

## SYSTEM MODEL OF INCLUSIVE DEVELOPMENT MANAGEMENT OF RURAL-URBAN AGGLOMERATIONS OF UKRAINE

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Received 12 03 2023; Accepted 20 04 2023

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### Abstract

The reform of decentralization of public power and management, which was carried out in Ukraine by transferring power and resources from central authorities to the level of united territorial communities (UTCs) and districts, makes increased requirements for the management of the process of cohesion and development of these socio-spatial formations on the basis of inclusiveness. Given this, the article substantiates the need to build system management an inclusive development of UTCs and districts identified as convergent type rural-urban agglomerations. The orientation of the redistribution of power and its consequences for the inclusivity of these agglomeration formations was found, the value of this phenomenon was revealed to overcome socio-spatial disproportions, determine the structure and measurements of system model management of inclusive development of these agglomerations. Theoretical generalizations and practical recommendations made according to the results of the study are distinguished by scientific novelty and are important for the post-war restoration of Ukraine.

**Keywords:** decentralization, inclusive development, united territorial communities, districts, system management model, rural-urban agglomerations, Ukraine.

**JEL Codes:** A12, M48, O18.

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### Introduction

Management of the inclusive development of administrative-territorial units of the basic and district levels, which as a result of the decentralization reform formed a single rural-urban space, is of great importance for overcoming socio-spatial disparities and creating welfare inclusion in it. The object of study is the trends of inclusive development UTC and districts, which are identified as rural-urban agglomerations. The subject of the

research is the process of building a development management system of rural-urban agglomerations on the basis of inclusiveness. The hypothesis of the study is based on the assumption that the process of formation of UTC and of new districts was carried out without sufficient scientific justification and took place in the conditions of manifestation of separatist tendencies and the influence of external aggression of the

neighboring country, which negatively affected the implementation of the reform. In this way, a problem arose, in the justification and introduction into social practice of an extensive management system for the inclusive development of rural-urban agglomerations. The achievement of the goal of the research was facilitated by the implementation of the following tasks: identification of the consequences of decentralization for the existing system of power-management relations; disclosure of the phenomenon of rural-urban socio-spatial inclusiveness; regarding the need to develop a management system for the inclusive development of rural-urban agglomeration formations of a continuous type. The solution of the mentioned problem is distinguished by novelty, has not only theoretical relevance, but also acquires a fateful significance for the further post-war recovery of Ukraine on the basis of inclusiveness.

### **Methodical approach**

The research period includes the time period from the beginning of the decentralization reform (2015) and ending with the current state of functioning of the UTC and districts. The empirical basis of the study consists of normative legal acts dated 2014 and subsequent years, which are directly related to the process of formation of UTC and the formation of new districts in 2020; statistical data, posted on official websites, regarding the quantitative composition of all UTC and districts of Ukraine without exception. Their characteristics in the cross-section of regions were tracked, informational materials of public authorities related to socio-economic and political processes taking place within UTC and districts were analyzed; taken into account own observations of the author team regarding the process of managing the inclusive development of rural-urban agglomerations, which found their imprint in their respective publications.

The previous work carried out contributed to the formation of a stable idea about the conditions, organizational and legal foundations of the process of creating UTC and districts, on the basis of which the classification of UTC and districts was carried out according to certain characteristics. Analysis of Ukrainian

and foreign literary sources was carried out, were selected accordingly to the hypothesis, goal and objectives of the research. Main provisions and conclusions are based on the interdisciplinary principle and application of scientific approaches and research methods. The use of a synergistic approach made it possible to follow the manifestation of the inclusiveness of rural-urban agglomerations as a consequence of the effect of the inclusion of rural and urban settlements into a single social space. The systematic approach contributed to the formation of an idea of the types and categories of UTC and districts belonging to the unified system of the country's administrative-territorial system, to the identification of types and measurements of the management system of the inclusive development of these agglomerations. The institutional approach helped to reveal the influence of economic, social and political institutions on the redistribution of power of management subjects, on the sectoral and socio-spatial focus of the inclusive development of rural-urban agglomerations. The use of the statistical method made it possible to reveal quantitative characteristics, compositive of rural-urban agglomerations and their connection with the manifestation of ruralization and urbanization trends of these socio-spatial formations; comparisons – to determine the common and distinctive features of various types of UTC and districts, their consideration in the development of a system for managing the development of these entities on the basis of inclusiveness; of SWOT analysis – to assess the advantages and disadvantages, strengths and weaknesses of the inclusive development of rural-urban agglomerations in terms of different types and categories of UTC and districts; of analysis and synthesis – for take into account the contradictory nature of the relationship of such paired dichotomies as “alienation – inclusion”, “exclusivity –inclusiveness”, “segregation – integration”; of induction and deduction – to find out the impact of agricultural land, types of economic activity on the level and degree of social integration of rural and urban settlements that are part of the UTC and districts.

