, Law On Environmental Protection , 2006; Law On local government, 2001; Law On architectural, urban planning , 2001 and others. For the revival of monotowns it is necessary to adopt a strategy for the development of monotowns of the Republic of Kazakhstan, which should include tools of territorial marketing.

Thus, the development of monotowns can be achieved by using the tools of territorial marketing, namely:

- 1) preservation and attraction of able-bodied population, bringing them up to the level of world standards of personnel attraction,
- 2) Retention of enterprises with scientific potential,
- 3) attraction of investment,
- 4) implementation of transportation functions,
- 5) developing vocational education system
6. Attracting tourists,

Application of all above mentioned instruments will allow development of monotowns.

5 Conclusion

Thus, in the course of the study we have studied various approaches to the revival of monotowns. The main indicators of monotowns ' development for 5 years have been analyzed using a triangulation approach, which

combines several methods: observation, interview, survey, questionnaire and analysis. At the same time, it has been noted that there are still problems related to staff drain, demography, wages, unemployment in monotowns of the Republic of Kazakhstan. At the same time, the study identified the factors influencing the development of this problem. The specific features of each of the 27 monotowns in Kazakhstan are considered. Recommendations for the development of each monotowns on the basis of territorial marketing are offered. At the same time the strategy of development of monotowns with the use of territorial marketing tools is constructed.

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