## Literature review

In this review, the main attention is paid to works in which emphasize the creation of institutional prerequisites for rural-urban inclusion and the management the process of formation an inclusive environment within the spatial boundaries of the UTC and districts. In this sense, the monograph of Acemoglu D. and Robinson J. (2012) attracts attention, which emphasizes that inclusive economic institutions encourage a large number of people to participate in economic activities with the maximum disclosure of their talents, abilities, professional skills, and the corresponding political institutions widely distribute real power in society between various forces and groups, limit the monopoly of each group in the exercise of power, forming a pluralistic political system. This approach is followed and by the authors of the collective monograph edited by Borodina O. M. (2020). They note that the institutional component of inclusive development refers to the rules and mechanisms that regulate the actions of agents involved in this development. Mayovets E. Y. and Maiovets Y. M. (2020), defining the structure of the institutional model of inclusive development of the agro-environment, distinguish political-legal, financial-economic, social-cultural and organizational-management mechanisms in it. Recognizing the effect of synergy on the formation of institutional prerequisites for the phenomenon of socio-spatial inclusion, Pavlov O. I. et al. (2022), emphasize that it is only an impetus for obtaining the final result, which should be achieved on the basis of inclusive development of endogenous and exogenous convergence of UTC and districts. And it is possible to achieve this on the basis of the implementation of the policy of inclusive development. According of Borodina O. M. and Prokopa I. V. (2018), the withdrawal of Ukrainian agrarian policy from solving the problems of rural development opened an opportunity for the maximum use of the resource potential of the village and the added value created in the agro-food sector for the enrichment of certain business groups and

ignoring the interests of villagers and other rural residents. Such a policy not only harms the village, but is also detrimental to agriculture itself, as it depletes the resource base for its further development. That is why, in their opinion, this policy needs to be reviewed and adjusted. This position is shared by Hrytsenko A. A. (2016), insisting that overcoming the imperfection of state policy in the conditions of the transition from fragmented to systemic inclusiveness should be facilitated by structural policy, to which financial, monetary, innovative and other components of policy. The main direction its reformation – diversification of the economy, overcoming its one-sidedness and disproportionality. The focus in the opinion of this author there should be is on three groups of tasks: solving the basic problems of people's livelihood, which remained unresolved due to the inversion nature of market transformations, – food, housing, health; infrastructure development (roads, transport, communications); creation of conditions for innovative development (education, science, innovation). Berdegúe J. et al. (2015), comparing different types of policies, consider that territorial development policies do not replace and are not “better” than sectoral policies. But territorial inequality cannot be eliminated without a territorial development strategy. For this reason, these authors note, territorial unity should be considered as an important normative aspect of development. McGranahan G. et al. (2016) are convinced that the consequence of the unsatisfactory state of rural districts is the implementation of neoliberal state policies aimed at the state's refusal to regulate capital, as a result of which influential players got the opportunity to advance their interests through land development. Reinders S. et al., 2019, note that since 2013, the policy of inclusive development has been implemented in African countries in the following areas: economic growth with structural transformation of the economy; productive employment; social protection to reduce poverty and inequality; provision of quality services in education, health care, finance, infrastructure, housing, water supply to

create human capital; territorial development and spatial equality; quality governance.

As international experience shows, it is extremely important to take advantage of the consequences of decentralization, which contributes to the integration of the development of cities and villages due to the even flow of labor, land resources and capital between cities and villages. Thus, in China, this was made possible by the fact that the central government has paid close attention over the years to support the development of agriculture, the countryside and farmers, as well as the balanced distribution of land and capital between urban and rural areas (Zhou and Yang, 2023). This helps to overcome spatial disparity and extreme poverty (Shantir, 2022). At the economic returns from decentralization are always higher with effective local governance, especially in places that are surrounded by regions with a high level of self-government (Rodriguez-Pose & Mustra, 2022).

Considerable attention is paid to spatial management, which aims to achieve effective, fair and sustainable use of land space and relatively balanced development of territories through participation in the distribution of resources. This type of management is considered as an adaptation and reconstruction of spatial planning, but its content is not limited to spatial planning, and also takes into account the role of government, market, society and legislation in the management system (Liu W., 2014). Ovaska U. et al. (2021), paying considerable attention to rural-urban interconnections, identify mechanisms of network management and synergies between rural and urban areas. Chinese researchers highlight the prominent role in rural-urban integration of the Rural Revival Strategy developed in 2017, which aims to address the key challenges of rural development and increase the potential and competitiveness of sustainable development by realizing industrial prosperity, environmental improvement, rural civilization, of effective management and prosperous life on the village. This document is based on the idea that the countryside gives rise to cities, and the relationship between the countryside and the city should be considered

as a mother-child relationship (Yang Y. et al., 2021).

The formation of a common rural-urban space requires a transition from autonomous development of villages and cities to integrated urbanization, which will allow to reduce the gap in socio-economic development between urbans and rural districts (Zhu & Guo, 2022) or to provincial model of urbanization, which will stimulate sustainable and inclusive development of rural areas due to three factors – urban population, industrial structure and foreign direct investment (Huang & Zheng, 2022).

## **Research results**

### ***Consequences of decentralization for the system of power-management relations.***

As part of the reform of decentralization of public power and management, launched in Ukraine in 2015, a transformation of power-management relations took place on the basis of their diversification and democratization. This was manifested, on the one hand, in strengthening the role of the state in managing social development, and expanding the powers of local executive bodies, local self-government bodies, the public, and business entities on the other. As a result, instead of a vertical management hierarchy, a management system was formed that takes into account the interests of the state, regions, districts, communities, industries, wide range of population, and business.

This tendency found its manifestation in the formation of UTC and the formation of new districts. Within the basic and district levels of the administrative-territorial system of Ukraine, socio-spatial agglomeration formations of a continuous type with a “mixed” composition of the population (the exception is rural communities), a variety of resources and functions arose. Currently, 1,438 UTCs and 119 districts function in Ukraine. Rural communities predominate among UTC – 626 units (43.5%), 432 (30.0%) are settlemental, and 380 (26.5%) are urban.

A manifestation of the community model of decentralization is its implementation not vertically – from the central executive authorities to regional state authorities, but horizontally –

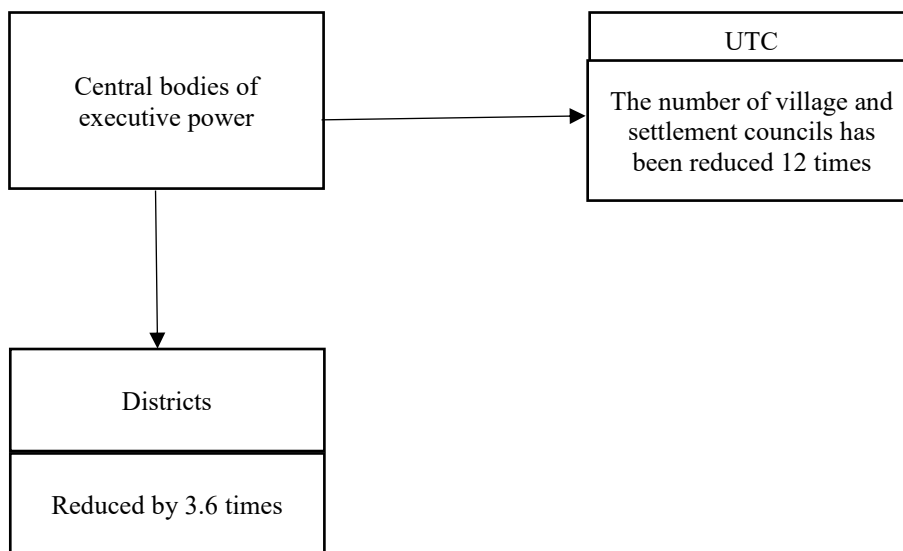
from the state authorities to consolidated communities by transferring financial resources, authority and responsibility to them.

Implementation of horizontal decentralization resulted in a significant reduction in the number of communities and their self-governing bodies – councils; increase, as a result of the concentration of settlements and resources, of the financial and economic capacity of UTC (among their administrative centers are six regional centers); creation of rural-urban agglomerations of a continuous type with the aim of to solve the current socio-economic, political and socio-cultural problems of these socio-spatial formations.

Such transformations affected the redistribution of not only the functions, but also the powers of the central executive bodies, districts, and UTC (Fig. 1).

There have been corresponding changes in the structure and name of some ministries.

Thus, in 2019, instead of the Ministry of Regional Development, Construction and Housing and Communal Services of Ukraine, the Ministry of Development of Communities and Territories of Ukraine was created, which eventually took over the functions of the canceled Ministry of Infrastructure of Ukraine. Judging by the name, this newly created body should mainly take care not of the development of the regions, but of the UTC. In fact, decentralization led to the implantation of local self-government in the matter of state administration, its total dependence on the state (Batanov O.V. 2014). The name of the new ministry, firstly, indicates the artificial division of its sphere of influence into society (community) and spatial boundaries of the community (territory), secondly, staying under the “guardianship” of the state body of self-governing unit contradicts the principles of the European Charter of Local Self-Government.



**Figure 1. Scheme of implementation of decentralization in Ukraine**

*\*Source: compiled by the authors.*

Decentralization of public power and management in its community format took place in the form of transformation of her structural elements, united by common features, for making effective decisions in the interests of the population of a certain local space and the country as a whole.

The transition of the UTC budget to direct relations with the Budget of Ukraine, the transfer of resources to localities, the expansion of the tax base had a positive effect on their incomes. However, the expenditure part of these budgets, which is aimed at ensuring the livelihood of communities, has also grown significantly. In addition, in

contrast to the budget of districts and cities of oblast significance, the expenditures of the budgets of UTC are not socially oriented, but investment-oriented.

After the designation of consolidated districts of cities, which are regional centers, as administrative centers, their economic activity and corresponding powers increased significantly in comparison with UTC.

Decentralization of power and management has significantly expanded the economic powers of business entities, which actualizes the issue of the nature of relations in the public-power triangle “state – business – society”.

In the absence of reforming the territorial organization of power at the regional level, it can currently be noted that the economic powers of regional state authorities depend not so much on their distribution from the state budget, the possibilities of which are extremely limited, but is determined by the budgetary potential of the districts, cities of regional significance, and UTC, which are included to the composition of a certain region. The share of financial resources distributed among subjects of authority forms the total volume of local budget expenditures and their share in the country's GDP. Economic relations within the region are determined by the share of own revenues in the structure of revenues of local budgets, which indicates the degree of financial and economic independence of each of these budgets separately from transfers from higher-level budgets.

The strengthening of the financial and economic capacity of the UTC, the consolidation of districts, the transformation of regional centers into district centers leads to a weakening of the power influence of regional councils and regional state administrations, under whose control it became fewer relevant district administrations.

Given the priority of financial and economic decentralization over political and administrative decentralization, it should be taken into account that business, as the main bearer of economic power, will direct its investments to those administrative-territorial units where a favorable investment climate

will be created, appropriate resources and proper market infrastructure will exist.

So, the implementation of the reform of decentralization of public power and management has one of its main consequences redistribution of economic powers in the system of territorial organization of power in favor of UTC and districts identified as rural-urban agglomerations.

***The phenomenon of rural-urban socio-spatial inclusiveness.*** The emergence of such a socio-spatial phenomenon as rural-urban agglomerations with the prospect of their transformation into a certain inclusive environment requires an in-depth conceptualization of socio-spatial inclusiveness as such. First of all, it is advisable to distinguish the potential possibilities of inclusiveness, which is limited to the space of individual communities and districts, regardless of the composition of their population. It is another matter when it comes to inclusiveness of rural-urban agglomeration formations, which are settlement and urban communities with a “mixed” composition of the population and districts. In any case, the deployment of inclusion and its spread to all categories of UTC and districts should take place step by step by overcoming the antagonism within such paired dichotomies: “alienation – inclusion”, “exclusivity – inclusiveness”, “segregation – integration”.

The first stage of the deployment of inclusion – involvement, marked by the presence of a common living environment of members of territorial communities and districts who are residents of urban, village and rural settlements, with signs of rural-urban agglomerations. The second stage – of inclusion means the participation of all layers of the population of agglomerations in the process of social reproduction, in the system of power relations, in the everyday life of communities and districts. The third stage – of integration, that is, it – the real implementation of social transformations with the active participation of all population groups without restrictions age, gender, social, political, religious, ethnic, and physical characteristics. The result of inclusive development is the



achievement of a certain state and level of the community, which forms an environment of social harmony and inclusion of well-being, in which there are no social discrimination on any grounds and social injustice.

UTC and districts that successfully overcome alienation, having gone through all stages of inclusive development, can be classified as rural-urban agglomerations of the continuous-convergent type.

It should be emphasized that there are distinctive features of rural-urban agglomerations, which distinguish them from urban agglomerations. Rural-urban agglomeration formations, in our opinion, have the following specific features: small size; the predominance in their composition of the population of villages, townships, small and medium-sized cities; absence, with some exceptions, of central cities and large secondary cities; low population density; non-diversified employment of the population and predominantly agri-food and rural-urban orientation of development.

The state and degree of inclusiveness of rural-urban agglomerations is determined by their financial and economic capacity, which is ensured by the available resource potential, adequate infrastructure, employment of the economically active population, investment attractiveness and technical and technological equipment of local enterprises. A lot also depends on the indicators of demographic development, the management system, and the availability of professionally trained personnel.

Therefore, it is about the potential development opportunities of these

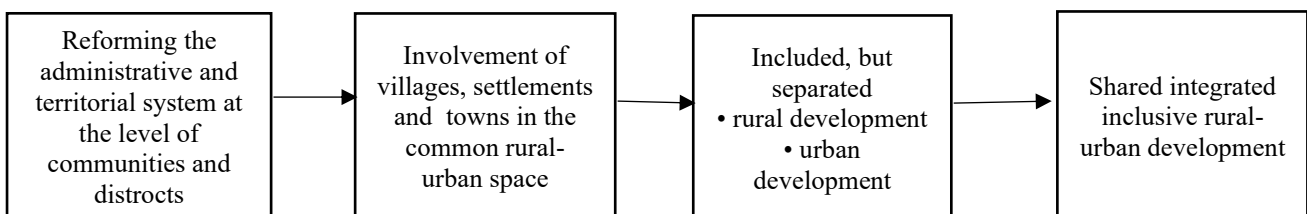
agglomerations regarding their prospects on the way to the inclusion.

According to Krugman, R. (1991), the dynamism of the development of rural-urban agglomerations largely depends on the factors of “first nature” (those that are little dependent on human activity: the provision of territories with natural resources, as well the advantage from their geographical location) and of “second nature” (they are achieved thanks to human efforts: the agglomeration effect, human capital, tools that contribute to the improvement of the entrepreneurial climate, the spread of innovations, depend on the infrastructure that shortens distances).

It is obvious that according to the totality of the first group of factors, villages have competitive advantages over cities, in relation to the second group of factors villages are to the sidelines of scientific, technical and innovative development.

In the conditions of separate functioning of communities and districts in the pre-reform period, these factors contributed to the formation of socio-economic disparities in their development. Currently, conditions have been created for an organic combination of rural and urban advantages in the mutual interests of their population. This is the synergistic effect of the reform of the territorial organization of society for the inclusive development of rural-urban agglomerations.

With the formation of UTC and of new districts, a certain generation of rural development took place, its transformation into rural-urban development (Fig. 2).



**Figure 2. Genesis of inclusive rural-urban development**

*\*Source: compiled by the authors.*

The orientation of rural-urban inclusive development is manifested through its sectoral and socio-spatial (rural, urban, more often “mixed”) dimensions. We are talking about such types of sectoral orientation of inclusive development as agricultural, industrial, agro-industrial, transport, construction, infrastructural and service (social, trade, household, tourism, health and recreation).

In order to create and maintain an inclusive environment, it is important that all members of communities, different strata of the population of the districts are psychologically ready and socio-economically motivated to participate in public, social, economic and political activities. That is, the onset of inclusion is possible only with the active participation in this process of the subjects of its creation.

On the basis of tracking the deployment of the process of inclusive development of UTC and districts, three types of it have been determined. The first type – rural-communital, characteristic of the respective UTC, with a dominant agrarian branch and rural socio-spatial orientation of inclusive development. The second type – urban-settlement-communital, corresponds to the basic level of the corresponding units of the administrative-territorial system of Ukraine. It reflects certain properties of city and settlement UTCs, which are derived from the population of the administrative center, the resource potential of communities, the state of their infrastructure, and production specialization. The third type is the district type, consists of a set of communities which included in it. Its inclusive potential depends not only on the financial and economic capacity of communities, but also on the stability of connections and relations formed as a result of the interaction of rural, settlement and urban UTC among themselves and with the district center, from socio-economic potential of this center. In this sense, the status of the centers of districts (towns – centers of regions, towns of regional importance, towns of district importance) is also important.

The phenomenon of inclusive development of rural-urban agglomerations is largely determined by the presence within these socio-spatial formations of a large number of

rural UTC and villages and, accordingly, a considerable number of rural population, a significant area of agricultural land, which together determine the agrarian sectoral, as well as the rural socio-spatial focus of their functioning. Moreover, the human and land resources of the villages in the post-reform period became the common property of the UTC and the districts and one of the determining factors of their inclusive development. Thus, agrarian development finally lost its purely territorial-rural features, and rural development out of bounds rural space.

This process takes place under the mutual influence of urbanization and ruralization, which have turned into “connected vessels” through which the advantages of urbanity and rurality of the common living environment of rural-urban socio-spatial formations are mutually used.

Based on the analysis of the ratio of manifestation in the common rural-urban space of urbanization and ruralization, the formation of three types of rural-urban continuum was revealed: with dominance in one case of rural orientation of development, urban – in the second, of balanced orientation in third case.

Towns play a key role in joint rural-urban development on an inclusive basis. At the same time, the size of towns is of great importance for the formation of rural-urban partnerships. Based on this feature, three types of partnership can be distinguished. The first type of them with central towns that accumulate significant flows of investments and are sources of diffusion of innovations), is characteristic of UTC and districts, the centers of which are regional centers and other towns of regional importance with a population of more than 200.000 persons, the second (towns perform the function of social and cultural and trade and household services of surrounding villages), is characteristic of rural-urban agglomeration formations, the centers of which are towns with a population of 100.000 to 200.000 persons, the third type is a formed around towns with a population of up to 100.000 persons. The first type of partnership is classified as a functional-spatial system “metropolis – suburban zone” with a high level of urbanization, with an industrial branch and



an urban socio-spatial orientation of development. The second (the “relatively large towns – rural hinterland”) is distinguished by a moderate level of urbanization, with an agro-industrial and urban-rural orientation of development, the third (the “agri-rural town – rural depopulation zone”) has an agri-rural development orientation. The centers of these agglomerations provide mainly administrative services.

At the same time, in the process of forming a joint rural-urban inclusive environment, it is important to take into account the existing risks and threats, one of which is the manifestation of “urban selfishness”, which is manifested in the efforts of the urban communities to obtain one-sided benefits from their alliance with villages and in neglecting the interests of rural communities.

Therefore, the creation of rural-urban agglomerations as a result of the decentralization reform requires their further development on the basis of inclusiveness, the dynamics of which largely depends on the effective management system of this process.

***Reorganization of a management system for inclusive development of rural-urban agglomeration formations of a continuous type.*** The term “reorganization” is used in this case in a figurative sense and is interpreted as a rethinking of the existing system of public administration on a democratic and self-governing basis and one that corresponds to the radical changes taking in development of rural-urban agglomerations on the basis of inclusiveness in conditions of decentralization of power and management.

The reorganization of the management system is based on taking into account its internal structure, which consists of the object, management subjects and management relations, within which direct and reverse object-subject and subject-subject connections are formed.

The proposed management system model is built in compliance with the principle of subjectivization of the object, which made it possible to distinguish the types of management model (administrative-territorial, sectoral, socio-

spatial), taking into account her of territorial, subjectal, resourcal, sectoral and functional dimensions. In this sense, the presented systemic model of management of inclusive development appears extensive and multidimensional.

The administrative-territorial type of management is derived from the organizational and management principles of the reform of the territorial organization of power, and is represented by the communal level with its rural and settlement-town varieties and the district level. In view of the quantitative ratio of rural, township and city self-governing units, it is the village-community variety of the first specified type of management that is predominant. And this means that the motivated involvement of the members of rural communities in solving the socio-economic problems of these communities through the use of economic, legal, organizational and psychological methods governance is the key to creating an inclusive environment in the rural-urban space.

The determinant of the sectoral type of management is mainly agricultural employment of the rural population of UTC and districts, with the exception of those whose administrative centers are large cities. Agricultural lands, as an important component of the natural environment, are not only actively used in agriculture, but also in the field of tourism and in health and recreational activities. The role of land resources as a spatial basis for the expansion of city boundaries, placement of production facilities, infrastructure, objects social purpose, and housing has grown significantly. At the same time, agricultural land remains the main means of agricultural production.

Therefore, the agrarian orientation of inclusive development is inherent in all rural and a significant number of other UTCs. This trend is even more characteristic of the districts. This situation is typical for all regions of Ukraine, and primarily for the western regions, where the share of the rural population is 52.6%, and rural communities – 46.4%. At the same time, on average, one oblast of the Western region has a significantly smaller area of agricultural land than other regions. However, this region has its advantages. The presence of the Carpathian

Mountains here is useful for the development of ski tourism. In the same way, unique natural resources are characterized by the UTC and the districts of the Southern region, Donetska and Zaporizka oblasts.

The industrial focus of inclusive development is inherent in urban UTC and districts, the administrative centers of which are cities with a population of more than 200.000 persons and other industrial centers.

The socio-spatial type of management of the inclusive development of rural-urban agglomerations is determined by the ratio of the rural and urban population in their composition and the manifestation of rural or urban ways of life that coexist within the common environment. In this sense, certain UTCs are by definition predominantly rural or urban. The situation in the districts is somewhat more complicated in this respect.

Of the ten most rural districts, eight are in the western oblasts. Among them are five mountain districts, the population of three of which does not exceed 100.000 persons. The presence among others of two rural districts, which are part of the Odeska oblast, is evidence of the fragmentation of the settlement network in the southern part of Ukraine.

Among the administrative centers of the districts, small towns and even urban-type

settlements (Verkhovynskyi, Dnistrovskyi districts) predominate. In the structure of settlements of these districts, the share of villages is more than 96%.

He centers of only four of the ten most urban districts are regional centers, the others are subordinate to large industrial cities, which represent only the eastern oblasts. Severodonetskyi and Bakhmutskyi districts, although they do not have rural UTCs in their composition, but with the existing rural population, they are also rural-urban agglomeration formations with a dominant urban socio-spatial orientation of inclusive development.

The socio-spatial type of management is not limited to the planning of certain territories, since the composition of rural-urban agglomeration formations includes UTC and districts, which formed priorities regarding the use of their own space. It is about exercising managerial influence on social processes that have signs of inclusiveness. Certain prerequisites were created for this during the territorial reform.

Table 1 presents various dimensions of the system model for managing the development of rural-urban agglomerations on the basis of inclusiveness.

**Table 1. System model of management of inclusive development of rural-urban agglomerations\***

Management dimensions				
Spatial	Subjectal	Resourcal	Sectoral	Functional
<ul style="list-style-type: none"> <li>Rural-urban agglomerations, which include rural, township, urban UTC and districts</li> </ul>	<ul style="list-style-type: none"> <li>State authorities</li> <li>Local governments</li> <li>Business structures</li> <li>Public organizations</li> <li>UTC</li> <li>Separate persone</li> </ul>	<ul style="list-style-type: none"> <li>Natural</li> <li>Human</li> <li>Artificially created</li> </ul>	<ul style="list-style-type: none"> <li>Agrarian</li> <li>Industrial</li> <li>Constructional</li> <li>Transportational</li> <li>Infrastructural</li> <li>Serviceal</li> </ul>	<ul style="list-style-type: none"> <li>Productional</li> <li>Social</li> <li>Environmental protection</li> <li>Health-recreational</li> </ul>
Model of management				
state-self-governing communal-districtal	Public	Socio-ecologico-technological	Service-agrarian-industrial	Basic- secondaral

\* Source: compiled by the authors.

The territorial dimension presented in the table of the system model of management of the inclusive development of rural-urban agglomerations reflects the basic and district levels of these formations.

The subjectal dimension reflects the vertical (state-self-governing) and horizontal (coordination-control) management axes, which in the first case correspond to the authority of state authorities and local self-government bodies and participation in the management process of public organizations and business structures in the second.

Subjects of public administration, having different sources of power and interests inherent in them and acting within the limits of defined power and management powers, are united by a single goal – to promote social harmony. To achieve this harmony, each of the subjects of public administration must make certain efforts. State authorities should accompany the transfer of power to other participants in public administration with the liberalization of business conditions, strict control over the distribution and redistribution of the expenditure part of the budget, in compliance with the institutional principles of social development. Business structures are designed not only to protect corporate interests through consumer needs for high-quality and socially significant goods and services, but also to form an environment of civil society based on the middle class on the basis of public-private partnership. Local self-government bodies, the boundaries of whose powers are established by communities, are designed to protect the rights of territorial communities. Communities as a whole, and not only UTC, are called not only to perform self-governing functions on their own territory, but also to contribute to the integration and reconciliation of the interests of communities throughout the country. Public organizations, as the most democratic institution of public power, are called to exercise appropriate control over the social process in accordance with the scope of their own interests and the statutory rights of the organization. However, none of the listed subjects of public

administration is able to fully perform their power and administrative functions for the sake of social harmony and inclusion until each individual turns into a citizen capable of realizing his natural rights as of primary subject of self-government and of the only source of power in Ukraine.

In the resourcal dimension, the main role is played by perfect management of land use, since it is land resources that are not only the main asset of agglomerations, but also the subject of a clash of interests of the rural and urban public, business and the administration of the UTC and districts. In case of effective use of this resource, productive employment of the population will be ensured, which means the economic basis of inclusion.

The content of management of inclusive development in the sectoral dimension is determined by the ratio of agrarian and industrial sectors and the development of the service sector, which depend on the production specialization of UTC and districts, the available resource base, the composition of the population. The analysis based on these indicators shows the dominant role of the agricultural industry. The meaning of management according to the specified dimension is to ensure innovative and technological development of the agrarian industry and diversification of economic activity.

The functional dimension of management of the inclusive development of rural-urban agglomerations consists in the conformity of its model with the main functions of these formations, including basic and secondary ones.

Certain of their models correspond to the characterized dimensions of management - state-self-governing communal-districtal, public, socio-ecologo-technological, service-agrarian-industrial and basic-secondaral.

When reorganizing the management system of rural-urban agglomerations of Ukraine, one should take into account the foreign classification regarding the management regime of such formations. One of them is self-oriented or strongly egocentric in the way of management (China); the second is external, specific to

European countries; the third is a variant of internal or weakly self-centered, characteristic of Japan. In general, these three regimes reflect differences in the management of rural-urban areas between Eastern and Western countries, which has far-reaching consequences for the local and realistic development of rural-urban spatial (Ye C. et al., 2022). It is extremely appropriate to determine the relevance of Ukrainian management practice to the characterized management regimes.

The management process, as is known, depends on the presence of a balanced policy and the adoption of unified decisions from one center of power. This is hindered by the practice of separate management of the development of these agglomerations: the decision of social development issues is entrusted to the Ministry of Development of Communities, Territories and Infrastructure of Ukraine, and economic and industry issues to the Ministry of Economic Development, Trade and Agriculture of Ukraine.

### **Conclusions**

The results of the study on the management of the inclusive development of rural-urban socio-spatial formations revealed the commonality of scientific and practical problems that occur in different countries, which indicates its scientific relevance and practical value.

The horizontal vector of decentralization of public power and management in the format of a self-governing communal model, in 2020 was supplemented by the management vertical (district model), led to the formation within the common rural-urban space of the “hybrid” form of management. The decrease in the number of district state administrations due to the formation of new districts and the reduction in the number of village and settlement councils contributed to the strengthening of the role of district councils, village, settlement and town heads in solving local issues. Accordingly, regional state administrations and regional councils concentrated their efforts on regional development strategies, on strengthening control and coordination functions of management.

As a result of the decentralization reform, the number of administrative-territorial units, primarily at the basic level, significantly

decreased, under which there were significantly more communities than before. That is, there was a real concentration of the population, settlements, authorities and relevant powers at the local level. In this way, a conflict field of conflicting interests of representatives of central and peripheral communities, the administration of the district center, and the heads of the UTC are formed.

The presence of the phenomenon of rural-urban agglomerations, different from urban agglomerations, made it possible to track the process of the deployment of inclusive development, taking into account its agrarian sectoral and rural socio-spatial orientation. The agrarian context of this process demonstrated Ukraine's significant potential for post-war recovery. At the same time, inclusive development requires each person to understand what his personal goal is and the role of his own efforts in this process, taking into account physical, social, intellectual, material and spiritual capabilities. This is one of the fundamental principles of inclusiveness.

Some authors see a danger in the development of decentralization processes in Ukraine in the adaptation of the oligarchic model to the conditions of decentralization (Maksymchuk & Klyoba, 2019). The key role in preventing this process belongs to the state, which, as evidenced by successful world practice, should turn into a “developmental state” that will reflect with its policy not only the narrow corporate interests of business but primarily the interests of the entire population of the country (Kindzerskyi, 2020, p.115).

The problems of the inclusive development of rural-urban agglomerations are also due to the significant difference in the number of population and area that exists between the different UTC, which puts them in unequal conditions. In particular, some regional centers (Vinnytsia, Zhytomyr, Ivano-Frankivsk, Lutsk, Sumy, Ternopil) acquired the status of UTC centers. More than 100,000 people live in each of the twenty largest urban UTCs, and less than 10,000 people live in the ten smallest urban UTCs. The same differentiation exists between rural UTCs, ten of which have more than 20,000 people, while the population of each of the twenty-two

smallest communities does not exceed 3,000 people.

There are also significant differences between boroughs, with the eight largest having over 500,000 residents each, while the nine smallest each have under 100,000 residents.

Reorganization of the management system for the inclusive development of rural-urban agglomerations requires taking into account the manifestation within them of the processes of urbanization and ruralization, the sectoral and socio-spatial orientation of the functioning of the object of managerial influence. This approach was the basis for the development of an extensive multidimensional management model, which has a complex internal structure that reflects the content of the inclusion object. However, such a system model

can be effective only if there is a balanced policy and strategy for the inclusive development of rural-urban agglomeration formations.

The development of rural-urban agglomerations on the basis of inclusiveness will contribute to overcoming significant differences between the city and the countryside and to the formation of an inclusive society on this basis.

In our opinion, further scientific research in this direction should be focused on the development of their functional-management models, which will reflect the development trends of certain types of socio-spatial agglomeration formations on the basis of inclusiveness.

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